

REPORT TO SUBCOUNCIL 18

18SUB13/2/2020

1. ITEM NUMBER :

2. SUBJECT

**SPECIAL RATING AREA (SRA) AUDITED FINANCIAL STATEMENTS
AND ANNUAL REPORTS: 2019**

3. PURPOSE

To comply with Section 11(8)(a) & (b) of the Special Rating Areas By-law 2012 as amended 2016 (SRA By-Law) by submitting the Audited Financial Statements and Annual Reports of the SRAs in its area of jurisdiction to Subcouncil 18

4. FOR DECISION BY

For noting by Subcouncil 18.

5. EXECUTIVE SUMMARY

In accordance with the SRA By-law, Section 11(8)(a) & (b), the 2018 Audited Financial Statements and the Annual Reports of the following SRAs are submitted for noting by the Sub-Council 18.

6. RECOMMENDATIONS

That Subcouncil 18 notes the contents of the Audited Financial Statements and Annual Reports of the Special Rating Areas.

7. DISCUSSION/CONTENTS

Section 11(8)(a) & (b) of the SRA By-law reads as follows:

“Within two months after the Annual General Meeting, the management body must provide the relevant Subcouncil with –

- (a) its audited financial statements for the immediately preceding year; and
- (b) an annual report on its progress in carrying out the provisions of the business plan in the preceding year to improve and upgrade the special rating area.”

Accordingly the Annual Report and the Audited Financial Statements are submitted to the Subcouncil.

Subcouncil is to note the contents thereof.

Subcouncil is to note the contents thereof.

7.1. Constitutional and Policy Implications

This report complies with the provisions of Section 11(8)(a) & (b) of the SRA By-Law

7.2. Sustainability implications

Does the activity in this report have any sustainability implications for the City?	No x <input type="checkbox"/>	Yes <input type="checkbox"/>
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7.3. Environmental implications

Does your report have any environmental implications:	No x <input type="checkbox"/>	Yes <input type="checkbox"/>
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7.3.1 The SRA does not affect the IMEP (Integrated Metropolitan Environmental Policy)

7.4. Legal Implications

This report complies with the provisions of Section 11(8)(a) & (b) of the SRA By-Law.

7.5. Staff Implications

Does your report impact on staff resources or result in any additional staffing resources being required?

No x ☐

Yes ☐

7.6. Other Services Consulted

Not applicable.

ANNEXURES

Annual Report and the Audited Financial Statement of the following are attached:

1.
- 2.

FOR FURTHER DETAILS CONTACT:

NAME	Runan Rossouw
CONTACT NUMBERS	021 400 5148
E-MAIL ADDRESS	: Runan,Rossouw@capetown.gov.za

.....
SUBCOUNCIL ... MANAGER

Comment:

DATE 12/02/2020.

**SUBCOUNCIL
CHAIRPERSON:**
.....

Comment: _____

KEEP THE DREAM 307 NPC
(Registration number 2010/010325/08)
Trading as Zeekoevlei Peninsula Special Rating Area
Annual Financial Statements
for the year ended 30 June 2019

Keep The Dream 307 NPC

(Registration number: 2010/010325/08)

Trading as Zeekoevlei Peninsula Special Rating Area

Annual Financial Statements for the year ended 30 June 2019

General Information

Country of Incorporation and domicile	South Africa
Nature of business and principal activities	The company is principally engaged in the managing of the collective interest common to all its members in the Zeekoevlei Peninsula Special Rating Area
Directors	JA Day JG Day AJ Plew-Chisholm SG Penney
Registered office	MRC House 23 Victoria Road Grassy Park 7941
Business address	MRC House 23 Victoria Road Grassy Park 7941
Auditors	Cecil Kilpin & Co. Chartered Accountants (S.A.) Registered Auditors
Secretary	Waterford Mews Secretarial Service CC
Company registration number	2010/010325/08
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.

Keep The Dream 307 NPC

(Registration number: 2010/010325/08)

Trading as Zeekoevlei Peninsula Special Rating Area

Annual Financial Statements for the year ended 30 June 2019

Index

The reports and statements set out below comprise the annual financial statements presented to the members:

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The following supplementary information does not form part of the annual financial statements and is unaudited:	
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Independent Auditor's Report

To the members of Keep The Dream 307 NPC

Opinion

We have audited the annual financial statements of Keep The Dream 307 NPC (the company) set out on pages 7 to 14, which comprise the statement of financial position as at 30 June 2019, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Keep The Dream 307 NPC as at 30 June 2019, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the annual financial statements section of our report. We are independent of the company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of annual financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (Part A and B). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The directors are responsible for the other information. The other information comprises the Directors' Report as required by the Companies Act 71 of 2008, which we obtained prior to the date of this report, and the supplementary information as set out on page 15. The other information does not include the annual financial statements and our auditor's report thereon.

Our opinion on the annual financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Annual Financial Statements

The directors are responsible for the preparation and fair presentation of the annual financial statements in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008, and for such internal control as the directors determine is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report

Auditor's responsibilities for the audit of the Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Cecil Kilpin & Co.
Chartered Accountants (SA)
Registered Auditors
Per Partner: N Nyback

Century City
Date: 29 August 2019

Keep The Dream 307 NPC

(Registration number: 2010/010325/08)

Trading as Zeekoewiel Peninsula Special Rating Area

Annual Financial Statements for the year ended 30 June 2019

Directors' Responsibilities and Approval

The directors are required by the Companies Act 71 of 2008, to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.


The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the company's cash flow forecast for the year to 30 June 2020 and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.


The external auditors are responsible for independently auditing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on pages 3 to 4.

The annual financial statements set out on pages 7 to 15, which have been prepared on the going concern basis, were approved by the board and were signed on its behalf by:

Director

 JOHN DAY

Director

 P.J. TLOU


Cape Town

Date:

29 August 2019.

Declaration by the company secretary

In our capacity as company secretary, we hereby confirm that to the best of our knowledge and in terms of the Companies Act 2008, that for the year ended 30 June 2019, the company lodged with the Registrar of Companies all such returns as are required of a Company in terms of this Act and all such returns are true, correct and up to date.


Waterford Mews Secretarial CC

Date:

29 August 2019

Keep The Dream 307 NPC

(Registration number: 2010/010325/08)

Trading as Zeekoevlei Peninsula Special Rating Area

Annual Financial Statements for the year ended 30 June 2019

Directors' Report

The directors have pleasure in submitting their report on the annual financial statements of Keep The Dream 307 NPC for the year ended 30 June 2019.

1. Nature of business

Keep The Dream 307 NPC was incorporated in South Africa with interests in the managing of the collective interest in common to all its members in the Zeekoevlei Peninsula Special Rating Area. The company operates in South Africa.

There have been no material changes to the nature of the company's business from the prior year.

2. Review of financial results and activities

The annual financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008. The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the company are set out in these annual financial statements.

3. Directors

The directors in office at the date of this report are as follows:

Directors

JA Day

JG Day

AJ Plew-Chisholm

SG Penney

There have been no changes to the directorate for the period under review.

4. Events after the reporting period

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

5. Auditors

Cecil Kilpin & Co. continued in office as auditors for the company for 2019.

6. Secretary

The company secretary is Waterford Mews Secretarial Service CC.

7. Liquidity and solvency

The directors have performed the required liquidity and solvency tests required by the Companies Act 71 of 2008.

Keep The Dream 307 NPC

(Registration number: 2010/010325/08)

Trading as Zeekoevlei Peninsula Special Rating Area

Annual Financial Statements for the year ended 30 June 2019

Statement of Financial Position as at 30 June 2019

	Note(s)	2019 R	2018 R
Assets			
Non-Current Assets			
Property, plant and equipment	2	40,569	-
Current Assets			
Trade and other receivables	3	1,848	2,787
Cash and cash equivalents	4	229,397	221,984
		231,245	224,771
Total Assets		271,814	224,771
Equity and Liabilities			
Equity			
Retained income		269,395	224,771
Liabilities			
Current Liabilities			
Trade and other payables	5	2,419	-
Total Equity and Liabilities		271,814	224,771

Keep The Dream 307 NPC

(Registration number: 2010/010325/08)

Trading as Zeekoevlei Peninsula Special Rating Area

Annual Financial Statements for the year ended 30 June 2019

Statement of Comprehensive Income

	Note(s)	2019 R	2018 R
Revenue	6	503,122	466,949
Other income	7	24,022	49,096
Operating expenses		(490,728)	(483,460)
Operating profit		36,416	32,585
Investment revenue	9	8,208	8,020
Profit for the year		44,624	40,605
Other comprehensive income		-	-
Total comprehensive income for the year		44,624	40,605

Keep The Dream 307 NPC

(Registration number: 2010/010325/08)

Trading as Zeekoevlei Peninsula Special Rating Area

Annual Financial Statements for the year ended 30 June 2019

Statement of Changes in Equity

	Retained Income R	Total equity R
Balance at 01 July 2017	184,166	184,166
Profit for the year	40,605	40,605
Other comprehensive income	-	-
Total comprehensive income for the year	40,605	40,605
Balance at 01 July 2018	224,771	224,771
Profit for the year	44,624	44,624
Other comprehensive income	-	-
Total comprehensive income for the year	44,624	44,624
Balance at 30 June 2019	269,395	269,395

Note(s)

Keep The Dream 307 NPC

(Registration number: 2010/010325/08)

Trading as Zeekoevlei Peninsula Special Rating Area

Annual Financial Statements for the year ended 30 June 2019

Statement of Cash Flows

	Note(s)	2019 R	2018 R
Cash flows from operating activities			
Cash generated from operations		40,462	34,236
Interest income		8,208	8,020
Net cash from operating activities		48,670	42,256
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(41,257)	-
Total cash movement for the year		7,413	42,256
Cash at the beginning of the year		221,984	179,728
Total cash at end of the year	4	229,397	221,984

Keep The Dream 307 NPC

(Registration number: 2010/010325/08)

Trading as Zeekoevlei Peninsula Special Rating Area

Annual Financial Statements for the year ended 30 June 2019

Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The annual financial statements have been prepared on a going concern basis in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act 71 of 2008. The annual financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 Significant judgements and sources of estimation uncertainty

Key sources of estimation uncertainty

Trade receivables

The company assess its trade receivables and loans and receivables for impairment at the end of each reporting period. Determining whether an impairment loss should be recorded in profit and loss, the company makes judgement as to whether there is observable data indicating a measureable decrease in the estimated future cash flows from financial assets.

1.2 Property, plant and equipment

Property, plant and equipment are tangible assets which the company holds for its own use or for rental to others and which are expected to be used for more than one period.

Property, plant and equipment is initially measured at cost.

Cost includes costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the company and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the period in which they are incurred.

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses, except for land which is stated at cost less any accumulated impairment losses.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the company.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Security equipment	Straight line	5 years

When indicators are present that the useful lives and residual values of items of property, plant and equipment have changed since the most recent annual reporting date, they are reassessed. Any changes are accounted for prospectively as a change in accounting estimate.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

Keep The Dream 307 NPC

(Registration number: 2010/010325/08)

Trading as Zeekoevlei Peninsula Special Rating Area

Annual Financial Statements for the year ended 30 June 2019

Accounting Policies

1.2 Property, plant and equipment (continued)

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

1.3 Tax

Tax expenses

Tax expense is recognised in the same component of total comprehensive income or equity as the transaction or other event that resulted in the tax expense.

Keep The Dream 307 NPC

(Registration number: 2010/010325/08)

Trading as Zeekoevlei Peninsula Special Rating Area

Annual Financial Statements for the year ended 30 June 2019

Notes to the Annual Financial Statements

	2019 R	2018 R				
2. Property, plant and equipment						
	2019	2018				
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Security equipment	41,257	(688)	40,569	-	-	-
Reconciliation of property, plant and equipment - 2019						
	Opening balance	Additions	Depreciation	Closing balance		
Security equipment	-	41,257	(688)	40,569		
3. Trade and other receivables						
Prepayments			1,848	1,908		
VAT			-	879		
			1,848	2,787		
4. Cash and cash equivalents						
Cash and cash equivalents consist of:						
Bank balances			62,399	41,193		
Short-term deposits			166,998	180,791		
			229,397	221,984		
5. Trade and other payables						
VAT			2,419	-		
6. Revenue						
Services rendered			503,122	466,949		
7. Other income						
Donations received			11,040	15,600		
Retention refunds			12,982	33,496		
			24,022	49,096		
8. Depreciation, amortisation and impairments						
The following items are included within depreciation, amortisation and impairments:						
Depreciation						
Property, plant and equipment			688	-		

Keep The Dream 307 NPC

(Registration number: 2010/010325/08)

Trading as Zeekoevlei Peninsula Special Rating Area

Annual Financial Statements for the year ended 30 June 2019

Notes to the Annual Financial Statements

	2019 R	2018 R
9. Investment revenue		
Interest revenue		
Bank	8,208	8,020

Keep The Dream 307 NPC

(Registration number: 2010/010325/08)

Trading as Zeekoevlei Peninsula Special Rating Area

Annual Financial Statements for the year ended 30 June 2019

Detailed Income Statement

	Note(s)	2019 R	2018 R
Revenue			
Services rendered		503,122	466,949
Other income			
Donations received		11,040	15,600
Interest received	9	8,208	8,020
Retention refunds		12,982	33,496
		32,230	57,116
Operating expenses			
AGM advertising		2,590	2,513
Annual duty		100	100
Bank charges		1,612	1,481
Depreciation		688	-
IT expenses		2,393	2,391
Insurance		3,758	3,695
Security		477,587	466,323
Social responsibility expenses		2,000	6,957
		490,728	483,460
Profit for the year		44,624	40,605

SRA Members Meeting Held at ZVYC on Tuesday, 19th November 2019

1 Registration

- a. Members signed off against membership list at front door. List to be scanned and placed in Drop Box [done]
- b. Forms were provided for previous members who had not yet signed the updated form
- c. Non-members register also catered for.

2 Welcome & Apologies

- a. Chair – Jenny Day
- b. Welcome to members, residents and City of Cape Town Council Representative Runan Roussouw
- c. Apologies received from:
 - i. Dalton Gibbs
 - ii. Nikki Stock
 - iii. Theo Stock
 - iv. Joan Mallinson
 - v. Dagny Warmerdam
 - vi. Jimmy Baigrie

Committee members present: Graeme Cann (GC), Jenny Day (JAD), John Day (JGD), Helen Higson (HH), Susanne Karcher (SK), Helen Lockhart (HL), Stew Penney (SP), Andy Plew-Chisholm (APC), Lee Watson (LW)

2.1 Membership

2.1.1 Resignations

No new forms received from 20 previous members

2.1.2 New members

3 new members

City to be requested to inform us of new residents for our records **JAD**

2.2 Quorum to constitute a meeting

- a. The meeting was constituted with 19 members, more than the 10 members (20% of 47 = 9.4) required for a quorum.

3 Minutes of previous AGM

3.1 Approval

- a. Proposer: Helen Higson Seconder: Susanne Karcher Outcome: Approved

3.2 Matters Arising

- a. New Cameras: APC thanked by members for spearheading this.
 - i. Road Surfacing: the Committee was requested to investigate resurfacing of Peninsula Road and a C3 was instigated but can't be claimed by SRA – it was in progress before the SRA enquired (and just before elections).

4 Chairman's Report

This report covers the period 1st July 2018 to 30th June 2019. During this period the committee was active primarily with security but also in the other areas of activity detailed in our business plan.

A summary of each portfolio is to be found below and detailed data for each portfolio are provided in the accompanying PowerPoint document (<ZVPSRA AGM 2019>).

5 Feedback on Operations 2018–19

a. Public Safety (Graeme Cann taking over from Mark Ohlson)

i. History:

- 13 incidents in 2019 (2 burglaries)
- 8 incidents in 2018 (1 burglary)
- 30 incidents in 2017
- 68 incidents in 2016 was the peak in the past 8 years

ii. Serious Incidents noted and reported in 2019: 8

- Narcotics – 1 incident
- Burglary – 1 incident
- Robbery – 1 incident
- Theft – 2 incidents
- Vagrancy – 2 incidents

iii. In comparison, Lotus River and surrounding areas reported 444 burglaries from residential premises from April 2018 to March 2019.

b. Traffic Control (Graeme Cann)

- Many residents do not adhere to the 40km speed limit.
- We are working to address this via signage (thanks to Helen Lockhart for signage ideas).
- Concern raised about UCT sailing club being some of those that speed.
- Additional speed humps are unrealistic due to budget constraints – two were approved after a meeting between some residents and Cllr Gordon – may be catered for in the next financial year.
- Members thanked Graeme for taking on this portfolio.

c. Cleanliness & Environment (Helen Higson's portfolio)

- Generally open spaces are clean and tidy.
- There is occasional dumping of garden refuse or builders' rubble.
- SRA monies may have to be spent on removing this.
- Helen Higson, whose portfolio this is, often removes waste herself.
- Thank you, Helen! Members thanked Helen for her efforts.
- There is a well-run City rubbish dump on Schaapkraal Road and another on Rosmead Avenue, where you can take all your waste, including waste for recycling.
- Recycling: local efforts have not succeeded; SRA will co-operate with the City in any further efforts.
- There is opportunity to cooperate with Friends of Zeekoevlei and Rondevlei (FoZR) now that it has been rejuvenated. For instance, a question was raised about what happens

upstream in the Little Lotus River and how we can collaborate with other organisations (e.g. FoZR) to minimise pollution of Zeekoevlei. **SK**

d. Environmental & Societal Issues (Dalton Gibb's portfolio)

- i. SRAs are expected to give support, including a proportion of income, to relevant City departments.
- ii. False Bay Nature Reserve is a Ramsar site (site of international importance for water birds).
- iii. Urban wetlands are under particular threat.
 - iv. Within the City we are in a unique position to provide protection to the natural environment: open spaces, wildlife on the doorstep, low-density housing
- v. Relatively few immediate societal problems.
- vi. CTEET is also on our doorstep offering environmental education.
- vii. We support CTEET financially, particularly their outdoor camps/facilities.
- viii. Other suggestions for future use of our environmental and societal funds will be welcomed.
- ix.

e. Communication

- i. We publish a quarterly newsletter.
- ii. James George, who did an excellent job of compiling and collating the Newsletter, has moved away from the vle. Members thanked James for his many excellent newsletters.
- iii. Helen Lockhart has volunteered to take over this portfolio. (Thank you, Helen!) Please send newsletter items to Helen at Helen.Lockhart@aquarium.co.za
- iv. Previous newsletters can be accessed on our website: www.zvswatch.org.za
- v. E-mail communications: residents asked please to inform the SRA of changes in e-mail addresses.

6. Noting of Audited Financial Statements 2018-19

a. Full financial statements are on our website: www.zvswatch.org.za

- i. We budget to break even but did make a profit of R44,624.
- ii. We may not budget for interest income nor donations but these, plus savings, generated the profit
- iii. The Zeekoevlei Yacht Club makes voluntary donations to the SRA when they are given rates exemptions (which sometimes they don't obtain).

b. As at 30 June 2019

Detailed Income Statement

	Note(s)	2019 R	2018 R
Revenue			
Services rendered		503,122	466,949
Other income			
Donations received		11,040	15,600
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Security		477,587	466,323
Social responsibility expenses		2,000	6,957
		490,728	483,460
Profit for the year		44,624	40,605

Statement of Financial Position as at 30 June 2019

	Note(s)	2019 R	2018 R
Assets			
Non-Current Assets			
Property, plant and equipment	2	40,569	-
Current Assets			
Trade and other receivables	3	1,848	2,787
Cash and cash equivalents	4	229,397	221,984
		231,245	224,771
Total Assets		271,814	224,771
Equity and Liabilities			
Equity			
Retained income		269,395	224,771
Liabilities			
Current Liabilities			
Trade and other payables	5	2,419	-
Total Equity and Liabilities		271,814	224,771

ZEEKOE VLEI PENINSULA SPECIAL RATING AREA
2018/19
BUDGET vrs ACTUAL

EXPENDITURE	Budget	Actual	Variance
	R	R	R
Core Business	506,006	477,587	28,419
Cleansing Services	2,500	-	2,500
Security Services	503,506	477,587	25,919
General Expenditure	11,023	10,463	570
Advertising / AGM	2,714	2,590	124
Annual Duty	-	100	-100
Bank charges	1,602	1,612	-10
IT Computer expenses (Incl. website)	2,582	2,393	189
Insurance	4,125	3,758	367
Sundry expenses	-	-	-
Social & Enviromental	6,000	2,000	4,000
Depreciation	4,500	688	3,812
Bad Debt Provision	15,560	15,560	
TOTAL EXPENDITURE	543,089	506,288	36,801
INCOME	R	R	R
SRA Levy	-518,682	-503,122	15,560
Donations		-11,040	-11,040
add back	4,500	688	-3,812
Interest Received		-8,208	-8,208
Retention Refund		-12,982	-12,982
Total Income	-514,182	-534,664	-20,482
Shortfall from Surplus Funds	-28,907	-	28,907

- i. Retention refund better this past year than the current year (due to persons not paying their rates and taxes as well as they had).
- ii. Many thanks to Jane du Toit for her years of pro-bono bookkeeping services.

7 Approval of extension of the 5-yr Business Plan 2020-2025

7.1 Renewal of Special Rating Area

- a. Propose to apply for renewal of SRA for a further 5 years.
 - i. Proposer: Michael Farquhar Seconder: Helen Higson Outcome: Approved

7.2 Approval of 5 year term Business Plan 2020-2025

- a. Important items to note:
 - i. First year security cost escalated at 6%

- ii. Subsequent years we have assumed 8% pa
- iii. Assumed all other cost escalate at 8% pa
- iv. Accounting fee new item in budget
- v. Auditing and Secretarial costs pro-bono
- vi. Target to keep levy increase below 8%
- vii. For the budget we may not include interest nor donations

b. Additional information:

- i. The business plan includes Environmental and Societal costs in the budget.
- ii. Due to capital expenditure, depreciation is shown as a cost but does not affect our cashflow.
- iii. In this budget we propose subsidising the income from our surplus funds to ensure the levy increase percentage is below 8%.
- iv. Unfortunately, bad debts exceeded the provision and we have not received any retention fund this year.
- v. As at 30th June 2019 our reserves were R 229 397.
- vi.

8 Budget

8,1 Approval of budget 2019–20

a. 5 Year Budget as per Business Plan

	5 YEAR BUDGET AS PER BUSINESS PLAN				
	2020/21	2021/22	2022/23	2023/24	2024/25
INCOME	R	R	R	R	R
Income from add. Rates	-601,384 97.0%	-648,292 96.9%	-699,507 96.9%	-754,768 97.1%	-814,396 97.8%
Other: Accumulated Surplus	-18,576 3.0%	-20,601 3.1%	-22,253 3.1%	-22,782 2.9%	-18,292 2.2%
TOTAL INCOME	-619,960 100.0%	-668,893 100.0%	-721,760 100.0%	-777,550 100.0%	-832,687 100.0%
EXPENDITURE	R	R	R	R	R
Core Business	559,957 90.3%	604,763 90.4%	653,133 90.6%	705,384 90.7%	761,818 91.8%
Cleaning services	3,240	3,499	3,779	4,081	4,408
Environmental upgrading	6,480	6,998	7,558	8,163	8,816
Law Enforcement Officers / Traffic Wardens					
Public Safety	546,077	591,923	639,277	690,419	745,682
Public Safety - CCTV monitoring					
Public Safety - CCTV - Leasing of cameras					
Social upliftment	2,160	2,333	2,619	2,721	2,939
Urban Maintenance					
Depreciation	7,826 1.3%	7,826 1.2%	7,826 1.1%	4,522 0.8%	
Repairs & Maintenance					
Interest & Redemption					
General Expenditure	34,135 5.5%	36,845 5.5%	39,816 5.5%	43,001 5.5%	46,440 5.6%
Accounting fees	18,000	19,440	20,995	22,678	24,469
Advertising costs	3,175	3,429	3,704	4,000	4,319
Bank charges	1,674	2,024	2,186	2,360	2,549
Computer expenses	3,021	3,262	3,523	3,805	4,110
Contingency / Sundry	980	1,058	1,143	1,235	1,333
Insurance	6,965	7,544	8,148	8,600	9,504
Secretarial duties	100	108	117	126	136
Bad Debt Provision 3%	18,042 2.9%	19,449 2.9%	20,986 2.9%	22,443 2.9%	24,432 2.9%
TOTAL EXPENDITURE	619,960 100.0%	668,893 100.0%	721,760 100.0%	777,550 100.0%	832,687 100.0%
(SURPLUS) / SHORTFALL					
GROWTH: EXPENDITURE	5.53%	7.9%	7.9%	7.7%	7.1%
GROWTH: SRA RATES	7.3%	7.6%	7.9%	7.9%	7.9%

b. Cash Reserves & Proposed Subsidy of Costs

Actual Closing bank balance at June 2019	R 229,397
2019/20 Subsidy of Costs from surplus funds	R -17,700
Income from retention monies	R 0
Add back depreciation	R 7,826
ZVYC since July 2019	R 1,320
Expected Bank Close June 2020	R 220,843
Surplus to subsidise shortfall in 2020/21 year	R -18,676
Add back depreciation	R 7,826
Expected closing balance June 2021	R 209,993
Surplus to subsidise shortfall in subsequent 4 years	R -83,928
Add back depreciation for remaining period	R 22,174
Expected closing balance June 2025	R 148,239
Cover of 2 months total costs of 2024/25 budget	R 134,709

Proposer: Susanne Karcher Seconder: Michael Farquhar Outcome: Approved

8.2 Approval of use of surplus funds 2020–21

R17000 to be used to subsidise levy

9. Approval of implementation plan 2020–21

- a. Proposer: Andy Plew-Chisholm Seconder: John Day Outcome: Approved

10. Appointment of auditors

- a. Cecil Kilpin have agreed to continue to be our auditors and provide their services on a pro-bono basis.
- b. Proposer: Andy Plew-Chisholm Seconder: Helen Higson Outcome: Approved
- c.

11. Confirmation of Company secretary

- a. Cecil Kilpin have agreed to continue to offer their secretarial services on a pro-bono basis.
- b. Proposer: Andy Plew-Chisholm Seconder: Lorian Pask Outcome: Approved
- c.

12. Election of Board Members

- a. Per the requirements of the MOI John Day and Jenny Day have resigned as directors but have indicated their willingness to stand for re-election.
- b. Stew Penney & Andy Chisholm remain as directors.
- c. No nominations have been received.

- d. Vote to re-elect John Day and Jenny Day as Directors.
- e. Proposer: Stew Penney Seconded: Wendy Deary Outcome: Approved
- f.

13. General / Q & A

- a. Clare Gardiner queried if anything has happened w.r.t. the road proposed to run behind the weir in Rondevlei? → Residents have registered as interested and affected parties and the matter will be taken up by the PAAC.
- b. ERF 259 development is also on the radar screen (as a potential development offset) – Liz Day is helping with this.
- c. Rod Gardiner noted that some property owners are deceased or incorrectly named and will liaise with the committee to identify these so that they can be raised with the council. See 2.1.2 above.
- d. Richard Gertzner asked if speeding been reported by ProSec? → There are occasions when speeding is noted, but this isn't their mandate – however we will engage with them and also via signage. Graeme indicated he will take this up with ProSec and Richard will liaise with Graeme. However, speeding is difficult to police and is the ambit of law enforcement.

GC, Richard Gaertner

Wendy Deary commented that Charles Ainsley's children sign is good.

- e. Richard Gertzner raised a concern that his corner is difficult for walkers due to the extent and slope of his verge and his neighbour's tree. **HH**
- f. Emma Oliver noted that the tennis club, although outside of the SRA area, has a key stored at the guard hut. Only members should use the club – memberships can be renewed.

14. Thanks & Acknowledgements

- a. Pro-Sec and Guards
- b. Residents
- c. Council Representatives, Runan Roussouw
- d. Zeekoevlei Yacht Club (ZVYC) for hosting our monthly
- e. Directors:
 - i. Andy Chisolm, Stew Penney, John Day and Jenny Day
- f. Committee Members:
 - i. Security: Mark Ohlson, Graeme Cann
 - ii. Cleansing: Helen Higson
 - iii. Environmental: Dalton Gibbs
 - iv. Minutes: Lee Watson
 - v. Communications: Helen Lockhart (James George)
 - vi. Financial services: Jane du Toit

15. Closure

- a. Tea and coffee (Thanks, Helen!)
- b. Bar is open

Chairman's report for 2019 for the Keep the dream 307 NPC, trading as Zeekoevlei Peninsula SRA (ZVPSRA)

This report covers the period 1st July 2018 to 30th June 2019. During this period the committee was active primarily with security but also in the other areas of activity detailed in our business plan.

A summary of each portfolio is to be found in the Minutes of the AGM and detailed data of each portfolio are provided in the accompanying PowerPoint document (<ZVPSRA AGM 2019>).