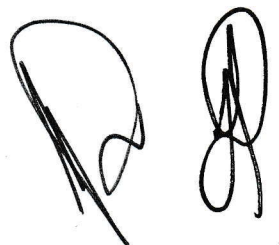


MOUNT RHODES CID NPC

Registration Number 2019/080628/08

ANNUAL FINANCIAL STATEMENTS

For the year ending 30 June 2020

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MOUNT RHODES CID NPC
DETAILED STATEMENT OF FINANCIAL PERFORMANCE
For the year ending 30 June 2020

	<u>Notes</u>	<u>2020</u> <u>R</u>	<u>2019</u> <u>R</u>
<u>Revenue</u>			
Revenue - Service Fees		556,995	512,721
<u>Other Income</u>			
Interest Received		-	-
Donations Received		-	14,468
<u>Operating Expenses</u>		388,344	180,197
Audit Fee		2,500	2,875
Advertising & Promotions		9,683	0
Bank Charges		1,196	168
Community Services - Public Safety	2	368,431	174,279
Computer Expenses		1,050	0
Meeting Expenses		480	0
Penalties & Interest - SARS		1,047	0
Secretarial, Tax and Compilation Fees		3,957	2,875
Operating Profit/(Loss) for the year		168,651	346,992
Finance Costs		0	0
Net Profit/(Loss) after Taxation		168,651	346,992
Taxation		0	0
Total Comprehensive Profit/(Loss) for the year		168,651	346,992



MOUNT RHODES CID NPC
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
For the year ending 30 June 2020

1. Trade and other payables	<u>2020</u> <u>R</u>	<u>2019</u> <u>R</u>
Africa Electric Fencing and Automation	0	14,341
Deep Blue Security (Pty) Ltd	28,500	145,770
Harry Curtis & Co	0	2,875
Signature Consulting (Pty) Ltd	0	2,875
	<u>28,500</u>	<u>165,861</u>

2. Community Services - Public Safety

Public safety includes security services rendered to the Mount Rhodes Community for the period July 2019 to June 2020

3. Taxation

Net Income for the Year	168,651	346,992
Less: Service Fees in Advance	-168,651	-346,992
Taxable Income	<u>0</u>	<u>0</u>

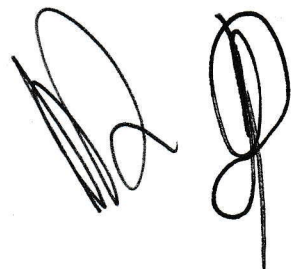
The company is registered as a public benefit organisation (PBO) by the Commissioner of the South African Revenue Service. In terms of Section 30(3) of the Income Tax Act, the income of any PBO is exempt from income tax to the extent that it has not arisen from any integral, occasional or approved business or trading activity. In terms of Section 10(1)(cN) regarding any taxable business or trading income of a PBO, the greater of 5% of the trading income, or R200 000, is tax free. The taxable portion of a PBO's trading income is taxed at 28%.

4. Registration and commencement of operations

The company was registered on 14 February 2019 and commenced operations in April 2019.

5. Comparatives

Certain figures may have been reclassified for reporting purposes.



Mount Rhodes CID NPC

Annual Financial Statements for the year ended 30 June 2020

Accounting Policies

Presentation of Annual Financial Statements

The annual financial statements have been prepared 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.

Recognition of Assets and Liabilities

Assets are recognized if they meet the definition of an asset, it is probable that the future economic benefits associated with the asset will flow to the company and the cost of fair value can be measured reliably.

Liabilities are only recognized if they meet the definition of a liability, it is probable that future economic benefits associated with the liability will flow from the company and the cost of fair value can be measured reliably.

Financial instruments

The company classifies its financial instruments into the following categories: receivables, cash and cash equivalents and payables.

Trade and other receivables

Trade and other receivables are stated at cost less an allowance for doubtful debts. The allowance raised is the amount needed to reduce the carrying value to the expected future cash flows.

Cash and cash equivalents

Cash comprises cash on hand and deposits at call with banks. Cash equivalents comprise highly liquid investments that are convertible to cash with insignificant risk of changes in value.

Trade and other payables

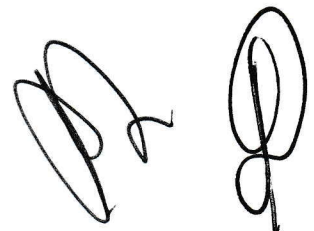
Trade and other payables are measured at fair value.

Revenue Recognition

Revenue comprises service fees invoiced monthly by the City of Cape Town to all property owners in the special rating area of Mount Rhodes, Hout Bay in accordance with the Financial Agreement, whereby the City pays 97% of the annual budget to the company in twelve monthly instalments and retains 3% as a provision for bad debts. Donations received are accounted for on receipt from the donor.

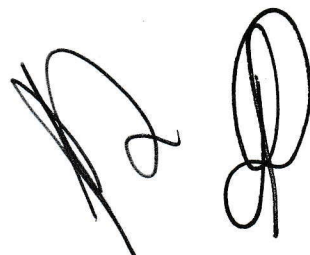
Taxation

The company is registered as a public benefit organization (PBO) by the Commission of the South African Revenue Service. In terms of Section 30(3) of the Income Tax Act, the income of any PBO is exempt from income tax to the extent that it has not arisen from any integral, occasional or approved business or trading activity. In terms of Section 10(1)(cN) regarding any taxable business or trading income of a PBO, the greater of 5% of the trading income, or R200 000, is tax free. The taxable portion of a PBO's trading income is taxed at 28%.



MOUNT RHODES CID NPC
STATEMENT OF CASH FLOWS
For the year ending 30 June 2020

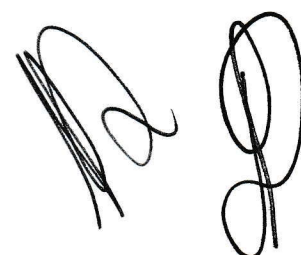
	<u>2020</u> R	<u>2019</u> R
Cash flows from operating activities		
Net Income for the Year	168,651	346,992
Working Capital Changes - Trade and Other Payables	(131,166)	165,861
Net cash from operating activities	<u>37,485</u>	<u>512,853</u>
Cash flows from investing activities		
Net cash from investing activities		
Cash flows from financing activities		
Change in Cash and Cash Equivalents	37,485	512,853
Cash and Cash Equivalents at Beginning of year	<u>512,853</u>	-
Cash and Cash Equivalents at end of Year	<u><u>550,338</u></u>	<u><u>512,853</u></u>



MOUNT RHODES CID NPC
STATEMENT OF CHANGES IN EQUITY

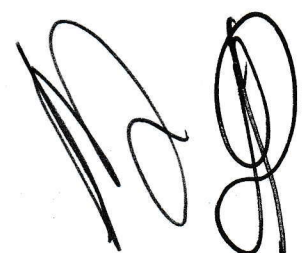
For the year ending 30 June 2020

	Share Capital R	Retained Income R	Total Equity
Balance as at 01 July 2018	0	0	0
Net Profit/(Loss) for the year	0	346,992	346,992
Balance as at 30 June 2019	0	346,992	346,992
Net Profit/(Loss) for the year	0	168,651	168,651
Balance as at 30 June 2020	0	515,643	515,643



MOUNT RHODES CID NPC
STATEMENT OF COMPREHENSIVE INCOME
As at 30 June 2020

	<u>2020</u>	<u>2019</u>
<u>Notes</u>	<u>R</u>	<u>R</u>
Revenue - Rendering of Services	556,995	512,721
Other Income	0	14,468
Gross Profit	556,995	527,189
Operating Expenses	-388,344	-180,197
Operating Profit/(Loss)	168,651	346,992
Finance Costs	0	0
Net Profit/(Loss) after Taxation	168,651	346,992
Taxation	0	0
Total Comprehensive Profit/(Loss) for the year	168,651	346,992



MOUNT RHODES CID NPC
STATEMENT OF FINANCIAL POSITION
 As at 30 June 2020

	<u>Notes</u>	<u>2020</u>	<u>2019</u>
ASSETS		<u>R</u>	<u>R</u>
Non-Current Assets			
Fixed Assets		0	0
		0	0
Current Assets		550,338	512,853
Cash and Cash Equivalents		550,338	512,853
Total Assets		550,338	512,853
RESERVES AND LIABILITIES			
Reserves		515,643	346,992
Retained Income		515,643	346,992
Total Liabilities		34,695	165,861
Current Liabilities		34,695	165,861
Trade and Other Payables	1	28,500	165,861
Value Added Tax		6,195	0
Total Equity and Liabilities		550,338	512,853

MOUNT RHODES CID NPC
DIRECTOR'S REPORT
For the year ending 30 June 2020

The directors hereby present their report on the annual financial statements for the year ended 30 June 2020. *

1. Nature of Business

Mount Rhodes CID NPC is a non-profit company set up in terms of the municipal by-laws of the City of Cape Town (CoCT) which acts as the management body in respect of the Special Rating Area (SRA) determined by the CoCT in terms of Section 22 of the Property Rates Act in respect of a defined geographical area. The source of revenue of the company is service fees billed by the CoCT to the registered property owners of Mount Rhodes, Hout Bay which funds are utilised to enhance and supplement services provided by the CoCT. These services include the provision of security for the common/public areas of the SRA, facilitating the upliftment of distressed areas in the SRA, promoting economic growth and sustainable development and providing other community related services.

2. Registration and Commencement of Operations

The company was registered on 14 February 2019 and commenced operations in April 2019.

3. Financial Results

The financial position and operating results of the company for the period ended 30 June 2020 are adequately reflected in the accompanying annual financial statements.

4. Events subsequent to the year

No material fact or circumstance has occurred between the accounting date and the date of this report which affect the financial position of the company as reflected in these financial statements.

5. Directors

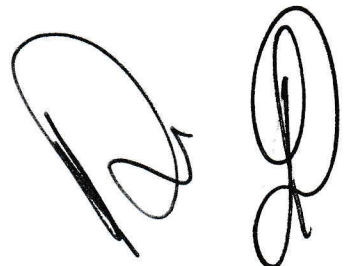
The directors of the company at the reporting date, who were appointed on 14 February 2019, are reflected on page 1.

5. Registered and Business Address

60 Mount Rhodes Drive
Hout Bay
7806

6. Auditors

Harry Curtis & Co were appointed company auditors for the year under review.



Mount Rhodes CID NPC

(Registration number 2019/080628/08)

Annual Financial Statements for the year ended 30 June 2020

Director's Responsibilities and Approval

The directors are required in terms of the Companies Act, No 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 their 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 International Financial Reporting Standards for Small and Medium-Sized Entities. The external auditors are engaged to express an independent opinion on the annual financial statements.

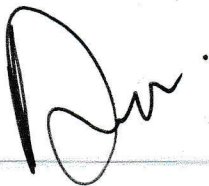
The annual financial statements are prepared in accordance with International Financial Reporting Standards for Small and Medium-Sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

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 minimize it by ensuring that appropriate infrastructure, controls, systems and ethical behavior are applied and managed within predetermined procedures and constraints.

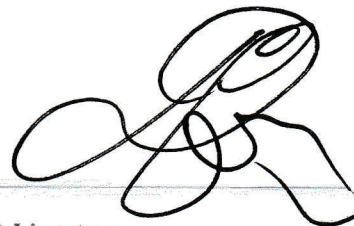
The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial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

The external auditors are responsible for 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 4 and 5.

The financial statements set out on pages 7 to 13, which have been prepared on the going concern basis, were approved by the directors and signed accordingly.



C Dreyer
Cape Town
11 August 2020



D Lippstreu
Cape Town
11 August 2020

MOUNT RHODES CID NPC

INDEX

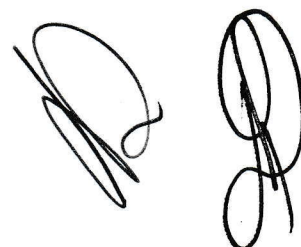
For the year ending 30 June 2020

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

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Director's Report	6
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Statement of Comprehensive Income	8
Statement of Changes in Equity	9
Statement of Cash Flows	10
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The following supplementary information does not form part of the annual financial statements and is unaudited:

Detailed Statement of Financial Performance	13
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MOUNT RHODES CID NPC

GENERAL INFORMATION

For the year ending 30 June 2020

Country of incorporation and domicile	South Africa
Nature of business and principle activities	Providing Services to the Special Rating Area of Mount Rhodes, Hout Bay
Directors	C Dreyer (Financial Director) D Lippstreu (Chairperson) G Scott D Taylor
Registered office	60 Mount Rhodes Drive Hout Bay 7806
Postal address	60 Mount Rhodes Drive Hout Bay 7806
Bankers	Nedbank
Company registration number	2019/080628/08
Tax reference number	9635/111/18/1

