

MOUNT RHODES CID NPC
ANNUAL REPORT & FINANCIAL
STATEMENTS
for the year ended 2025/2026



Our online report is available at www.mountrhodes.co.za

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PART A – GENERAL INFORMATION

1. GENERAL INFORMATION

REGISTERED NAME	Mount Rhodes CID NPC
REGISTRATION NUMBER:	2019/080628/08
INCOME TAX NUMBER:	9635111181
VAT REGISTRATION NUMBER:	4120287497
BANKING INSTITUTION:	Nedbank
PHYSICAL ADDRESS:	60 Mount Rhodes Drive Mount Rhodes Hout Bay 7806
POSTAL ADDRESS:	60 Mount Rhodes Drive Mount Rhodes Hout Bay 7806
TELEPHONE NUMBERS:	082 928 3077
E-MAIL ADDRESS:	coleen@ebit.co.za
E-MAIL ADDRESS:	mountrhodescid@gmail.com
WEBSITE ADDRESS	mountrhodes.co.za
EXTERNAL AUDITORS:	Sommerville and Associates Inc
COMPANY SECRETARY:	Gregory Scott
INFORMATION OFFICER:	Coleen Bowen

2. LIST OF ABBREVIATIONS / ACRONYMS

ACRONYM	FULL TERM/NAME
AFS	Annual Financial Statements
AGM	Annual General Meeting
CCT	City of Cape Town
CCP	Community Crime Prevention
CCTV	Closed-circuit television
CID	City Improvement District
CIPC	Companies and Intellectual Property Commission
IDP	Integrated Development Plan
IRBA	Independent Regulatory Board for Auditors
KPI	Key performance indicator
MOI	Memorandum of Incorporation
MRCID	Mount Rhodes City Improvement District
NPC	Non-profit company
PAIA	Promotion of Access to Information Act
POPIA	Protection of Personal Information Act
PPE	Property, plant and equipment
PSIRA	Private Security Industry Regulatory Authority
SAPS	South African Police Service
SARS	South African Revenue Service
SCM	Supply chain management
SRA	Special Rating Area

3. FOREWORD BY CHAIRPERSON

Introduction

The 2025/2026 financial year was one of steady delivery and careful investment for the Mount Rhodes City Improvement District. The Board maintained its focus on safety, sound governance and the upkeep of our shared public environment, while advancing targeted projects that will strengthen the precinct over the longer term.

Strategic Focus

Mount Rhodes is a small, distinctive community within Hout Bay. Its setting is one of its greatest strengths, but the broader area's socioeconomic pressures and elevated crime risk continue to affect residents. Against this background, the CID concentrated its limited resources on the services that matter most: public safety, maintenance and cleansing, environmental improvement, and clear communication with property owners. The year's programme remained aligned with the CID's approved business plan and its commitment to transparency, accountability and community participation.

Performance Highlights – Safety and Security

Safety remained our foremost priority. The perimeter electric fence and CCTV cameras continued to be monitored around the clock by Deep Blue, supported by armed response and ongoing coordination with CCP and other local safety partners.

The CID also maintained the fibre and back-up power infrastructure needed to keep these systems operational during power interruptions. The Public Safety Portfolio reported no safety incidents within the CID during the year under review. This statement concerns incidents reported to the CID and is not a claim that no crime occurred.

Infrastructure and Public Spaces

The CID maintained streets, verges and public open spaces through its contracted grounds service and continued to identify and report municipal maintenance matters. Capital and project work during the year included entrance stabilisation and landscaping, with the broader entrance upgrade continuing after year-end. These investments improve both the appearance of Mount Rhodes and the resilience of its security infrastructure.

Community Engagement

Communication with residents continued through the CID Website and the Mount Rhodes community WhatsApp group, providing operational, safety and neighbourhood updates. Following the resignation of the seconded Communications Manager/Officer, the Administrator and Chairperson assumed interim responsibility. Some planned communications activities were not implemented. Residents also volunteered their time, ideas and indigenous plants for greening and landscaping initiatives, which was especially valuable given the small pool of available volunteers.

Environmental Sustainability

The proposed community garden on the two City-owned erven could not proceed after the City advised that the properties would be sold. The Board therefore redirected its attention to improvements that could be delivered within the CID's control, including rehabilitation and indigenous, water-wise landscaping at the entrance verge. This work supports erosion control, biodiversity and a more welcoming public environment.

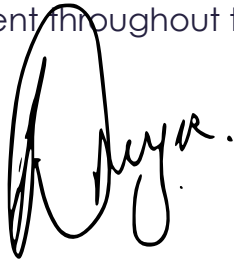
Challenges

The principal challenges were continued crime pressure in the wider Hout Bay area, rising operating costs, delays in municipal decisions and approvals, and the limited volunteer capacity available to a small CID. The Board responded by prioritising essential services, maintaining close oversight of expenditure and pursuing projects that provide durable value to the community.

Outlook

In the year ahead, the CID will continue to place safety and operational resilience first. Priorities include advancing the entrance and access-control improvements, maintaining the security network and perimeter systems, caring for public spaces, and building stronger participation among members and residents. All projects will remain subject to the approved budget, appropriate procurement and the CID's governance requirements.

On behalf of the Board, I thank our residents, members, volunteers, service providers and partners for their continued support. I also thank my fellow directors and the CID administration team for their time, diligence and commitment throughout the year.

A handwritten signature in black ink, appearing to read 'C. Dreyer', with a large, stylized initial 'C'.

Corné Dreyer - Chairperson
Mount Rhodes CID NPC
15 September 2026

4. TREASURER OVERVIEW

Financial Overview

Total income for the year ended 30 June 2026 was R938,818, compared with R878,377 in the prior year. This comprised additional rates of R795,586, rates retention refunds of R77,567, interest income of R62,955 and sundry income of R2,710.

Community Services were once again our largest area of cost with total expenditure amounting to R522,469. These costs cover the leasing of our camera network, CCTV monitoring, armed response services and maintenance of the perimeter fence infrastructure. MRCID continues to invest excess income and its accumulated surplus in upgrading the area of Mount Rhodes with the main project in the year under review being the entrance feature wall and planter boxes. This project is ongoing with R255,045 recognised in the current financial statements. This program of investment is reflected in the fact that the depreciation expense increased to R70,325 compared with R46,631 in the prior year.

Total expenditure amounted to R954,193 resulting in an operating deficit of R78,330 which was substantially mitigated by interest income of R62,955. This is in line with the boards policy of investing the accumulated surplus in upgrades to the area and infrastructure of Mount Rhodes.

Liquidity and Reserves

The company generated a positive operating cash flow of R99,921 but cash and cash equivalents decreased by R148,467 to R951,098 as a result of the ongoing investments referred to above.

Financial Stewardship

The Board continued to apply financial reporting, expenditure oversight and procurement controls. The attached Financial Statements and auditor's report are dated 18 August 2026.

Capacity and Priorities

Mount Rhodes remains a small CID with a limited revenue base, so careful prioritisation is essential. Future projects will be evaluated against affordability, operational benefit, the approved business plan and available cash after existing commitments.

Events After the Reporting Date

The entrance feature wall was completed after 30 June 2026. The project was within budget with the surplus carried forward to the ongoing entrance improvement project.

Economic Viability

The Board will preserve the CID's financial viability through cost control, monitoring of commitments and budgeting for approved purposes.

Supply Chain Management

During the 2025/2026 financial year, all procurement activities were conducted in accordance with the approved Supply Chain Management (SCM) policy, established procurement procedures and applicable approval controls. The Board maintained oversight of expenditure throughout the reporting period. No deviations from normal procurement procedures occurred, and no remedial action relating to procurement non-compliance was required.

Unsolicited Tenders

No unsolicited tenders were received during the year.

Prior Audit Matters

No matters requiring corrective action were identified during the prior audit, and there are no outstanding audit matters. Accordingly, no corrective action was required, and a responsible person and completion date are not applicable.

Discontinued or Redirected Activities

The proposed community garden on two City-owned erven was abandoned after the City advised that the properties would be sold. Resources were redirected to an indigenous garden at the entrance.

I thank the Board, the CID's administrators and professional service providers for their continued attention to accurate reporting, compliance and responsible stewardship of members' funds.

A handwritten signature in black ink, appearing to read 'Dale Lippstreu', with a stylized, cursive script.

Dale Lippstreu - Treasurer
Mount Rhodes CID NPC
15 September 2026

5. STATEMENT OF DIRECTORS' RESPONSIBILITY AND CONFIRMATION OF ACCURACY OF THE ANNUAL REPORT

We confirm that, to the best of our knowledge:

All information and amounts disclosed in the annual report are consistent with the annual Financial Statements audited by Sommerville and Associates Inc.

The directors consider the annual report, taken as a whole, to be accurate, fair, balanced and free of material omissions.

The Financial Statements, prepared in accordance with the applicable accounting standards namely, International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008, give a true and fair view of the assets, liabilities and financial position of the company.

The external auditors have been engaged to express an independent opinion on the annual Financial Statements.

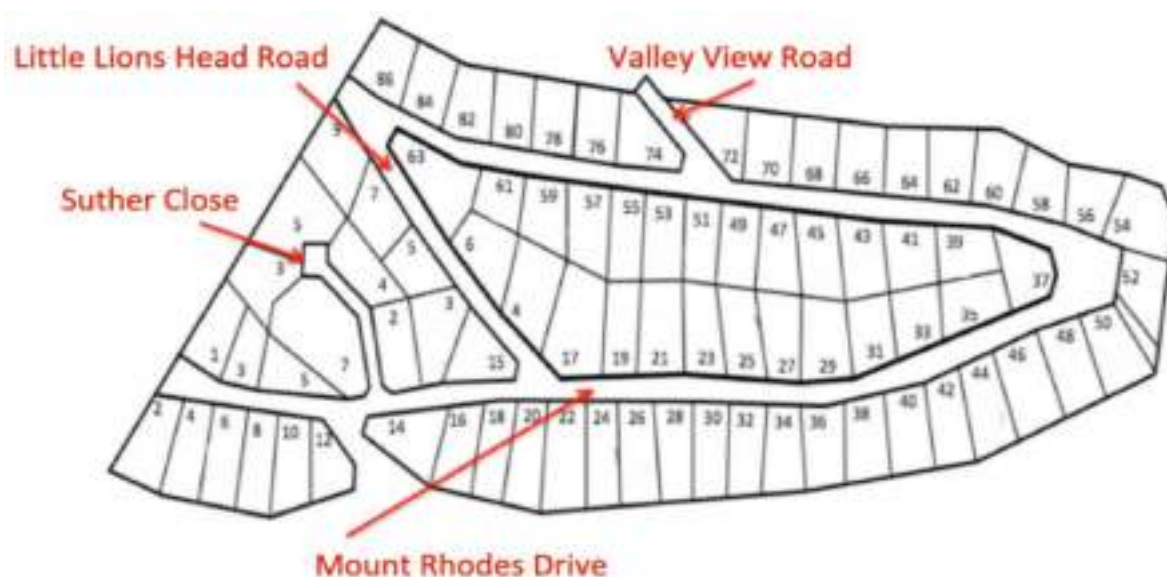
Approved by the Board on 17 September 2026 and signed on behalf by:

Corné Dreyer - Chairperson
Mount Rhodes CID NPC
17 September 2026

Dale Lippstreu - Treasurer
Mount Rhodes CID NPC
17 September 2026

6. STRATEGIC OVERVIEW

The Mount Rhodes NPC was established by local property owners in 2019 to organise, fund, manage and facilitate improvements in the Mount Rhodes City Improvement District for the benefit of the entire local community. The Mount Rhodes CID refers to a geographical area, designated as such by the City of Cape Town ("CCT"), in terms of the CID By-law and s. 22 of the Municipal Property Rates Act, on application by local property owners.



Mount Rhodes CID NPC's activities are funded by local property owners through an additional rate calculated on the municipal valuation of properties subject to the charge. Membership of the MRCID is open to eligible property owners within the defined CID area.

Based on the street layout above and the subsequent subdivisions, the area comprises 84 properties, including 82 privately owned properties and two City-owned properties at 14 and 16 Mount Rhodes Drive. Properties at 20 and 39 Mount Rhodes Drive have each been subdivided into two separate properties, adding two properties to the original 82 shown on the map.

As at 30 June 2026, the MRCID membership register recorded 71 registered members. This figure represents registered membership and is distinct from the total number of properties within the CID.

A number of property owners reside overseas or use their properties as secondary homes, rental accommodation or guest houses. This reduces the number of permanent residents available to volunteer and limits participation in some CID activities. The contributions of residents who give their time and expertise are therefore particularly valuable.

6.1 Vision

The Mount Rhodes CID vision is to ensure a clean, safe and sustainable urban environment, for the benefit of all who live and work in the Mount Rhodes CID, in partnership with the CCT and other stakeholders.

Our strategy for promoting that vision is detailed in our Business Plan available online at www.mountrhodes.co.za

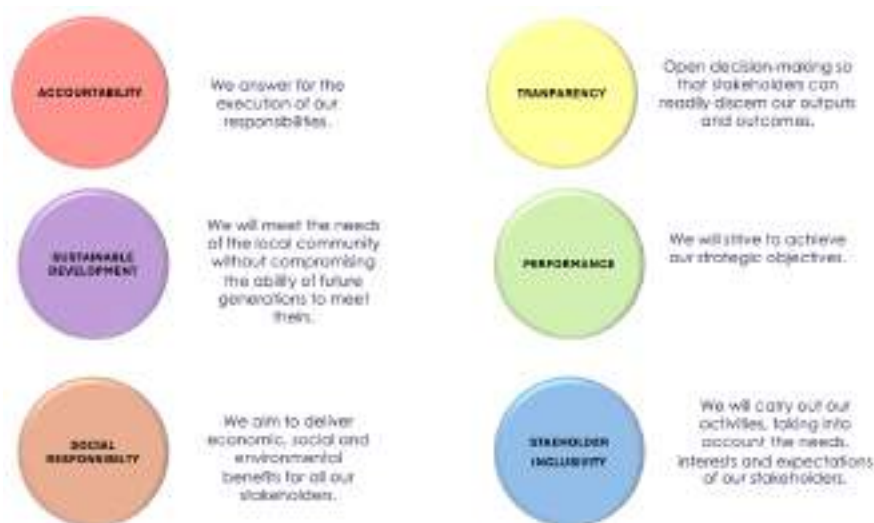
6.2 Mission

The Mount Rhodes CID mission is centred on four key pillars:

1. safety;
2. maintenance and cleansing;
3. greening and beautification,
4. and social responsibility.

6.3 Values

The core values of the Mount Rhodes CID are transparency, accountability, and community participation. To be achieved through transparent governance and effective communication with all stakeholders.



7. STATUTORY MANDATE

In terms of the CID By-law and s. 22 of the Municipal Property Rates Act, the Mount Rhodes CID is tasked with considering, developing and implementing improvements and upgrades to the Mount Rhodes CID to supplement services provided by the CCT. The funding comes from

additional rates collected by the CCT from CID property owners and paid over to the company under the aforesaid legislation, as may be supplemented by local fundraising initiatives. In expending these funds, the company is subject to oversight by the CCT in terms of the CID By-law and Policy, as well as public procurement principles enshrined in s. 217 of the Constitution of the Republic of South Africa, 1996 (the "Constitution").

8. ORGANISATIONAL PROFILE

Mount Rhodes CID is the non-profit company responsible for supplementary services within the defined Mount Rhodes precinct in Hout Bay. Its services supplement, rather than replace, municipal services. The company was established in 2019

8.1 LEGAL AND REGULATORY FRAMEWORK

The MRCID is a legal entity established and governed by the following legislation and policies:

- **City of Cape Town's CID By-law (2023).**
- **Municipal Property Rates Act (MPRA), Section 22.**
- **Companies Act (71 of 2008).**
- **The South African Constitution.**

8.2 PURPOSE AND MANDATE

The CID concentrates on public safety, maintenance and cleansing, environmental development, social development and communications. The reporting-year activities included security

monitoring, grounds maintenance, entrance stabilisation and landscaping, local contractual work opportunities and communication with residents.

8.3 GOVERNANCE AND STRUCTURE

Mount Rhodes CID NPC is governed by a Board comprising four directors. The Board oversees the CID's strategy, finances, governance and service delivery, with individual portfolio responsibilities allocated among the directors.

The Board is supported by Coleen Bowen, who serves as the CID's Administrator and Information Officer, with responsibility for administration, information management and interim communications support. Her role is administrative and operational and is distinct from that of the statutory directors.

Operational and professional services are provided through a combination of contracted service providers and outsourced specialists. Deep Blue provides security services and also supplies a subcontracted grounds service. AccountIT is responsible for the CID's monthly financial administration, while Signature Consulting provides accounting, tax and statutory support as assigned. The CID is also supported by its Company Secretary and by Sommerville and Associates Inc, who act as the independent external auditors and conduct the annual financial statement audit.

Property owners within the defined CID area may apply for membership of the NPC. Only registered members are entitled to exercise the voting rights provided for in the Memorandum of Incorporation (MOI). As at 30 June 2026, the membership register recorded 71 registered members.

8.4 FINANCIAL PROFILE

The principal funding source is additional rates collected by the City of Cape Town and paid over to the CID. The Board oversees budgeting, monthly financial reporting and the annual audit. The Financial Statements are presented to members and submitted to the City. No assertion is made that the CID's statements form part of the City's consolidated Financial Statements without confirmation of that treatment.

8.5 STAKEHOLDER RELATIONSHIPS

The CID engages with property owners and residents, the City of Cape Town, Deep Blue, CCP and other local safety partners, professional service providers and volunteers. Stakeholder engagement methods, recorded feedback and resulting changes are described under each performance portfolio.

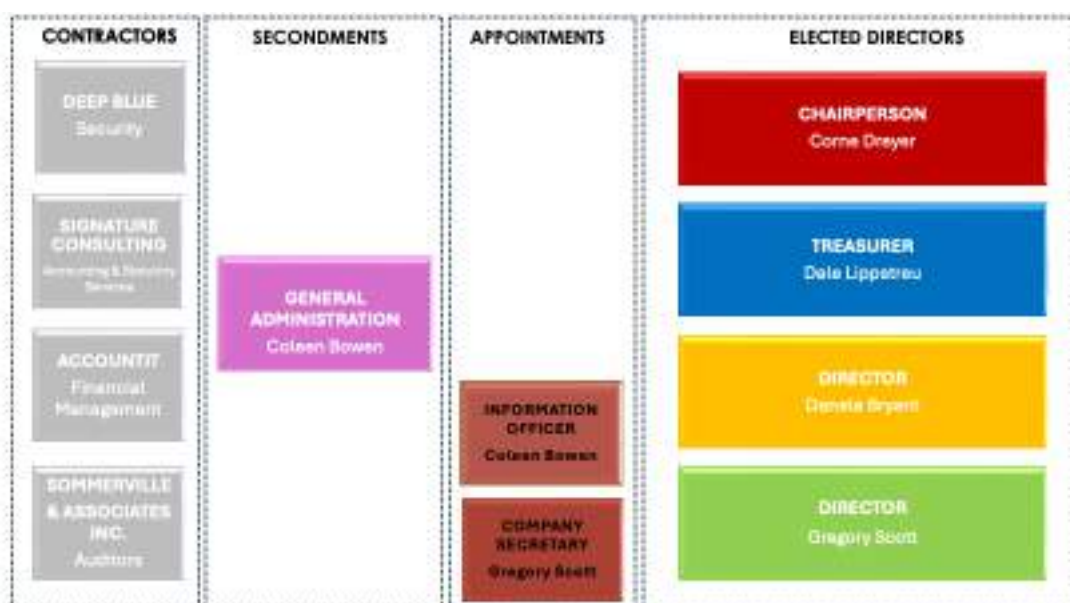
9. ORGANISATIONAL STRUCTURE

The Board oversees the CID's strategy, finances and service delivery. The operating roles reported for 2025/2026 are set out below. Statutory directors, office bearers and contractors are distinguished.

ROLE	PERSON/PROVIDER	REPORTING
Chairperson / director	Corné Dreyer	Public Safety; interim Communications oversight
Treasurer / director	Dale Lippstreu	Management, Operations and Finance
Director / Company Secretary	Gregory Scott	Maintenance, Cleansing and Environmental responsibilities;
Director	Danela Bryant	Special Projects and Social Development
Administrator / Information Officer	Coleen Bowen	Administration, information management and interim Communications; director status is not assumed

Operational contractor	Deep Blue	Security services and subcontracted grounds service
Financial administration	AccountIT	Monthly financial administration
Accounting / statutory support	Signature Consulting	Accounting, tax and statutory services as assigned
Independent external auditor	Sommerville and Associates Inc	Annual financial statement audit

ORGANOGRAM 1: ORGANISATIONAL STRUCTURE FY 2025/2026



PART B – PERFORMANCE INFORMATION

1. SITUATIONAL ANALYSIS

1.1 Service Delivery Environment

The service delivery environment of the Mount Rhodes CID encompasses a range of activities and initiatives aimed at improving the overall quality of life for residents, businesses and visitors within the CID boundary.

The Mount Rhodes CID is a small CID with a limited annual income. Efforts made for the CID by members, including efforts made by Board members and directors are done on a voluntary unpaid basis. Resultantly it is an on-going challenge to source CID member volunteers to participate and manage the projects the Mount Rhodes CID Business Plan has outlined and budgeted for.

1.2 Organisational Environment

The organisational environment for 2025/2026 remained focused on governance, operational continuity, accountability and transparency. An internal development was the resignation of the seconded Communications Manager/Officer, Neil Janssen as at end February 2026. The Administrator and Chairperson assumed interim responsibility, but some planned communications activities were not implemented.

The Board maintained financial and procurement procedures, authorisation controls, regular financial reporting, expenditure oversight, supporting documentation and annual independent audit processes. Directors and service providers were expected to comply with applicable codes of conduct and contractual obligations. Suspected fraud, corruption or misconduct is to be

escalated through the CID's governance procedures and, where appropriate, to the City or relevant authorities.

REPORTING YEAR DISCLOSURE	CONFIRMED OUTCOME
Fraud and corruption	NIL
Unauthorised or irregular expenditure	NIL
Fruitless or wasteful expenditure	NIL
Disciplinary or misconduct cases	NIL
Other material internal changes	NIL

2. STRATEGIC OBJECTIVES

The Mount Rhodes CID has outlined the following key strategic objectives to provide a clear and cohesive direction for the CID's activities and initiatives.

ENVIRONMENTAL DEVELOPMENT

- Exploiting opportunities to develop the entrance for the benefit of residents and the public at large by improvement and upgrading public spaces within Mount Rhodes.

MAINTENANCE AND CLEANSING

- Supplementing the maintenance and cleansing activities provided by the City of Cape Town (CCT) by promotion of maintenance and cleansing of street visible areas of all property owners

PUBLIC SAFETY

- Developing and maintaining a solid partnership with the security providers within the community.
- Acting in concert and co-operation with security service providers, community crime prevention groups, and South African Police Services
- Continuously improving public safety through the maintenance and improvement of the existing security infrastructure

SOCIAL DEVELOPMENT

- Foster community development by supporting community-based initiatives and partnerships that address social issues and promote social cohesion within the Hout Bay area.

COMMUNICATION

- Improve and expand the communication channels used to reach various stakeholders, ensuring timely and relevant information dissemination.
- Ensure transparency and accountability in communication efforts, providing clear and accurate information about CID operations, projects, and financials.
- Establish robust feedback mechanisms to gather input from the community, assess communication effectiveness, and make necessary improvements.

3. COMPLAINTS PROCESS

The Mount Rhodes CID has implemented a formal Complaints Resolution Process to ensure that any complaints, concerns or service-related matters can be handled consistently, fairly and transparently. The process reflects the CID's commitment to accountability, responsiveness and continuous improvement in the delivery of its services and activities.

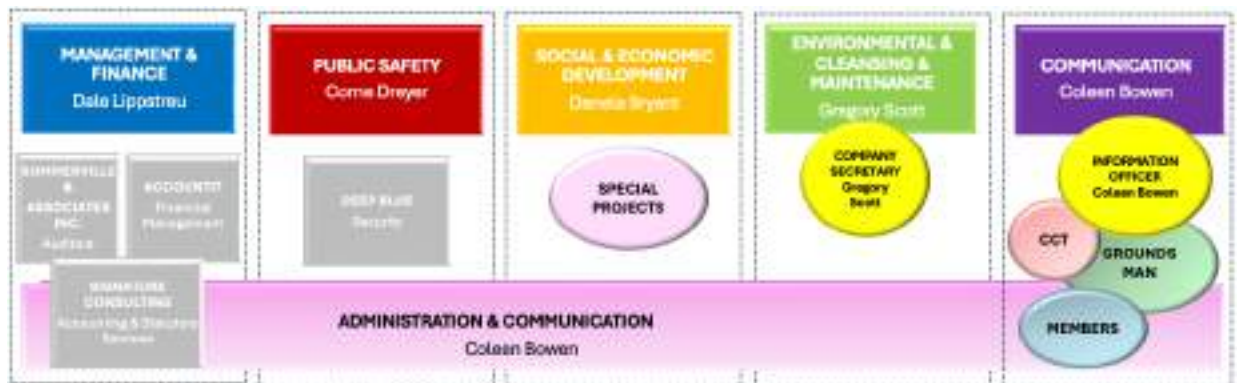
The Complaints Resolution Process and Complaints Log were introduced in 2024/2025 to provide a consistent, fair and transparent way to record, investigate, refer and resolve complaints. The process is available on the CID Website.

Complaints are categorised as Public Safety; Urban Management and Cleaning; Infrastructure and Maintenance; Environmental Management; Communications and Administration; or Other / Referrals. The log records the date, category, matter raised, action taken, referral and status or outcome.

No formal complaints were reported as received or recorded during the year ended 30 June 2026. This is distinct from operational service requests, informal resident feedback and the community social-media conduct issues described under Communications. Complaints are categorised according to the relevant service area to enable the CID to identify trends, monitor performance and ensure that matters are referred to the appropriate service provider or authority where necessary.

4. PERFORMANCE INFORMATION

PORTFOLIO MATRIX as at 30 June 2026



Each portfolio has clear measurable deliverables and clear accountabilities.

4.1 GENERAL MANAGEMENT, OPERATIONS AND ADMIN

4.1.1 General Management and Operations maintains the operations and management of Mount Rhodes CID, ensuring that the company adheres to all financial and legal requirements for a non-profit company registered in South Africa.

4.1.1.1 The General Management and Operations Portfolio enables the other portfolios to effectively achieve their annual targets.

4.1.1.2 The responsibilities of this portfolio include the management of the following areas:

- the financial requirements, including ensuring annual audits, generation of annual budgets, Income Tax and VAT compliance and payments and monthly accounts management.
- the POPI and PAIA requirements, including the appointment, registration and

performance management of an Information officer, as legislated

- the management of all CIPC related submissions regarding company structure and the submission of annual Financial Statements
- the co-ordination of the members database and the City of Cape Town arrears database
- the generation of all annual reports and the successful completion of the Annual General Meeting coupled with the successful completion of a minimum of 4 directors' meetings per annum

4.1.2 The objectives of this portfolio are to ensure appropriate governance from a financial and compliance perspective. To this end, several policies and procedures were reviewed and updated during the 2025/2026 year.

4.1.3 The primary objectives of the management and operations portfolio were adequately managed during the 2025/2026 year.

4.1.4 Membership remained relatively static during the 2025/2026 year. However, stakeholder involvement in CID activities remains limited.

4.1.5 The economic, social and environmental impacts that this portfolio had during the 2025/2026 year were limited.

4.1.6 No complaints were received in relation to the management and operations during the year from any Stakeholders.

4.1.7 The Mount Rhodes CID has put a system in place to ensure that agendas are received by meeting attendees at least two weeks prior to the meeting. Added to this, systems have been put in place to ensure that the turnaround time for the distribution of directors meeting minutes does not exceed 48 hours.

PERFORMANCE TABLE 4.1: Management and Operations
portfolio Actions, KPI's deviances and
commentary with targets

NIL DEVIATION 2025/2026



TARGET 2026/2027



VARIANCE 2025/2026



NOT APPLICABLE

N/A

DEVIANCE 2025/2026		ACTION	KPI	TARGET 2025/2026	ACTUAL 2025/2026	COMMENT
✓	1	Appointment of relevant service providers	Appointment of: 1) monthly Financial Administration Contractor 2) security contractor 3) review of insurance provider 4) accounting and statutory requirements	4	4	Appointed: 1) AccountIT 2) Deep Blue Security 3) Santam 4) Signature Consulting
✓	2	Appointment of suitably qualified staff	Extended Groundman's Contract with Deep Blue Security	1	1	Howard Mapenuka (IY Resident) sub-contracted through Deep Blue Security.
✓	3	Appoint an auditor	IRBA registered auditor appointed.	1	1	Appointed: Sommerville & Associates Inc.
✓	4	Board meetings	Quarterly Board meetings. 1) Quorum of directors present. 2) Feedback per portfolio. 3) Each meeting minuted and resolutions filed.	4	5	All Board meetings minuted with a minimum of 3 directors present at each meeting.
✓	5	Monthly Progressive Income and Expenditure Report to CCT	Submit reports to the CID Branch by 15th	12	12	Managed as per requirements by AccountIt.
✓	6	Audited Annual Financial Statements	Unqualified Audited Annual Financial Statements	1	1	Annual Financial Statements audited and signed by nominated Directors as per requirements 15 August 2026.
✓	7	Submit Annual Financial Statements to City	Signed Annual Financial Statements submitted to City	1	1	Audited and signed Annual Financial Statements submitted to CCT 31 August 2026.

DEVIANCE 2025/2026		ACTION	KPI	TARGET 2025/2026	ACTUAL 2025/2026	COMMENT
✓	8	Review arrears list	Report arrears to Board	4	4	Arrears reviewed at each Board meeting.
✓	9	Annual feedback to members at AGM	Host legally compliant AGM	1	1	AGM Hosted 17 November 2025
✓	10	Submit Annual Report and Annual Audited Financial Statements to Sub- council(s)	Submit AFS and annual report to Sub council within 3 months of AGM.	1	1	Audited and signed Annual Financial Statements submitted to Sub council 31 December 2025.
✓	11	CIPC Compliance & Annual Returns	Submit Annual Returns to CIPC	1	1	Audited and signed Annual Financial Statements submitted to CIPC 31 December 2025.
✓	12	CIPC Compliance - Directors change - Auditors change - Company Secretary	Submit amendments to CIPC within 10 business days of the change	1	1	Submitted proof of submission to CID Branch 31 July 2026.
✗	13	Manage and monitor the service request process	Complete monthly reports of service requests and monitor outstanding issues.	12	0	No reports from CCT as requested; too many electricity and water outages to record almost bi-weekly issues
N/A	14	Participate in the review / development of the City's Integrated Development Plan	Annual submissions to Sub council Manager	Annually	Manager and Board	October to February of every year.
N/A	15	Participate in the City's Capital and Operating Budget process	Annual submissions to Sub council Manager.	Annually	Manager and Board	By September of each year.
✓	16	Maintain NPC membership	Up to date NPC membership register	1	1	Completed and updated monthly and uploaded to Website.
N/A	17	Submit an extension of term application	Submit a comprehensive extension of term application for approval by the members and the CCT Council.	In year 5	Manager and Board	Prepare a new business plan in the last year of term.
✓	18	Annual Tax Compliance Status	Within one month after expiry date.	1	1	Completed by Signature Consulting for end June 2026.
✓	19	Adjustment Budget	Board approved adjustment budget	1	1	Board minutes and approved adjustment budget submitted to the CCT by end of March 2026
✓	20	First Board meeting post AGM	Allocate portfolios, elect Chairperson, sign Declaration of Interest, complete POPIA declaration	1	1	Completed December 2025.
✓	21	Register with the Information Regulator of South Africa	Compliance with Information Regulator of South Africa	1	1	Coleen Bowen registered as the Mount Rhodes CID Information Officer.
✓	22	VAT reconciliation and tax returns	BI-monthly VAT returns and annual tax returns submitted to SARS on time	6	6	Completed by AccountIt as legislated

All KPIs were achieved during the reporting period, with the exception of the Service Reporting KPI. The CID requested assistance

from the City of Cape Town in July 2024 to obtain consolidated service request information; however, no response or reporting mechanism has yet been provided.

The monitoring of service requests remains challenging because Mount Rhodes experiences recurring municipal service disruptions, particularly water and electricity outages. These incidents can occur frequently and often generate multiple individual service requests, making it difficult for the CID to maintain a complete and consolidated record independently.

During the reporting period, three sewerage blockages were reported within the Mount Rhodes area. All three were attended to by the City of Cape Town within 24 hours of being reported. The traffic signals at the entrance to Mount Rhodes also experienced repeated failures during the year and required ongoing reporting and follow-up.

The CID continues to monitor, report and follow up on service delivery matters that affect the broader Mount Rhodes community. Individual household and private property matters fall outside the scope of this monitoring.

The inability to fully achieve the Service Reporting KPI is therefore primarily attributable to the absence of consolidated service request information from the City of Cape Town rather than a lack of monitoring or follow-up by the CID. Access to consolidated reporting would materially improve the CID's ability to track outstanding matters, identify recurring service delivery trends and report more accurately against this KPI.

4.1.8 General Management and Operations Portfolio Resource Allocation

	ADJUSTMENT BUDGET 2025/26	ACTUALS 2025/26	VAR	VAR %	% SPEND PER ACTIVITY
EXPENDITURE					
Core Business	R -	R -			
	R -	R -	R -	-	0%
General Expenditure	R 82,250	R 73,110			
Accounting fees	R 34,026	R 34,020	R 6	100%	47%
Administration and management fees	R -	R -	R -	-	0%
Advertising costs	R 6,000	R 3,506	R 2,494	58%	5%
Auditor's remuneration	R 14,000	R 13,500	R 500	96%	18%
Bank charges	R 1,700	R 1,550	R 150	91%	2%
Computer expenses	R -	R -	R -	-	0%
Contingency / Sundry	R 1,662	R 1,221	R 441	73%	2%
Donations	R -	R -	R -	-	0%
Insurance	R 15,312	R 12,123	R 3,189	79%	17%
Postage & courier	R -	R -	R -	-	0%
SARS - Income Tax	R 4,000	R 813	R 3,187	20%	1%
Secretarial duties	R 5,550	R 6,377	R (827)	115%	9%
Projects	R -	R -			
		R -	R -	-	0%
Capital Expenditure (PPE)	R -	R -			
	R -	R -	R -	-	0%
TOTAL MANAGEMENT & ADMIN	R 82,250	R 73,110	R 9,140	11%	

The Operations and Management Portfolio closed the 2025/2026 financial year with actual expenditure of R73,110 against an adjusted budget of R82,250, resulting in a favourable variance of R9,140, or approximately 11% of the adjusted budget.

The underspend was mainly attributable to lower-than-budgeted expenditure on SARS Income Tax (R3,187), Insurance (R3,189) and Advertising (R2,494). Further favourable variances were recorded on Bank Charges (R150) and Contingency/Sundry Expenses (R441).

These savings were partially offset by an unfavourable variance of R827 on Secretarial Duties, where actual expenditure amounted to R6,377 against a budget of R5,550. Accounting fees remained substantially in line with budget, recording a minor favourable variance of R6.

Overall, expenditure within the Operations and Management Portfolio was effectively controlled during the reporting period. The portfolio concluded the year R9,140, or approximately 11%, below the adjusted budget, while continuing to support the CID's governance, administration and compliance requirements. The favourable financial result was principally attributable to savings on income tax, insurance and advertising expenditure.

4.2 PUBLIC SAFETY

4.2.1 Public Safety Portfolio focused on ensuring existing safety measures were effectively managed and implemented specific initiatives for enhancing the delivery infrastructure for safety and security in Mount Rhodes during 2025/2026.

4.2.1.1 The primary purpose of the Public Safety Portfolio is to enhance the overall safety and security of Mount Rhodes. This portfolio encompasses a range of initiatives and activities aimed at creating a safer environment for residents.

4.2.1.2 The responsibilities of this portfolio include the management of the following areas:

- the appointment of a security provider
- the reporting of any security related issues within Mount Rhodes
- the participation in joint operations between security providers in the area
- the extensive CCTV camera system and electric fence.

4.2.2 The primary objectives of the security portfolio were well managed during the 2025/2026 year.

4.2.3 The extension of the existing camera infrastructure into the internal roads in Mount Rhodes was completed successfully within budget.

4.2.4 No complaints or feedback was received during the year from either the City of Cape Town or Stakeholders regarding Public Safety.

4.2.5 There was no need to put any interventions or strategies in place to manage any underperformance in the Public Safety Portfolio.

PERFORMANCE TABLE 4.2: Public Safety Portfolio Actions, KPI's deviances and commentary with targets

NIL DEVIATION 2025/2026



TARGET 2026/2027



VARIANCE 2025/2026



NOT APPLICABLE

N/A

DEVIANCE 2025/2026		ACTION	KPI	TARGET 2025/2026	ACTUAL 2025/2026	COMMENT
✓	1	Develop a Public Safety strategy and management plan	Up to date Public Safety Management and Strategy Plan	1	1	Completed as a component of Business Plan.
✓	2	Appoint a Public Safety service provider(s)	Contracted PSIRA registered public safety service provider(s)	1	1	Appointed Deep Blue as service provider.
✓	3	Review and approve the Public Safety strategy and management plan	Approved Public Safety strategy and management plan	1	1	On-going scheduled meetings with Deep Blue.
✓	4	Record Public Safety Incidents	Up to date public safety incident records	12	12	No safety incidents to report 2025/2026 year.
✓	5	CID participation in joint operations	Participated in joint operations	1	1	Continuous communication with CCP/ADT and Deep Blue.
N/A	6	Deploy Public Safety resources accordingly and effectively on visible patrols. Public Safety personnel and patrol vehicles to be easily identifiable	Effective Public Safety patrols	-	-	Mount Rhodes CID would exceed security spend if implemented therefore N/A.
✓	7	Participate in local safety forums	Attend local safety forums	1	1	Continuous communication with CCP/ADT and Deep Blue.

DEVIANCE 2025/2026		ACTION	KPI	TARGET 2025/2026	ACTUAL 2025/2026	COMMENT
N/A	8	Application to be submitted to secure Law Enforcement Officer	Application submitted to the CCT	-	-	Mount Rhodes CID would exceed security spend if implemented therefore N/A.
N/A	9	Deploy Law Enforcement Officer/s in support of the Public Safety strategy and management plan	Law Enforcement Officers deployed in CID	-	-	Mount Rhodes CID would exceed security spend if implemented therefore N/A.
✓	10	Register CCTV Cameras with the CCT	Cameras registered with the CCT	0	0	No new cameras installed for registration.
✓	11	Monitor CCTV Cameras	Monitoring of CCTV Cameras by appropriately qualified service providers.	1	1	Cameras are monitored 24/7 by Deep Blue Control Room
✓	12	Plan deployment of CCTV cameras	CCTV Camera deployment included in Public Safety strategy and management plan	1	1	Completed and continuously maintained.

The Public Safety Portfolio remained focused on maintaining and strengthening the safety and security measures within Mount Rhodes during the 2025/2026 reporting period. All applicable performance targets were achieved, while certain activities were recorded as not applicable where they would have resulted in expenditure beyond the approved Public Safety budget.

The Public Safety Strategy and Management Plan was maintained as part of the approved Business Plan and reviewed during the year. Deep Blue continued to serve as the CID's appointed PSIRA-registered public safety service provider, with ongoing scheduled meetings held to review security arrangements and operational requirements.

No public safety incidents were recorded by the CID during the reporting period. The CID continued to participate in joint safety initiatives and maintained regular communication with CCP, ADT and Deep Blue. Participation in local safety forums and ongoing liaison with relevant security partners also continued throughout the year.

The deployment of additional visible patrol resources and the application for, or deployment of, dedicated Law Enforcement Officers were recorded as not applicable for the period, as implementation would have resulted in expenditure exceeding the approved Public Safety budget.

The CID's CCTV infrastructure remained an important component of the Public Safety Portfolio. Existing cameras continued to be monitored 24 hours a day, seven days a week by the Deep Blue Control Room. CCTV deployment remained incorporated into the Public Safety Strategy and was continuously maintained. No new cameras requiring registration with the City of Cape Town were installed during the reporting period.

Overall, the Public Safety Portfolio achieved all applicable 2025/2026 performance targets. The portfolio maintained effective oversight of the appointed security provider, continued coordination with local safety partners, sustained continuous CCTV monitoring and preserved the existing security infrastructure within the approved financial framework.

4.2.6 Public Safety Portfolio Resource Allocation

	ADJUSTMENT BUDGET 2024/25	ACTUALS 2024/25	VAR	VAR %	% SPEND PER ACTIVITY
EXPENDITURE					
Core Business	R 521,427	R 390,524			
Law Enforcement Officers	R -	R -	R -	-	0%
Public Safety - CCTV monitoring	R 37,427	R -	R 37,427	100%	0%
Public Safety - Leasing of cameras	R 484,000	R 390,524	R 93,476	19%	78%
General Expenditure	R -	R -			
	R -	R -	R -	-	0%
Projects	R 20,000	R 18,427.00			
Entrance lights	R 20,000	R 18,427	R 1,573	8%	4%
Capital Expenditure (PPE)	R 120,000	R 93,830			
Internal Camera Network Upgrade	R 120,000	R 93,830	R 26,170	22%	19%
TOTAL PUBLIC SAFETY	R 661,427	R 502,781	R 158,646	24%	

Public Safety expenditure for the 2025/2026 financial year amounted to R502,781 against an approved budget of R661,427, resulting in a favourable variance of R158,646, or approximately 24% of the approved budget.

The underspend was largely attributable to efficiencies in the CCTV monitoring allocation and savings achieved on the internal CCTV camera network upgrade.

The separately budgeted CCTV monitoring cost of R37,427 was not incurred because monitoring was incorporated into the camera leasing arrangement. This resulted in the full amount of that allocation remaining unspent.

Further savings were achieved under Capital Expenditure (PPE), where the internal CCTV cameras were procured at favourable dealer rates, resulting in a saving of R26,170 against the approved capital budget.

Despite the underspend, the Public Safety Portfolio achieved its key operational and infrastructure objectives during the reporting period. The favourable variance therefore reflects cost efficiencies rather than reduced

service delivery. Overall, the portfolio concluded the year R158,646, or approximately 24%, below budget, with the remaining funds to be managed in accordance with the CID's approved financial controls, budgetary processes and applicable governance requirements.

4.3 **MAINTENANCE & CLEANSING**

4.3.1 The cleaning and urban management services, as planned are in support of the IDP. The Mount Rhodes CID is working towards the continuous development and improvement of the urban environment through cleaning and urban management all aimed at safeguarding and improving the Mount Rhodes CID. This is in line with the Objective 4 of the IDP (Well-managed and modernised infrastructure to support economic growth) specifically objective 4.7 promoting cleanliness and addressing illegal dumping

4.3.1.1 The Maintenance and Cleansing Portfolio managers and overseas general cleanliness and maintenance of the Mount Rhodes suburb.

4.3.1.2 The responsibilities of this portfolio include the management of the following areas:

- the reporting and follow-up of any identified maintenance issues with respect to the Mount Rhodes infrastructure, including power issues and water related issues.
- the management of the contracted groundsman to ensure that the streets within Mount Rhodes remain litter free.
- the management of the contracted groundsman to ensure that the perimeter fence remains clear and free of debris and invasive vegetation. Furthermore, their responsibilities have extended to keeping specific verges clear for road visibility and general appeal as well as maintaining the

drainage of the service road in the nature reserve behind Mount Rhodes.

- 4.3.2 The primary objectives of the maintenance and cleansing portfolio were well managed during the 2025/2026 year.
- 4.3.3 The Mount Rhodes CID managed to attain a high standard of cleanliness throughout 2025/2026.
- 4.3.4 There was limited involvement of stakeholders in this portfolio during the 2025/2026 year.
- 4.3.5 The portfolio also provided a modest local economic benefit through the employment of a contracted groundsman who is a resident of Mandela Park in Hout Bay. This contributes to local employment while simultaneously supporting the maintenance and cleanliness objectives of the CID.
- 4.3.6 No complaints or feedback was received during the year from either the City of Cape Town or Stakeholders regarding Maintenance and Cleansing in Mount Rhodes.
- 4.3.7 No specific corrective interventions or strategies were required during the year to address underperformance. The overall financial outcome, with expenditure at approximately 99% of the adjusted budget, demonstrates sound financial control and effective alignment between planned activities and actual expenditure.

PERFORMANCE TABLE 4.3: Maintenance and Cleansing Portfolio Actions, KPI's deviances and commentary with targets

NIL DEVIATION 2025/2026



TARGET 2026/2027



VARIANCE 2025/2026



NOT APPLICABLE

N/A

DEVIANCE 2025/2026		ACTION	KPI	TARGET 2025/2026	ACTUAL 2025/2026	COMMENT
✓	1	Develop a maintenance and cleansing strategy and management plan	Up to date maintenance and cleansing strategy and management Plan	1	1	Completed as a component of Business Plan.
✓	2	Appoint a maintenance and cleansing service provider(s)	Contracted service provider(s)	1	1	Subcontracted a Grounds man through Deep Blue.
✓	3	Review and approve the maintenance and cleansing management plan	Approved maintenance and cleansing strategy and management plan	1	1	Daily, weekly and monthly targets are set for staff and achieved
N/A	4	Evaluate and review the provision of public litter bins	Sufficient public litter bins	-	-	
✓	5	Cleaning of streets and sidewalks supplementary to those provided by the CCT	Clean streets and sidewalks in partnership with the CCT	1	1	Subcontracted a Grounds man through Deep Blue completes this task weekly.
✓	6	Health and safety issues reported to the CCT	Logged CCT service request resolved	0	0	None to date
✓	7	Combat Illegal dumping	Logged CCT service request resolved	0	0	None to date.
N/A	8	Removal of illegal posters	Urban infrastructure free from illegal posters	-	-	
N/A	9	Removal of graffiti	Urban infrastructure free of graffiti	-	-	
✓	10	Record maintenance and cleansing activities	Up to date maintenance and cleansing records	1	1	Communication is continuous via a WhatsApp group thereby providing a good record of activities and cleansing schedules.
✓	11	Identify problems, requiring minor maintenance to CCT infrastructure and perform relevant maintenance on: a. Water and Sanitation infrastructure b. Roads and Stormwater infrastructure c. Road markings d. Grass cutting in Public Open Spaces incl. Parks e. Street furniture	Completed minor maintenance to CCT infrastructure	1	1	Grass cutting and tree felling in open spaces and erfs owned by the CCT was completed throughout the year when and where necessary.
✓	12	Identify problems, required maintenance or damage to CCT infrastructure and report to relevant department including: a. Street lighting b. Water and Sanitation c. Roads and Stormwater d. Traffic signals and road markings Public Open Spaces incl. Parks	Report findings to the relevant CCT department and log CCT service request	1	1	On-going

The Maintenance and Cleansing Portfolio remained focused on maintaining a clean, safe and well-managed public environment within Mount Rhodes. During the 2025/2026 reporting period, all

applicable performance targets were achieved, with a number of activities recorded as not applicable where no intervention was required.

The Maintenance and Cleansing Strategy and Management Plan was maintained as a component of the approved Business Plan and reviewed during the year. A groundsman was subcontracted through Deep Blue to support the portfolio, and daily, weekly and monthly maintenance targets were set and achieved.

Routine cleaning of streets and sidewalks continued on a weekly basis, supplementing the services provided by the City of Cape Town. Maintenance and cleansing activities were recorded on an ongoing basis, with the community WhatsApp group also providing a practical record of completed work and cleaning schedules.

The CID continued to identify and address minor maintenance requirements affecting public infrastructure and open spaces. Grass cutting and tree felling were undertaken on public open spaces and City-owned erven where required, while maintenance issues affecting City infrastructure were reported to the relevant City departments and followed up through service requests.

Health and safety matters and illegal dumping were monitored throughout the year. The relevant targets were achieved, although no specific incidents requiring corrective action were recorded during the reporting period.

A number of standard maintenance KPIs, including the provision of additional public litter bins, removal of illegal posters and graffiti, were not applicable during the year because no intervention was required in these areas.

Overall, the Maintenance and Cleansing Portfolio achieved its applicable 2025/2026 targets. The portfolio maintained consistent

routine service delivery, effective oversight of the contracted grounds service, appropriate reporting of municipal maintenance issues and ongoing upkeep of the Mount Rhodes public environment.

4.3.8 Maintenance and Cleansing Portfolio Resource Allocation

	ADJUSTMENT BUDGET 2025/24	ACTUALS 2025/24	VAR	VAR %	% SPEND PER ACTIVITY
EXPENDITURE					
Core Business	R 10,000	R 9,000			
Environmental upgrading	5,013	3,144	R 1,869	63%	2%
Urban Maintenance	10,000	9,000	R 1,000	90%	5%
General Expenditure	R 2,000	R 1,500			
Minor tools & equipment	R -	R -	R -	-	0%
Protective clothing	R 2,000.00	R 1,500.00	R 500.00	75%	1%
Projects	R -	R -			
	R -	R -	R -	-	0%
Capital Expenditure (PPE)	R 154,558	R 155,000			
Entrance Upgrade	154,558	155,000	R (442)	100%	94%
TOTAL URBAN MAINTENANCE & CLEANSING	R 166,558	R 165,500	R 1,058	1%	

Within the Core Business allocation, Environmental Upgrading had an adjusted budget of R5,013, of which R3,144 was spent.. Expenditure on Urban Maintenance amounted to R9,000 against a budget of R10,000. Reflecting the high continued attention to routine maintenance and the upkeep of the Mount Rhodes environment.

The most significant expenditure was recorded under Capital Expenditure (PPE), relating to the Entrance Upgrade. An adjusted budget of R154,558 was allocated, against which R155,000 was spent, resulting in a small unfavourable variance of R442. The variance represents less

than 1% of the capital allocation and therefore reflects expenditure that was substantially in line with the approved budget.

The Entrance Upgrade accounted for approximately 94% of the total Maintenance and Cleansing expenditure for the year, demonstrating that the financial focus of the portfolio during 2025/2026 was predominantly on this capital improvement rather than on additional operational expenditure. The investment represents a tangible improvement to the physical environment and supports the CID's objective of maintaining and enhancing the appearance and functionality of Mount Rhodes.

In summary, the financial results indicate a well-managed Maintenance and Cleansing Portfolio, with operational expenditure kept below budget, the major capital project delivered essentially within budget, and total expenditure remaining within 1% of the approved allocation.

4.4 ENVIRONMENTAL DEVELOPMENT

4.4.1 This portfolio focuses on enhancing the quality of the local environment, promoting green initiatives, and improving the overall aesthetic and ecological health of the area.

4.4.1.1 The Environmental and Development Portfolio primarily manages and oversees the greening and beautification of communal areas.

4.4.1.2 The responsibilities of this portfolio include the following:

- to implement landscaping projects
- to implement greening of communal areas
- To remove alien vegetation when required
- To set assist in setting up KPI's for the Groundsman to ensure ongoing maintenance of the landscaped areas with Mount Rhodes

4.4.2 The primary objectives of the Environmental Development Portfolio were very well managed during the 2025/2026 year.

4.4.3 The Mount Rhodes CID experienced significant challenges in obtaining assistance and definitive responses from the City of Cape Town regarding the proposed Community Garden. After 26 months, the project was abandoned when the City advised that the plots would be sold during the 2025/2026 financial year. The redirected budget was used to establish an indigenous garden at the Mount Rhodes entrance, creating a valuable environmental improvement for the community.

- 4.4.4 There was good and active involvement of stakeholders in this portfolio during the 2025/2026 year with many residents and owners volunteering and providing indigenous plants for the entrance and bank stabilisation at the entrance.
- 4.4.5 The only relevant economic impact was an additional contracted groundsman who is a current resident of Mandela Park, the informal settlement, in Hout Bay.
- 4.4.6 No complaints or feedback was received during the year from either the City of Cape Town or Stakeholders regarding Environmental Development in Mount Rhodes.
- 4.4.7 There was no need to put any interventions or strategies in place to manage any underperformance in the Environmental Development Portfolio.

PERFORMANCE TABLE 4.4: Environmental Development Portfolio Actions, KPI's deviances and commentary with targets

NIL DEVIATION 2025/2026



TARGET 2026/2027



VARIANCE 2025/2026



NOT APPLICABLE

N/A

DEVIANCE 2025/2026		ACTION	KPI	TARGET 2025/2026	ACTUAL 2025/2026	COMMENT
✓	1	Develop an environmental development strategy and management plan	Up to date environmental development strategy and management Plan	1	1	Completed as a component of Business Plan.
✓	2	Appoint an environmental development service provider(s)	Contracted service provider(s)	1	1	Subcontracted a Grounds man through Deep Blue.
✓	3	Review and approve the environmental development management plan	Approved environmental development strategy and management plan	1	1	Completed as a component of Business Plan.
N/A	4	Promote waste minimization and management thereof through awareness on waste, water, noise and air pollution	Quarterly awareness campaign through newsletters or Website to business and property owners.	-	-	
N/A	5	Implement a Recycling programme	Recyclable waste collected	-	-	
✓	6	Install public recycling bins	Public recycling bins installed	1	1	2 public bins installed
✓	7	Implement and maintain landscaping projects	Landscaping projects implemented and maintained	1	1	Development of indigenous garden
N/A	8	Install and maintain street furniture	Street furniture maintained	-	-	
N/A	9	Monitor and report illegal signage and posters	Report findings to the relevant CCT department and log CCT service request	-	-	
✓	10	Improve green urban environment	Green urban environment	1	1	Ongoing general maintenance by Grounds man
N/A	11	Monitor environmental health of waterways	Report findings to the relevant CCT department and log CCT service request	-	-	

The Environmental Development Portfolio continued to focus on improving and maintaining the Mount Rhodes environment through landscaping, greening, vegetation management and related environmental initiatives. During the 2025/2026 reporting period, all applicable performance targets were achieved, while a number of activities were recorded as not applicable to the CID's circumstances.

The Environmental Development Strategy and Management Plan was maintained and reviewed as part of the approved Business Plan, with the relevant annual targets achieved. The CID also continued to make use of a contracted environmental service provider through the groundsman subcontracted via Deep Blue.

The portfolio delivered several practical environmental improvements during the year. Two public recycling bins were installed, the indigenous garden at the Mount Rhodes entrance was developed, and ongoing general maintenance of the green urban environment was carried out by the groundsman. These activities supported the CID's broader objectives of improving the appearance, sustainability and environmental quality of the area.

A number of standard environmental KPIs were not applicable during the reporting period, including quarterly waste-minimisation awareness campaigns, implementation of a formal recycling programme, installation and maintenance of street furniture, monitoring of illegal signage and posters, and environmental monitoring of waterways. These activities were therefore appropriately recorded as not applicable rather than as performance deviations.

Overall, the Environmental Development Portfolio achieved its applicable 2025/2026 targets. The portfolio remained focused on practical and visible environmental improvements, particularly landscaping, greening, recycling infrastructure and ongoing grounds maintenance, while maintaining alignment with the CID's approved Business Plan and environmental objectives.

4.4.8 Environmental Development Portfolio Resource Allocation

	ADJUSTMENT BUDGET 2025/26	ACTUALS 2025/26	VAR	VAR %	% SPEND PER ACTIVITY
EXPENDITURE					
Core Business	R 95,077	R 92,866			
Cleaning services	R 95,077	R 92,866	R 2,211	2%	42%
General Expenditure	R -	R -			
	R -	R -	R -	-	0%
Projects	R 160,000	R 129,724			
Entrance indigenous landscaping	R 160,000	R 129,724	R 30,276	19%	58%
Capital Expenditure (PPE)	R -	R -			
	R -	R -	R -	-	0%
TOTAL ENVIRONMENTAL UPGRADING	R 255,077	R 222,590	R 32,487	13%	

Approximately 42% of the Environmental Development budget was utilised for the ongoing maintenance of verges and grounds, including the periodic clearing of alien vegetation along the nature reserve pathway behind Mount Rhodes.

The balance of the available funding was directed towards the establishment of the indigenous garden at the Mount Rhodes entrance, with a portion of the allocation carried forward into the following financial year to complete further landscaping along the stabilised embankment during the appropriate spring planting period.

Overall, the Environmental Development Portfolio was managed within the approved budget and delivered both ongoing maintenance and a visible environmental improvement at the entrance to Mount Rhodes. The remaining funds will support the continuation and completion of the landscaping programme in the next financial year.

4.5 **SOCIAL DEVELOPMENT**

4.5.1 Social Development and upliftment contribution as planned is in support of the social development objectives of the IDP. The Mount Rhodes CID supports the City's Social Upliftment Strategies to find lasting solutions for social development, which includes supporting organisations that provide social and security services and where possible create employment opportunities. This is in support of Objective 15 (Building a more spatially Integrated and Inclusive City).

4.5.1.1 Mount Rhodes CID is a very small CID comprising 84 erfs, many of which are owned by non-South Africa citizens living abroad. Therefore, volunteers to assist in Social Development projects are scarce. Added to this the CID has limited financial resources.

4.5.1.2 The Social Development Portfolio focused on creating meaningful local employment opportunities within the Mount Rhodes community through the CID's projects and initiatives. During the financial year, local workers were engaged on a contractual basis in the stabilisation and improvement of the embankment leading into Mount Rhodes, as well as in the creation and establishment of the indigenous garden at the Mount Rhodes entrance.

4.5.2 The Social Development Portfolio was well managed during the 2025/2026 financial year.

4.5.3 The Social Development Portfolio contributed to the local economy by creating contractual employment opportunities for local community members. Through projects such as the stabilisation of the Mount Rhodes embankment and the establishment of the indigenous

garden, CID expenditure directly supported local livelihoods while improving the surrounding environment and community assets.

4.5.4 No complaints or feedback was received during the year from either the City of Cape Town or Stakeholders regarding Social Development in Mount Rhodes.

4.5.5 There was no need to put any interventions or strategies in place to manage any underperformance in the Social Development Portfolio.

PERFORMANCE TABLE 4.5: Social Development Portfolio Actions, KPI's deviances and commentary with targets

NIL DEVIATION 2025/2026



TARGET 2026/2027



VARIANCE 2025/2026



NOT APPLICABLE

N/A

DEVANCE 2025/2026		ACTION	KPI	TARGET 2025/2026	ACTUAL 2025/2026	COMMENT
✓	1	Develop a social and economic development strategy and management plan	Up to date social and economic development strategy and management Plan	1	1	Completed as a component of Business Plan.
N/A	2	Appoint a social development service provider(s)	Contracted service provider(s)	1	1	
✓	3	Review and approve the social and economic development management plan	Approved social and economic development strategy and management plan	1	1	Projects carried over to next financial year
N/A	4	Monitor and review implementation of informal trading plans in support of economic development	Managed informal trading	-	-	
N/A	5	Promote Social Development awareness	Quarterly awareness campaign through newsletters or Website	-	-	
✓	6	Work in conjunction with local social welfare and job creation organisations and develop the delivery of the supplementary services to improve the urban environment	Job creation through social intervention	2	2	CCP partnership and Project based initiatives.
N/A	7	Provide social services	Social service to recipients	1	1	

The Social Development Portfolio focused on supporting local social and economic development through initiatives aligned with the CID's approved Business Plan. During the 2025/2026 reporting period, the applicable performance targets were achieved, while a number of activities were recorded as not applicable to the CID's current operating environment.

The Social and Economic Development Strategy and Management Plan was maintained as a component of the approved Business Plan and was reviewed during the year. The relevant annual target was therefore achieved. The review of the management plan also confirmed that certain projects would continue into the following financial year.

The CID continued to support social and economic development through partnership-based and project-based initiatives, rather than through the appointment of a dedicated external social development service provider. As a result, the service-provider appointment KPI was treated as not applicable during the reporting period.

The CID also continued to work with local organisations and initiatives that support community welfare, job creation and improvement of the urban environment. The target of two job-creation/social intervention initiatives was achieved through the CID's CCP partnership and project-based activities.

Certain standard Social Development KPIs, including the monitoring of informal trading plans and quarterly social-development awareness campaigns, were not applicable during the year, as these activities did not form part of the CID's operational requirements for the reporting period.

Overall, the Social Development Portfolio achieved its applicable 2025/2026 targets. The portfolio remained focused on practical initiatives that supported local employment, community benefit and improvement of the Mount Rhodes environment, while activities not relevant to the CID's circumstances were appropriately recorded as not applicable.

4.5.6 Social Development Portfolio Resource Allocation

	ADJUSTMENT BUDGET 2025/26	ACTUALS 2025/26	VAR	VAR %	% SPEND PER ACTIVITY
EXPENDITURE					
Core Business	R 32,125	R 26,935			
Community Crime Prevention	R 13,125	R 10,435	R 2,690.00	80%	8%
Social upliftment	R 19,000	R 16,500	R 2,500.00	87%	12%
General Expenditure	R -	R -			
	R -	R -	R -	-	0%
Projects	R 127,500	R 106,895			
Entrance Stabilisation and development	R 127,500	R 106,895	R 20,605	84%	80%
Capital Expenditure (PPE)	R -	R -			
	R -	R -	R -	-	0%
TOTAL SOCIAL DEVELOPMENT	R 159,625	R 133,830	R 25,795	16%	

The Social Development Portfolio was managed within the approved budget during the 2025/2026 financial year. Actual expenditure amounted to R133,830 against an adjusted budget of R159,625, resulting in a favourable variance of R25,795, or approximately 16% of the available budget. Overall budget utilisation was therefore approximately 84%.

The Core Business allocation amounted to R32,125, of which R26,935 was utilised, resulting in a favourable variance of R5,190. Expenditure under this allocation supported both Community Crime Prevention and Social Upliftment initiatives.

Within this allocation, Community Crime Prevention expenditure amounted to R10,435 against a budget of R13,125, representing approximately 80% utilisation, while Social Upliftment expenditure amounted to R16,500 against a budget of R19,000, representing approximately 87% utilisation.

The largest component of the portfolio was the Entrance Stabilisation and Development project, with expenditure of R106,895 against an adjusted budget of R127,500. This project accounted for approximately 80% of total Social Development expenditure during the year and represented the portfolio's primary investment.

Importantly, the project delivered benefits beyond the physical stabilisation and improvement of the Mount Rhodes entrance. Local workers were engaged in the implementation of the works, creating employment opportunities and supporting local economic participation while simultaneously addressing an identified infrastructure and environmental need.

The project therefore delivered a combination of social, environmental and infrastructure benefits: improving the appearance and stability of the Mount Rhodes entrance, supporting the surrounding environment, and creating employment opportunities within the local community.

Overall, the Social Development Portfolio was effectively managed within budget, with resources directed towards

initiatives that delivered tangible community benefit. The portfolio achieved approximately 84% utilisation of its adjusted budget, maintained appropriate expenditure control and supported the CID's broader objectives of social upliftment, local economic participation and improvement of the Mount Rhodes environment.

4.6 **COMMUNICATIONS**

4.6.1 The Communications Portfolio facilitates effective engagement and information dissemination among stakeholders, including residents, businesses and local government. The Communications Portfolio ensures transparency, promotes the district, and fosters a sense of community.

4.6.1.1 The strategies to promote effective communication are through the uses of a Website, social media and potentially a newsletter.

4.6.1.2 The responsibilities of this portfolio include:

- Maintenance of the Website
- Communication with stakeholders, residents and owners
- Management of all social media platforms

4.6.2 Unfortunately, the resignation of the dedicated Communications Manager/Officer seconded to the Board presented a few challenges. The Board agreed that for the interim the portfolio would be managed by the Board Administrator and the Chairman.

4.6.3 A number of issues arose within the community social media group, highlighting the need for a clear set of guidelines to govern appropriate conduct and engagement. These guidelines were developed and implemented successfully, resulting in the effective resolution of the identified issues. In addition, regular communication with residents and property owners was maintained, fostering improved engagement, transparency and a more positive community environment.

4.6.4 There was involvement of stakeholders in this portfolio during the 2025/2026 year mostly via the Whats App Community Group.

4.6.5 There were no economic impacts resulting from efforts in the portfolio. During the 2025/2026 year.

4.6.6 No complaints or feedback were received from residents or owners. The Website remained compliant for all the 2025/2026 year.

4.6.7 The Mount Rhodes CID will attempt to second a resident to the Board to manage the Communications Portfolio.

PERFORMANCE TABLE 4.6: Communications Portfolio Actions, KPI's deviances and commentary with targets

NIL DEVIATION 2025/2026



TARGET 2026/2027



VARIANCE 2025/2026



NOT APPLICABLE

N/A

DEVIANCE 2025/2026		ACTION	KPI	TARGET 2025/2026	ACTUAL 2025/2026	COMMENT
✓	1	Develop a communication strategy and management plan	Up to date communication strategy and management Plan	1	1	Completed as a component of Business Plan.
✓	2	Appoint a communication service provider(s)	Contracted service provider(s)	1	1	Completed as a component of Business Plan.
✓	3	Review and approve the communication management plan	Approved communication strategy and management plan	1	1	Completed as a component of Business Plan.
✓	4	Maintain Website	Up to date Website	1	1	100% compliant Website
✓	5	Newsletters / Newsflashes	Communication distributed	1	1	Newsflashes communicated via the Whats App Mount Rhodes Community Group.
✓	6	Regular interaction with property and business owners	Feedback on interactions	1	1	Daily interactions with property owners via the Whats App Mount Rhodes Community Group.
N/A	7	CID information signage	Clearly identifiable CID signage	-	-	

The Communications Portfolio remained focused on maintaining clear, regular and accessible communication with Mount Rhodes property owners and residents during the 2025/2026 reporting

period. All applicable performance targets were achieved, with one activity recorded as not applicable.

The Communications Strategy and Management Plan was maintained as part of the approved Business Plan and was reviewed during the year. The portfolio's communication service arrangements were also maintained in line with the Business Plan.

The CID Website was kept up to date and remained fully compliant throughout the reporting period. Newsletters and newsflashes were distributed primarily through the Mount Rhodes Community WhatsApp group, providing residents and property owners with timely updates on CID activities, operational matters and community issues.

Regular stakeholder engagement was maintained throughout the year, with daily interaction taking place through the WhatsApp community group. This provided an effective communication channel for updates, feedback and ongoing engagement with property and business owners.

The KPI relating to dedicated CID information signage was recorded as not applicable during the reporting period, as no additional signage requirement was identified.

Overall, the Communications Portfolio achieved all applicable 2025/2026 targets. Despite the change in communications management arrangements during the year, the CID maintained its core communication channels, ensured continued access to information and sustained regular engagement with residents and property owners.

4.6.8 Communications Portfolio Resource Allocation

	ADJUSTMENT BUDGET 2025/26	ACTUALS 2025/26	VAR	VAR %	% SPEND PER ACTIVITY
EXPENDITURE					
Core Business	R -	R -			
	R -	R -	R -	-	0%
General Expenditure	R 5,600	R 1,475			
Communication	R 1,100	R -	R 1,100	0%	0%
Marketing and promotions	R 2,000	R -	R 2,000	0%	0%
Meeting expenses	R 1,500	R 1,475	R 25	98%	100%
Printing / stationery / photographic	R 1,000	R -	R 1,000	0%	0%
Projects	R -	R -			
		R -	R -	-	0%
Capital Expenditure (PPE)	R -	R -			
	R -	R -	R -	-	0%
TOTAL COMMUNICATION	R 5,600	R 1,475	R 4,125	74%	

Communication expenditure for the 2025/2026 financial year amounted to R1,475 against an adjusted budget of R5,600, resulting in a favourable variance of R4,125. Overall, approximately 26% of the available budget was utilised, **with** 74% remaining unspent at year-end.

Expenditure during the period related entirely to Meeting Expenses, which amounted to R1,475 against a budget of R1,500, representing approximately 98% utilisation of that allocation. No expenditure was recorded against the budget provisions for Communication, Marketing and Promotions, or Printing, Stationery and Photographic activities.

The significant underspend was primarily attributable to changes in the Communications Portfolio following the resignation of the dedicated Communications Manager/Officer. As a result, a number of planned communication and promotional activities were not implemented as originally anticipated. Core communication functions nevertheless continued under the interim arrangement managed by the Administrator and

Chairperson, with ongoing communication maintained through the CID's existing channels.

Overall, the Communications Portfolio remained well within its approved adjusted budget. The R4,125 favourable variance therefore reflects both the reduced implementation of planned communication activities and the continuation of essential communication functions at minimal additional cost. Restoring fuller implementation of the Communications Portfolio will remain an area of focus for the following financial year.

5. CONSOLIDATED PERFORMANCE, STAKEHOLDER AND IMPACT SUMMARY

5.1 Stakeholder Involvement and Outcome

Stakeholder engagement formed part of each of the CID's service portfolios during the 2025/2026 reporting year. Engagement took place through the Mount Rhodes Community WhatsApp group, the CID Website, direct communication with property owners and residents, Board and AGM processes, interaction with contracted service providers, and ongoing engagement with the City of Cape Town and other relevant authorities. The CID also maintains a formal Complaints Resolution Process to record, refer, monitor and resolve formal complaints. No formal complaints were recorded during the year.

The principal stakeholder involvement and resulting outcomes were as follows:

Portfolio	Stakeholder involvement and monitoring	Resulting action / outcome
Management, Operations and Administration	Members and property owners were engaged through the AGM, direct communication and administrative processes.	Five Board meetings were held against a minimum requirement of four, with portfolio feedback and resolutions recorded. The CID

Portfolio	Stakeholder involvement and monitoring	Resulting action / outcome
	Board meetings provided regular portfolio reporting and oversight. Membership records were updated monthly.	continued to raise and follow up municipal service matters on behalf of the broader community.
Public Safety	Ongoing liaison was maintained with Deep Blue, CCP, ADT and other local safety partners, together with participation in local safety forums.	Existing safety arrangements and CCTV monitoring were maintained. No public safety incidents were recorded by the CID during the reporting year and CCTV monitoring continued 24 hours a day, seven days a week.
Maintenance and Cleansing	Residents were able to raise operational matters through existing communication channels, while the CID monitored public areas and reported municipal infrastructure matters to the City.	Weekly street and sidewalk cleaning continued, grass cutting and tree felling were undertaken where required, and City infrastructure matters were reported and followed up.
Environmental Development	Residents and property owners actively participated in greening projects and contributed indigenous plants for the entrance and embankment landscaping.	Stakeholder involvement directly supported the development of the indigenous entrance garden and stabilised embankment landscaping. Two public recycling bins were also installed.
Social Development	The CID worked through community, CCP and project-based initiatives and engaged local workers in CID projects.	Local employment opportunities were created through the entrance stabilisation, development and indigenous landscaping projects. The CID recorded two job-creation/social-intervention initiatives during the year.
Communications	Regular interaction with property owners and residents was maintained through the Website, direct engagement and the Mount Rhodes Community WhatsApp group.	Following issues within the community social-media group, communication guidelines were developed and implemented, resolving the identified conduct concerns. Core communication continued after the resignation of the Communications Manager/Officer.

5.2 Economic, Social and Environmental Impact

The CID's activities during 2025/2026 generated measurable benefits beyond routine service delivery.

From an economic and social perspective, the CID continued to support local employment through its contracted grounds service and project-

based work. The contracted groundsman is a resident of Mandela Park in Hout Bay, providing an ongoing local employment benefit. The Social Development Portfolio also utilised R106,895 on the Entrance Stabilisation and Development project, representing approximately 80% of total Social Development expenditure, with local workers engaged in the implementation of the project. The portfolio recorded two job-creation/social-intervention initiatives during the reporting year.

From an environmental perspective, the proposed community garden could not proceed after the City advised that the relevant properties would be sold. The funding and effort were redirected to an indigenous garden at the Mount Rhodes entrance. Residents supported the project by volunteering and contributing indigenous plants. Two public recycling bins were installed, ongoing grounds maintenance continued, and approximately 42% of the Environmental Development budget was utilised for verge and grounds maintenance, including periodic clearing of alien vegetation along the nature-reserve pathway.

From a service-delivery perspective, three sewerage blockages affecting the Mount Rhodes area were reported during the year and all three were attended to by the City of Cape Town within 24 hours. Traffic-light failures at the Mount Rhodes entrance were also repeatedly reported and followed up.

From a public-safety perspective, existing CCTV cameras remained monitored continuously by the Deep Blue Control Room and the internal camera network was maintained and extended within the approved financial framework. No public safety incidents were recorded by the CID during the reporting year.

The CID does not currently maintain a consolidated count of every individual beneficiary or every temporary employment opportunity generated by each project. Where quantitative information is available, it has been reported above. Improving the recording of employment, participation and beneficiary information will form part of future performance reporting.

5.3 Deviations, Corrective Action and Accountability

Most applicable performance targets were achieved during the reporting period. The material items requiring corrective action or continued management are summarised below.

Matter	Finding / reason	Corrective or remedial action	Responsible party	Target / review date
Service Reporting KPI	The monthly consolidated service-reporting KPI was not fully achieved because the CID does not receive consolidated service-request information from the City of Cape Town. Assistance was requested from the City in July 2024, but no reporting mechanism has yet been provided.	Continue to record and follow up significant community-wide service issues; continue engagement with the City to obtain consolidated reporting; retain evidence of service requests and outcomes where available.	Administrator, with Board oversight and relevant portfolio director	Ongoing during 2026/2027; reviewed at each Board meeting

Matter	Finding / reason	Corrective or remedial action	Responsible party	Target / review date
Communications programme	The resignation of the dedicated Communications Manager/Officer in February 2026 resulted in some planned communications, marketing and promotional activities not being implemented. Core communication functions nevertheless continued.	Administrator and Chairperson to continue the interim arrangement; formalise responsibility for the Communications Portfolio; establish measurable communications outputs; and restore delivery against the approved communications plan.	Chairperson and Administrator / Information Officer	During 2026/2027, with progress reviewed through Board reporting
Proposed Community Garden	The project could not proceed after the City advised that the two City-owned erven would be sold following an extended period of engagement.	Project discontinued and available resources redirected to the indigenous entrance garden and embankment landscaping, being activities within the CID's control.	Environmental Development Portfolio / Board	Redirection completed in 2025/2026; remaining landscaping to continue during the 2026/2027 planting period
Other portfolio performance	No material underperformance requiring formal corrective intervention was identified in Public Safety, Maintenance and Cleansing, Environmental Development or Social Development.	Continue routine monitoring against approved KPIs, budgets and Business Plan objectives.	Relevant portfolio directors and Board	Ongoing; monitored through Board meetings and annual performance reporting

The Management and Operations Portfolio records that the Service Reporting KPI was the principal KPI not fully achieved, with the limitation arising from an external dependency on consolidated City information rather than a failure by the CID to monitor or follow up service matters.

5.4 Overall Portfolio Performance Conclusion

Overall, the CID substantially achieved the applicable performance objectives contained in its approved Business Plan during the 2025/2026 reporting year. Service delivery remained stable across public safety, maintenance and cleansing, environmental development, social development, administration and communications. Where circumstances prevented original plans from being fully implemented, the Board took reasonable corrective or alternative action within the CID's mandate.

Stakeholder participation contributed directly to several outcomes, particularly community communications, environmental greening and project implementation. The CID also delivered identifiable local employment, environmental improvement, infrastructure investment and public-safety benefits while maintaining expenditure controls and portfolio-level performance monitoring.

For 2026/2027, the CID will place additional emphasis on quantifying stakeholder participation, local employment and beneficiary outcomes; improving consolidated service-request reporting; formalising the Communications Portfolio; and recording corrective actions with clear responsibility and review dates. This will strengthen the evidence supporting future performance reporting and provide clearer measurement of the CID's economic, social and environmental impact.

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PART C – CORPORATE GOVERNANCE

1. APPLICATION OF KING IV

1.1 HMount Rhodes CID NPC applies the King IV principles insofar as they are relevant to the nature, size and operations of the organisation. In recognition of the fact that the NPC is entrusted with public funds, the Board is committed to high standards of fiscal transparency, accountability and good governance and, accordingly, the NPC voluntarily applies the King IV Report on Corporate Governance for South Africa 2016. In determining the governance practices appropriate to the organisation, the Board takes into account the City of Cape Town's applicable policies, the requirements relevant to a non-profit company, and the reporting and governance protocols appropriate to the CID's structure and operations. The practices applied during the 2025/2026 reporting year are described in Part C of this Annual Report, together with the evidence used to assess their application. Principle 17 is not applicable to the CID as a non-profit organisation, although the Board continues to exercise appropriate oversight over the CID's own financial resources.

1.2 The Board is satisfied that the NPC has complied with the applicable principles set out in King IV during the period under review, to the extent reasonably possible, are provided fully below.

King IV reference	Principle / topic	Application in the report	Completed and measured evidence
Principle 1 – Ethical and effective leadership	Ethical leadership	Directors' conduct, interests and governance responsibilities	Directors' governance responsibilities were applied through Board oversight and declarations of interests. Conflicts of interest were managed through disclosure and recusal where applicable. No material breaches of directors' conduct were recorded during the 2025/2026 reporting period.
Principle 2 – Organisational ethics	Organisational ethics	Governance controls, codes of conduct and supplier expectations	Ethical conduct requirements were applied through Board oversight, procurement controls and supplier/service-provider requirements. No material ethical breaches, misconduct incidents or supplier conduct violations requiring corrective action were recorded during the year.
Principle 3 – Responsible corporate citizenship	Corporate citizenship	Local work opportunities, public-space maintenance, greening and community initiatives	The CID delivered community-focused activities through maintenance, cleansing, greening, public safety and local work opportunities. These activities were implemented through the approved operational portfolios and related expenditure during the reporting year.
Principle 4 – Strategy, performance and sustainable value creation	Strategy and performance	Business plan, annual objectives and service-delivery portfolios	The Board monitored implementation of the approved business plan, operational objectives and resource allocation throughout the year. Performance was measured against the relevant portfolio activities, expenditure and service-delivery outcomes reported in Part B.
Principle 5 – Reporting enables informed assessment	Reporting	Annual Report, Annual Financial Statements and responsibility statements	The CID prepared an Annual Report and Annual Financial Statements for the reporting period. Financial and operational performance was disclosed through the annual reporting process and subjected to Board review and independent external audit where applicable.
Principle 6 – Governing body as focal point and custodian of governance	Governing body	Board responsibilities, oversight and governance structure	The Board, comprising four directors, exercised oversight of strategy, finance, governance and service delivery throughout the reporting year. Board responsibilities were allocated across defined operational portfolios and supported by the Administrator and contracted service providers.
Principle 7 – Appropriate balance of knowledge, skills, experience, diversity and independence	Board composition	Director appointments, profiles and portfolio responsibilities	The Board consisted of four directors with responsibilities allocated according to governance and operational requirements. Director roles, appointments and portfolio responsibilities were maintained in the CID's governance and statutory records.

King IV reference	Principle / topic	Application in the report	Completed and measured evidence
Principle 8 – Effective arrangements for delegation within the governing body	Board arrangements	Board structure, portfolio responsibilities and absence of separate committees	The CID did not operate separate Board committees during the reporting year. Oversight responsibilities were exercised directly by the full Board and allocated through director portfolios. Board decisions and approvals were recorded through the CID's governance processes.
Principle 9 – Evaluation of governing body performance	Performance evaluation	Oversight of Board and operational performance	Board performance was monitored through ongoing review of service delivery, finances, compliance and implementation of the approved business plan. Performance outcomes were considered through regular governance and operational oversight during the year.
Principle 10 – Appointment of, and delegation to, management	Management delegation	Administration, communications and delegated operational functions	Administrative and communications responsibilities were delegated to the Administrator / Information Officer, while strategic, financial and governance authority remained with the Board. Delegated functions operated within the CID's approved governance and financial controls.
Principle 11 – Governance of risk	Risk	Risk identification and mitigation	Material operational and environmental risks were monitored by the Board during the year, including embankment, vegetation, fire and operational continuity risks. Identified risks were addressed through maintenance, service-provider interventions and operational controls.
Principle 12 – Governance of technology and information	Technology and information	CCTV, communications systems, information management and continuity	Technology and information resources supporting CCTV, communications and administration were managed through the CID's appointed service providers and Information Officer. Operational continuity and information management formed part of the CID's ongoing governance oversight.
Principle 13 – Compliance governance	Compliance	Statutory, regulatory and City reporting obligations	The CID monitored and managed its applicable statutory, regulatory and City of Cape Town reporting obligations throughout the reporting year. Required compliance activities were administered by the Board, Administrator and appointed professional service providers.
Principle 14 – Fair, responsible and transparent remuneration	Remuneration	Director remuneration and service-provider payments	Directors and members received no remuneration for Board or membership duties during the reporting year. Contracted operational and professional service providers were remunerated in accordance with approved budgets, contractual arrangements and procurement controls.

King IV reference	Principle / topic	Application in the report	Completed and measured evidence
Principle 15 – Assurance services and functions	Assurance	Financial controls, outsourced accounting and external audit	Financial administration and reporting were supported by appointed outsourced service providers, with oversight retained by the Board. The Annual Financial Statements were subject to independent external audit by Sommerville and Associates Inc.
Principle 16 – Stakeholder-inclusive approach	Stakeholders	Engagement with owners, residents, service providers and community partners	The CID engaged with property owners, residents and service providers through direct communication, WhatsApp, the Website, meetings and operational channels. Feedback and service-related issues were addressed through the relevant Board portfolios and administrative processes.
Principle 17 – Responsible investment by institutional investors	Institutional investment	Not applicable to the CID as a non-profit organisation	Principle 17 is not applicable to Mount Rhodes CID NPC under the King IV non-profit organisation supplement. The Board nevertheless retained oversight of the CID's own banking arrangements, cash resources and any investments held during the year.

GOVERNANCE STRUCTURE

Compliant with SECTION 16 of the MOI. The updated MOI can be found on the Website



The MOI is available online at www.mountrhodes.co.za

2.1 Board composition

The Board is satisfied that its composition reflects the appropriate mix of knowledge, skills, experience, diversity and independence as required under principle 7.30(a) of King IV] **(King IV principle 7.30(a))**

CORNÉ DREYER - CHAIRPERSON	
Responsibilities	Chairperson and Public Safety Portfolio
Qualifications – skills and experience (King IV principle 7.30(e))	NQF Level 7 - Business
Current professional positions (King IV principle 7.30(h))	Founder and Managing Director of LetsDial Communications (Pty) Ltd
Appointment to the Board (King IV principle 7.30(f))	Annual General Meeting
Date of Appointment	November 2019

Committee membership	N/A
Executive/Non Executive	Executive

DALE LIPPSTREU - TREASURER	
Responsibilities	Treasurer, Management & Operations Portfolio
Qualifications – skills and experience <i>(King IV principle 7.30(e))</i>	NQF Level 7 - Business
Current professional positions <i>(King IV principle 7.30(h))</i>	Retired Legal & Financial Professional
Appointment to the Board <i>(King IV principle 7.30(f))</i>	Annual General Meeting
Date of Appointment	November 2019
Committee membership	N/A
Executive/Non Executive	Executive

GREGORY SCOTT - DIRECTOR	
Responsibilities	Social & Environmental Development & Cleansing and Maintenance Portfolio
Qualifications – skills and experience <i>(King IV principle 7.30(e))</i>	NQF Level 7 - Business
Current professional positions <i>(King IV principle 7.30(h))</i>	Founder and Principal Architect at Scott & Partners
Appointment to the Board <i>(King IV principle 7.30(f))</i>	Annual General Meeting
Date of Appointment	November 2019
Committee membership	N/A
Executive/Non Executive	Executive

DANELA BRYANT - DIRECTOR	
Responsibilities	Special Projects
Qualifications – skills and experience <i>(King IV principle 7.30(e))</i>	NQF Level 7 - Business
Current professional positions <i>(King IV principle 7.30(h))</i>	Interior Designer, Founder & Owner, Danela Conti Interiors for Wellbeing
Appointment to the Board <i>(King IV principle 7.30(f))</i>	Annual General Meeting
Date of Appointment	November 2021
Committee membership	N/A
Executive/Non Executive	Executive

COLEEN BOWEN – BOARD SECRETARY	
Responsibilities	Administration
Qualifications – skills and experience <i>(King IV principle 7.30(e))</i>	NQF Level 9 - Business
Current professional positions <i>(King IV principle 7.30(h))</i>	Self-employed Strategic Commercial & Viability Advisor
Appointment to the Board <i>(King IV principle 7.30(f))</i>	Co-opted by the Board
Date of Appointment	1 June 2024
Committee membership	N/A
Executive/Non Executive	N/A

There were no changes to Board portfolios during the reporting year. Gregory Scott and Danela Bryant were re-elected as directors at the AGM, with their existing roles and portfolio responsibilities continuing unchanged.

Date	Director	Nature of change	Position / portfolio before change	Position / portfolio after change
17 November 2025- AGM	Gregory Scott	Re-elected as director	Director / Company Secretary	Director / Company Secretary
17 November 2025- AGM	Danela Bryant	Re-elected as director	Director – Special Projects	Director – Special Projects

2.2 Board Observers

In terms of the By-law, city councillors are designated as “Board observers” by the Executive Mayor to conduct oversight of Board functions. This oversight entails receiving Board documentation and attending Board meetings, with a view to ensuring that the company duly executes its statutory mandate. The Executive Mayor has appointed Cllr. Roberto Quintas and Cllr Mzwakhe Nqavashe as Board observers. The Board observers were invited to all meetings conducted during the 2025/2026 financial year. The Board observers did not attend any meetings during the year.

2.3 Appointment of the Board

Directors are usually elected during the Annual General Meeting (AGM) of the CID. All property owners within the CID are invited to become members of the CID. Members may attend the AGM and participate in the election process.

Nomination Process:

- Prior to the AGM, a call for nominations for director positions is made.
- Property owners within the CID can nominate a candidate for the Board.

Eligibility Criteria:

- Nominees must typically be registered property owners or representatives of property owners within the CID and members of the CID.
- The specific eligibility criteria may be outlined in the CID's constitution or governing documents.

Election Process:

- During the AGM, registered property owners present vote to elect the directors from the list of nominees.
- Each registered property owner is entitled to 1 vote, as detailed in the CID's constitution.
- Voting is by a "show of hands". If by ballot then Item 15.4 of the CID Policy will apply.

Term of Office:

- Directors are elected for a specific term, which may vary but is often between one to three years.
- Terms and re-election procedures are detailed in the CID's governing documents.

2.4 Overview of the Boards Responsibilities

The primary responsibilities of the Board include the following:

- identifying strategies to implement the NPC's business plan in a manner that ensures the financial viability of the company and takes adequate account of stakeholder interests.
- monitoring compliance with applicable legislation, codes and standards.
- approving the annual budget.
- overseeing preparation of and approving the annual Financial Statements for adoption by members.
- exercising effective control of the NPC and monitoring management's implementation of the approved budget and business plan

2.5 Board Charter

The Board is satisfied that it has fulfilled its responsibilities under the Board charter during the period under review. (King IV Principle 6(5)(b)).



The Board Charter is available online at

www.mountrhodes.co.za

2.6 Board Independence

During the period under review, the Board formally assessed the independence of all non-executive directors, as recommended by King IV. The Board has determined that all of the non-executive directors, including the Chairperson are independent in terms of King IV's definition of "independence" and the guidelines provided for in principle 7.28. (King IV Principle 7.38(a))

2.7 Board Committees

The Board has not appointed any committees to date.

2.8 Board Meeting Attendance

The Board convenes at least every quarter. Special Board meetings are convened when necessary. During the 2025/2026 year 5 meetings were conducted. 3 Directors represent a quorum. 3 directors were present at all meetings. 1 director missed 2 meetings due to work related travel. No Board observers attended.

ATTENDEE NAME	2025/08/28	2025/09/25	2025/10/30	2026/03/12	2026/05/07
Dale Lippstreu	✓	✓	✓	✓	✓
Danela Confi	✓	✗	✓	✓	✗
Gregory Scott	✓	✓	✓	✓	✓
Corne Dreyer	✓	✓	✓	✓	✓
Neill Jansson	✓	✓	✓		
Coleen Bowen	✓	✓	✓	✓	✓
Clir Quintas	✗	✗	✗	✗	✗
Clir Ngavashe	✗	✗	✗	✗	✗

3. ETHICAL LEADERSHIP

Directors are required to maintain the highest ethical standards. To this end, the NPC has adopted a code of conduct for directors, which governs their ethical roles and responsibilities, and provides guidelines on the applicable legal, management and ethical standards.



The Code is available online at www.mountrhodes.co.za

Upon appointment, directors must declare in writing to the Chairperson any private interests which could give rise to a potential conflict of

interest. These declarations are kept in a register and are regularly updated.

Directors must further disclose in writing to the Chairperson if any matter before the Board gives rise to a potential conflict of interest. Such a director must recuse himself or herself from consideration and deliberation of, or voting on, the matter giving rise to the potential conflict of interest.

Transparency in personal or commercial interests ensures that directors are seen to be free of personal or business relationships that may materially interfere with their ability to act independently and in the best interests of the NPC.

The Board is satisfied that the directors have complied with their duties in terms of the Code during the year under review. No changes to the directors' respective declarations were recorded which could potentially impact their independence. (King IV principle 1.3)

4. BOARD OVERSIGHT AND RISK MANAGEMENT

4.1 Risk Management Policy

The Board is tasked with implementing a sound system of internal controls to safeguard the company's assets and funds and ensuring that assets and funds are employed in furtherance of the company's strategic objectives.

The Board considers risk at each of its meetings as detailed at para [2.8] above. The system of internal controls put in place by the Board includes:

- The five-year strategic plan, approved by the CCT in 2024, which has been implemented across the whole range of company functions.

- Use of procurement policy and procedure together with controls and required documentation.
- Annual performance targets, with actual performance being monitored at least quarterly.

A risk register, reviewed by the Board on a bi-annual basis to identify operational risks, establish their likelihood and impact, as well as mechanisms designed to mitigate against these risks. (King IV Principle 11.9(a)).



The risk register is available online at

www.mountrhodes.co.za

4.2 Effectiveness of Risk Policy

During the year under review, the Board fulfilled its risk mandate. Processes and systems have been put in place to govern and manage risks adequately so that the Board is able to execute its risk management responsibilities satisfactorily. (King IV Principle 11.9(a)).

4.3 Key Business Risks and Opportunities

The Board has identified two material risks that could have a significant impact on the CID's financial sustainability, operations and ability to achieve its strategic objectives. These risks are reviewed at each Board meeting as part of the Board's ongoing risk-management oversight. The matters were first formally identified and reported in 2022 and have remained under active review and escalation since then.

Although the CID has continued to monitor, report and escalate both matters, the underlying risks relate to land and infrastructure

under the jurisdiction of the City of Cape Town. The CID therefore remains dependent on the City's support, participation and approval and is not in a position to undertake substantive remedial works independently.

Victoria Road Embankment

Finding

The deterioration of the embankment along Victoria Road remains a significant operational and financial risk. Ongoing erosion has progressed to the extent that it poses a potential threat to the Mount Rhodes perimeter fence. If the erosion continues, it may ultimately require the replacement or relocation of sections of the perimeter fence and could also affect municipal sewer and stormwater infrastructure in the area.

Action taken to date

The condition of the embankment has been monitored and reported since 2022. The CID has formally reported and repeatedly escalated the matter to the relevant City of Cape Town departments and has engaged with the City's Roads Department and engineering representatives. The matter is reviewed at each Board meeting and any developments are recorded and followed up.

Current position and limitation

The City has acknowledged the matter but has advised that funding is not currently available for the necessary remedial work. As the affected infrastructure and embankment fall within the City's area of responsibility, the CID cannot lawfully or practically

undertake the required stabilisation works without the City's approval, cooperation and participation.

Ongoing and remedial actions

The CID will continue to:

- monitor the condition of the embankment and record any further deterioration;
- escalate the matter to the relevant City departments;
- maintain engagement with the City's Roads and engineering representatives;
- assess any potential impact on the CID's perimeter security infrastructure; and
- explore preventative or interim measures where these can lawfully be undertaken within the CID's mandate.

The Board has also identified an opportunity to strengthen collaboration with the City and other relevant stakeholders and to improve early identification of any deterioration that may increase future financial or security exposure.

Fire Risk and Vegetation Management on Little Lion's Head Nature Reserve

Finding

The accumulation of dry vegetation and combustible material within the Little Lion's Head Nature Reserve remains a significant fire risk to surrounding residential properties and the wider Mount Rhodes area.

Residents and the CID have raised concerns regarding vegetation management and possible fire-mitigation measures over an extended period. The matter has been formally reported and monitored since 2022 as part of the CID's risk-management process.

Action taken to date

The CID has repeatedly engaged with and reported the matter to the City of Cape Town and has sought intervention regarding an appropriate vegetation-management programme. Possible interventions raised have included vegetation clearance and, where environmentally and operationally appropriate, consideration of controlled burning or other professional fire-management measures.

The matter is reviewed at every Board meeting, with further correspondence, stakeholder concerns and developments monitored and recorded.

Current position and limitation

To date, the City has not provided a confirmed or actionable vegetation-management programme. Some property owners have also reported increased concern from insurers regarding the potential fire exposure.

As the Nature Reserve falls under the jurisdiction and management of the City of Cape Town, the CID does not have the authority to conduct vegetation clearance, controlled burns or other significant interventions independently. Any substantive remedial action requires the City's approval, involvement and coordination with the relevant environmental and fire-management authorities.

Ongoing and remedial actions

The CID will continue to:

- monitor and report the vegetation and fire-risk conditions;
- engage with the relevant City departments and environmental authorities;
- seek a formal vegetation and fire-management response from the City;
- encourage appropriate fire-prevention and preparedness awareness among residents;
- engage with fire-management specialists and other relevant stakeholders where appropriate; and
- promote the development of a coordinated long-term vegetation and fire-risk management approach.

The Board considers this an opportunity to improve collaboration between the CID, residents, the City and relevant specialist authorities and to strengthen preventative fire-risk planning for the area.

Conclusion and Future Focus

The Board confirms that no further material risks were identified during the reporting period.

The two principal risks identified above have been under active monitoring and escalation since 2022 and are reviewed at each Board meeting. In both cases, the CID has taken the actions reasonably available within its mandate, including reporting, escalation, monitoring, stakeholder engagement and follow-up.

However, the Board recognises that the CID's ability to implement substantive remedial action is limited because both matters fall primarily within the jurisdiction and responsibility of the City of Cape Town. The CID therefore remains reliant on the City's support, approval and participation before material corrective works or interventions can be undertaken.

In accordance with **King IV Principle 11**, the Board will continue to oversee the management of risks and opportunities by maintaining regular review, ensuring that material risks remain visible at Board level, monitoring mitigation measures, escalating unresolved matters and identifying opportunities for preventative and collaborative action.

The Board's areas of future focus include:

- ongoing identification and assessment of key risks and opportunities;
- review of material risks at each Board meeting;
- continued monitoring and escalation of the Victoria Road embankment and Little Lion's Head vegetation/fire risks;
- strengthening engagement with the City of Cape Town and other relevant authorities;
- identifying lawful interim or preventative measures within the CID's mandate; and
- improving the documentation, tracking and follow-up of risk actions and outcomes.

5 ACCOUNTABILITY AND RESPONSIBILITY

5.1 Performance Review 2025/2026

The performance of the Board of Directors and the Administrator / Information Officer was reviewed against the CID's approved Business Plan, annual implementation plans and portfolio KPIs. The assessment considered financial performance and budget management, operational efficiency, delivery of planned projects and services, governance and regulatory compliance, stakeholder engagement, Board meeting and decision-making processes, and the results of the independent external audit.

Board of Directors Performance

Performance area	Evidence and assessment	Review outcome
Governance and oversight	The Board maintained oversight of the CID's strategy, finances, governance and service delivery. Four Board meetings were required during the year five meetings were held, all minuted and with a minimum of three directors present.	Achieved / Exceeded
Financial management	Total income was R938,818. The year ended with a deficit of R16,188 after tax, compared with a prior-year surplus, largely in a year of significant project activity. At year-end the CID retained cash and cash equivalents of R951,098 and accumulated surplus of R1,433,453.	Achieved
Procurement and expenditure control	Procurement was reported as having been conducted in accordance with the approved SCM policy and applicable approval controls. No deviations from normal procurement procedures were recorded and no remedial action for procurement non-compliance was required.	Achieved
Audit and financial assurance	The Annual Financial Statements were subjected to independent external audit. The auditor's report presents an unmodified opinion on the Financial Statements and records the auditor's responsibilities for assessing material misstatement, accounting policies, estimates, going concern and presentation.	Achieved, subject to document correction noted below
Prior audit matters	No matters requiring corrective action were reported from the prior audit and no outstanding audit matters were identified.	Achieved
Operational delivery	The principal service portfolios continued to operate during the year. Public safety objectives were reported as achieved, CCTV infrastructure was extended, maintenance and cleansing standards were maintained, environmental work was redirected successfully following the cancellation of the proposed community garden, and social-development expenditure supported local employment.	Achieved
Project delivery	The internal CCTV extension was completed within budget; entrance stabilisation and landscaping progressed; and the abandoned community-	Achieved

Performance area	Evidence and assessment	Review outcome
	garden project was appropriately redirected to an indigenous entrance garden when circumstances outside the CID's control prevented implementation.	
Risk management	The Board maintained a risk register, reviewed risks during Board meetings and identified material risks including the Victoria Road embankment and vegetation/fire exposure. The report records ongoing escalation to and engagement with the City.	Achieved, with continued monitoring required
Stakeholder accountability	A formal complaints process remained available and no formal complaints were recorded. The Board maintained communication with residents and continued engagement with the City and service providers.	Achieved
Overall Board performance	The evidence indicates that the Board maintained effective governance, financial oversight, service delivery and risk management during a year involving substantial operational and capital activity.	Effective / Satisfactory

Board of Directors Performance Conclusion

On the basis of the performance information contained in this Annual Report, the Board is assessed as having **performed effectively during the 2025/2026 financial year**. The Board maintained appropriate oversight of strategy, finances, procurement, risk and service delivery and substantially achieved the objectives and KPIs established under the approved Business Plan.

The Board demonstrated active governance through nine minuted meetings against a target of four, continued financial and procurement oversight, maintenance of appropriate controls, and the successful delivery or responsible redirection of key projects. The absence of procurement deviations, outstanding prior-audit matters and formal stakeholder complaints provides further evidence of effective oversight.

The year nevertheless identified areas for continued improvement. These include strengthening stakeholder participation, improving consolidated service-request reporting, continuing active management of the identified embankment and vegetation/fire risks, and restoring full capacity to the Communications Portfolio. These matters are considered areas for improvement and continuing attention rather than evidence of overall Board underperformance.

Administrator/Information Officer and Interim Communications Performance Review

Performance area	Evidence and assessment	Review outcome
Administration and governance support	The Administrator supported governance, compliance, record keeping, membership administration, annual reporting and Board processes. Systems were established for circulation of agendas at least two weeks before meetings and distribution of Board minutes within 48 hours.	Achieved
Statutory and compliance administration	The administration function supported CIPC, tax, VAT, City reporting, membership records and Information Officer requirements. Coleen Bowen is recorded as the registered Information Officer.	Achieved
Financial and reporting administration	Monthly Progressive Income and Expenditure reports were completed for all 12 months, while statutory financial administration was supported by AccountIT and Signature Consulting.	Achieved
Membership administration	The NPC membership register was maintained and updated monthly.	Achieved
Service-request reporting	This was the principal management/administration KPI not fully achieved. The report attributes the limitation to the absence of consolidated reporting from the City despite assistance having been requested. The CID nevertheless continued to monitor and follow up community service issues.	Partially achieved – external dependency
Interim communications management	Following the resignation of the seconded Communications Manager/Officer, the Administrator and Chairperson assumed interim responsibility. The Website remained compliant, newsflashes continued through the community WhatsApp group and daily interaction with property owners was maintained.	Achieved for core communication functions
Planned communications programme	Only 26% of the adjusted communications budget was utilised. The report expressly records that several planned communication, marketing and promotional activities were not implemented following the resignation of the Communications Manager/Officer.	Partially achieved
Stakeholder responsiveness	No complaints were recorded regarding management and operations or communications, and regular engagement with residents and owners continued.	Achieved
Overall performance	Core administrative, governance, compliance and communication-continuity responsibilities were maintained despite the additional interim communications workload.	Effective / Satisfactory, with communications development required

Administrator/Information Officer and Interim Communications Performance Conclusion

The Administrator / Information Officer is assessed as having performed effectively during the 2025/2026 reporting period, particularly in relation to governance administration, statutory and compliance

support, financial reporting coordination, membership administration, Board support and information management. The Management and Operations Portfolio records that its primary objectives were adequately managed, and the majority of measurable administrative KPIs were achieved.

Following the resignation of the dedicated Communications Manager/Officer, the Administrator assumed additional interim communications responsibilities together with the Chairperson. Core communication channels were successfully maintained: the Website remained compliant, newsflashes continued through the Mount Rhodes Community WhatsApp group, and daily engagement with property owners was reported. However, the low utilisation of the Communications budget and the non-implementation of some planned communication and promotional activities demonstrate that the interim arrangement provided continuity rather than full delivery of the originally planned communications programme. This should therefore be recorded as a development area for 2026/2027 rather than as individual underperformance.

Overall assessment: Effective / Satisfactory. The Administrator maintained the core administrative and compliance functions of the CID while absorbing additional communications responsibilities during a period of reduced capacity. The priority for the next reporting year should be to formalise the communications responsibility, establish measurable communications outputs and restore delivery against the full Communications Portfolio plan.

5.2 Delegated Limits of Authority

The Board retains overall responsibility for governance and oversight of delegated functions in accordance with King IV Principle 10. Routine administration is delegated to the Administrator / Board Secretary, while communications are currently managed under an interim arrangement between the Administrator and Chairperson. Financial and procurement authority is exercised in accordance with the approved Mount Rhodes CID Procurement Policy and Process, with approval levels increasing according to expenditure value. All expenditure must be aligned with the approved budget and business plan, while amendments to the budget require a Board resolution. Procurement above R20,000 is subject to formal Board approval and recorded resolution.

Decision / function	Authority	Approval limit / control
Routine administration	Administrator / Board Secretary acting under delegated mandate, with Board oversight retained	Routine administrative functions are delegated within the scope approved by the Board. The Board retains overall responsibility for oversight of delegated functions in accordance with King IV Principle 10. Administrative expenditure remains subject to the CID's approved budget, business plan and procurement controls.
Communications	Administrator and Chairperson under the interim arrangement, with Board oversight	Communications are managed jointly by the Administrator and Chairperson under the interim arrangement following the resignation of the Communications Manager/Officer. Publication, escalation and information-management matters remain subject to Board oversight and the responsibilities of the Information Officer.
Procurement – up to R1,000	Chairperson / Manager	Day-to-day expenditure not exceeding R1,000 requires approval by the Chairperson/Manager. An Expense Approval Form or Reimbursement Form must be completed; proof of payment must be provided to the Chairperson; and supporting invoices or till slips must be submitted to the Accountant or Treasurer. Reimbursements from personal funds may be approved by the Treasurer against supporting documentation.
Procurement – up to R5,000	Chairperson	Expenditure not exceeding R5,000 requires Chairperson approval. The Chairperson must confirm budget capacity and alignment with the business plan and priorities. An Expense Approval Form or Reimbursement Form is required, with payment confirmation and supporting invoices or till slips retained.

Decision / function	Authority	Approval limit / control
Procurement – R5,001 to R20,000	Chairperson and Manager; selection agreed by Chairperson and Treasurer	Purchases between R5,001 and R20,000 require confirmation of budget capacity and alignment with the business plan, together with three written quotations . The Chairperson and Treasurer agree the preferred option, an Expense Approval is completed, and the purchase may then proceed.
Procurement – above R20,000	Board	Purchases exceeding R20,000 require a minimum of three quotations and a formal recommendation to the Board. Supporting documentation must be retained. The Board must confirm budget capacity, alignment with the business plan and priorities, and approve the procurement at a Board meeting by recorded resolution before the purchase is made or a contract is entered into.
Preferred suppliers / service providers	Approval authority determined by anticipated annual procurement value	Appointment of preferred suppliers must follow the same approval process applicable to the anticipated cumulative value of purchases during the financial year. Preferred-supplier pricing must be tested against two comparative quotations at least once every two years .
Payments / banking	Governed by the CID's Invoicing & Payments Procedure and authorised banking arrangements	The Procurement Policy states that work orders, invoices and payments from the CID bank account are governed by the separate Mount Rhodes CID Invoicing & Payments Procedure

Decision / function	Authority	Approval limit / control
Management reserve	Board oversight within approved financial controls	A management reserve equal to 10% of budgeted expenditure is maintained to address major risks, threats and unforeseen expenditure.
Management reserve	Board oversight within approved financial controls	A management reserve equal to 10% of budgeted expenditure is maintained to address major risks, threats and unforeseen expenditure.
Contracts	Relevant procurement approver; Board where value exceeds R20,000 or where an extension requires Board approval	Non-routine contracts must comply with the contracting requirements in the policy, including written terms, clear identification of the contracting party, defined performance obligations, pricing, service levels and termination provisions. Contracts should generally not exceed two years; an extension for a further two years requires Board approval, after which the service should be retendered.

5.3 Codes of Conduct

The Mount Rhodes CID has specific codes of conduct to ensure their effectiveness and adherence to the legal framework. These codes of conduct typically include guidelines and principles to manage and maintain public spaces, improve safety and security, and enhance urban environments. These include the following elements:

Governance & Administration:

- **Establishment and Operation:**

- o Formation according to the Municipal Property Rates Act, No. 6 of 2004.
- o Compliance with the City of Cape Town's By-law on Special Rating Areas (SRAs).
- o Transparent and accountable management structures, including a Board of directors.

- **Financial Management:**

- o Transparent budgeting and financial reporting.
- o Efficient use of funds collected through special rates levied on property owners.
- o Regular audits and compliance with financial regulations.

Community Engagement & Communication:

- **Stakeholder Involvement**

- o Active engagement with property owners, residents, businesses, and local government.
- o Encouraging community participation in decision-making processes.

- **Communication**

- o Regular communication and feedback channels, such as newsletters and public meetings.

Service Delivery & Improvement:

- **Public Safety and Security:**

- o Implementing measures to enhance safety and reduce crime, including patrolling and surveillance.
- o Cooperation with local law enforcement agencies.
- o Promoting a safe and secure environment for residents, businesses, and visitors.

- **Urban Maintenance and Cleaning:**

- o Regular cleaning and maintenance of public spaces.
- o Removal of graffiti, litter, and other urban blights.

- o Maintenance of infrastructure such as lighting, pavements, and street furniture.
- **Environmental Management:**
 - o Sustainable practices in waste management and recycling.
 - o Greening initiatives and maintenance of green spaces.
 - o Addressing environmental concerns such as water conservation and pollution control.

Legal & Ethical Compliance:

- **Adherence to Laws and Regulations:**
 - o Compliance with all applicable local, provincial, and national laws.
 - o Ethical conduct in all operations and interactions.
 - o Zero tolerance for corruption and unethical behaviours.
- **Non-discrimination and Inclusivity:**
 - o Promoting diversity and inclusivity in all activities.
 - o Ensuring services and opportunities are accessible to all community members.
 - o Addressing any form of discrimination or exclusion.

5.4 Supplier Code of Conduct

Legal Compliance:

- Suppliers must comply with all South African laws, regulations, and industry standards, including but not limited to the Labour Relations Act, Basic Conditions of Employment Act, Occupational Health and Safety Act, and the Broad-Based Black Economic Empowerment (B-BBEE) Act.

Business Integrity:

- **Anti-Corruption:** Suppliers must adhere to the Prevention and Combating of Corrupt Activities Act, avoiding all forms of bribery, corruption, extortion, and embezzlement.
- **Fair Competition:**
Suppliers must uphold principles of fair competition and adhere to the Competition Act, ensuring accurate advertising and honest business practices.

Health and Safety:

- **Safe Workplace:**
Suppliers must provide a safe and healthy working environment for their employees, in accordance with the Occupational Health and Safety Act.
- **Emergency Preparedness:**
Suppliers must have emergency procedures in place to respond to health and safety incidents and comply with the Disaster Management Act.

Environmental Responsibility:

- **Sustainable Practices:**
Suppliers must adopt environmentally responsible practices, complying with the National Environmental Management Act.
- **Resource Management:**
Suppliers must manage natural resources responsibly, including water, energy, and raw materials.
- **Waste Management:**
Suppliers must implement effective waste management practices to reduce, reuse, and recycle waste materials in accordance with the Waste Act

Ethical Sourcing:

- **Responsible Sourcing:**

Suppliers must ensure that their own suppliers adhere to similar standards of ethical behaviours.

- **Conflict Minerals:**

Suppliers must ensure that the sourcing of minerals does not fund armed conflict or human rights abuses, aligning with international guidelines.

Monitoring and Compliance:

- **Audits:**

Suppliers agree to undergo audits and inspections to ensure compliance with this code of conduct.

- **Corrective Actions:**

Suppliers must address and rectify any non-compliance issues identified during audits or inspections promptly.

Data Privacy and Security:

- **Confidentiality:**

Suppliers must protect the confidential information of their customers and partners, complying with the Protection of Personal Information Act (POPIA).

- **Data Protection:**

Suppliers must ensure data security and comply with applicable data protection laws and regulations.

Broad-Based Black Economic Empowerment (B-BBEE):

- **B-BBEE Compliance:**

Suppliers are encouraged to comply with the Broad-Based Black Economic Empowerment Act and strive to improve their B-BBEE ratings.

- **Support for Local Communities:**

Suppliers should contribute to the economic and social development of local communities, supporting initiatives that promote local employment and skills development.

Reporting Violations:

- **Whistleblower Protection:**

Suppliers must provide mechanisms for employees to report violations without fear of retaliation, in line with the Protected Disclosures Act.

- **Incident Reporting:**

Suppliers must promptly report any violations of this code to the relevant authorities or the contracting company.

Labor Practices:

- **Non-Discrimination:**

Suppliers must not engage in discrimination based on race, colour, age, gender, sexual orientation, ethnicity, disability, or any other protected status under the Employment Equity Act.

- **Freely Chosen Employment:**

Suppliers must not use forced, bonded, or indentured labour, or involuntary prison labour. Compliance with the Prevention and Combating of Trafficking in Persons Act is mandatory.

- **Child Labor:**

Suppliers must comply with the Basic Conditions of Employment Act, which prohibits the employment of children under the age of 15.

- **Working Hours and Wages:**

Suppliers must adhere to local laws regarding working hours, wages, and benefits, ensuring compliance with the Basic Conditions of Employment Act.

During the 2025/2026 financial year, the CID reviewed its contractors and suppliers against the applicable elements of the Supplier Code of Conduct set out above. The review considered legal and regulatory compliance, business integrity, health and safety, environmental responsibility, ethical sourcing, monitoring and corrective-action requirements, data privacy and security, B-BBEE considerations, reporting of violations, and labour practices.

Based on the records and information available to the CID during the reporting period, no material non-compliance, breaches or deviations from the Supplier Code of Conduct were identified in respect of any contractor or supplier. No corrective action, suspension, escalation or remedial intervention was therefore required during the year.

The Board will continue to monitor contractor and supplier compliance as part of its ongoing governance, procurement and service-provider oversight processes.

PART D – FINANCIAL INFORMATION

1. REPORT OF EXTERNAL AUDITOR

Sommerville and Associates Inc
Chartered Accountants (SA)
Registered Auditors
IRBA Registration No. 902323

6 Southridge Road
 Somersdale
 7441

Tel: 021 – 557 7287
 Cell: 076 434 4733
 Email: rob@sommerville.co.za
 Robin Sommerville (B Com)(Hons), CA (SA)

INDEPENDENT AUDITOR'S REPORT

To the Members of

MOUNT RHODES CID NPC

Opinion

We have audited the financial statements of Mount Rhodes CID NPC set out on pages 8 to 15, which comprise the statement of financial position as at 30 June 2026, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Muizerberg Improvement District NPC as at 30 June 2026, and its financial performance and cash flows for the year then ended in accordance with the 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 (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 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 financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with the 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. 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. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, 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 Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with the 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 are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 ISAs 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 financial statements.

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

- Identify and assess the risks of material misstatement of the 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 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 financial statements, including the disclosures, and whether the 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.



Sommerville and Associates Inc
Registered Auditors
Auditor : R Sommerville
(Registration No : 746269)

18 August 2026

6 Southridge Road
SUNNINGDALE
7441

2. ANNUAL FINANCIAL STATEMENTS

MOUNT RHODES CID NPC

(REGISTRATION NUMBER : 2019/080628/08)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2026

MOUNT RHODES CID NPC

(REGISTRATION NUMBER : 2019/080628/08)

ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026

MOUNT RHODES CID NPC

(REGISTRATION NUMBER : 2019/080628/08)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2026

GENERAL INFORMATION

Country of Incorporation and Domicile	South Africa
Nature of Business	Providing Services to the Special Rating Area of Mount Rhodes, Hout Bay
Directors	D Bryant C Dreyer D Lippstreu G Scott
Registered Office	60 Mount Rhodes Drive Hout Bay 7806
Business Address	60 Mount Rhodes Drive Hout Bay 7806
Postal Address	P O Box 304 Somerset West 7129
Bankers	Nedbank
Company Secretary	G Scott
Auditors	Sommerville and Associates Inc
Company Registration Number	2019/080628/08
Tax Reference Number	9635/111/18/1
Preparer	The annual financial statements were independently compiled by J Oelofse CA (SA)
Issued Date	18 August 2026

MOUNT RHODES CID NPC

(REGISTRATION NUMBER : 2019/080628/08)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2026

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MOUNT RHODES CID NPC

(REGISTRATION NUMBER : 2019/080628/08)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2026

DIRECTORS RESPONSIBILITIES AND APPROVAL

The directors are required in terms of 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 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 year then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities and in the manner required by the Companies Act 71 of 2008. 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 in the manner required by the Companies Act 71 of 2008 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 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 6 and 7.

The financial statements set out on pages 8 to 15, which have been prepared on the going concern basis, were approved by the directors and signed on their behalf by :


 C DREYER - CHAIRMAN

18 August 2026


 D LIPPSTREU - TREASURER

MOUNT RHODES CID NPC

(REGISTRATION NUMBER : 2019/080628/08)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2026

DIRECTORS REPORT

1. Business Activities

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 relating to a defined geographical area. The source of revenue of the company is additional rates 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.

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

2. Review of Financial Results and Activities

The financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008.

During the year under review, the company operated independently of any shared services. The main business and operations of the company during the year under review has continued as in the past year and we have nothing to report thereon.

The financial statements adequately reflect the results of the operations of the company for the year under review and no further explanations are considered necessary.

3. DIRECTORS

The names of the directors at the financial year end are reflected on page 2.

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. GOING CONCERN

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a sound financial position and that it has sufficient funding to meet its foreseeable cash requirements.

The directors are not aware of any undisclosed, material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

Sommerville and Associates Inc
Chartered Accountants (SA)
Registered Auditors
IRBA Registration No. 902323

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 7441

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 Email: robinsommerville@gmail.com
 Robin Sommerville (B Com) (Hons), CA (SA)

INDEPENDENT AUDITOR'S REPORT

To the Members of

MOUNT RHODES CID NPC

Opinion

We have audited the financial statements of Mount Rhodes CID NPC set out on pages 8 to 15, which comprise the statement of financial position as at 30 June 2026, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Muizenberg Improvement District NPC as at 30 June 2026, and its financial performance and cash flows for the year then ended in accordance with the 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 (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 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 financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with the 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. 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. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, 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 Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with the 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 are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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.

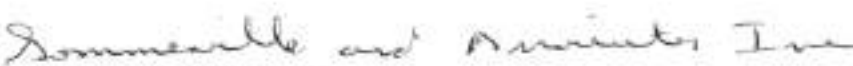
Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 ISAs 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 financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also

- Identify and assess the risks of material misstatement of the 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 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 financial statements, including the disclosures, and whether the 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.


 Sommerville and Associates Inc
 Registered Auditors
 Auditor : R Sommerville
 (Registration No : 748269)

18 August 2026

6 Southridge Road
 SUNNINGDALE
 7441

MOUNT RHODES CID NPC

(REGISTRATION NUMBER : 2019/080628/08)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2026**STATEMENT OF FINANCIAL POSITION**

	<u>Notes</u>	<u>2026</u> <u>R</u>	<u>2025</u> <u>R</u>
<u>ASSETS</u>			
NON CURRENT ASSETS			
Property, Plant and Equipment	2	528,189	350,126
CURRENT ASSETS			
		965,568	1,123,973
Cash and Cash Equivalents	3	951,098	1,099,565
Trade and Other Receivables	4	14,470	24,408
		<u>1,493,757</u>	<u>1,474,099</u>
<u>RESERVES AND LIABILITIES</u>			
RESERVES			
Accumulated Surplus		1,433,453	1,449,641
CURRENT LIABILITIES			
		60,304	24,458
Taxation Payable		2,733	1,920
Trade and Other Payables	5	57,571	22,538
		<u>1,493,757</u>	<u>1,474,099</u>

MOUNT RHODES CID NPC

(REGISTRATION NUMBER : 2019/080628/08)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2026

STATEMENT OF COMPREHENSIVE INCOME

	<u>Notes</u>	<u>2026</u> <u>R</u>	<u>2025</u> <u>R</u>
Revenue	6	873,153	816,107
Other Income		2,710	-
Expenditure		954,193	672,986
Operating (Deficit) / Surplus		(78,330)	143,121
Finance Income		62,955	62,270
(Deficit) / Surplus Before Taxation		(15,375)	205,391
Taxation	7	813	1,920
(Deficit) / Surplus for the Year		(16,188)	203,471
Other Comprehensive Income		-	-
Total Comprehensive Income		(16,188)	203,471

MOUNT RHODES CID NPC

(REGISTRATION NUMBER : 2019/080628/08)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2026

STATEMENT OF CHANGES IN EQUITY

	<u>Accumulated Surplus</u> R
Balance at 1 July 2024	1,246,170
Surplus for the Year	203,471
Total Comprehensive Income for the Year	203,471
Balance at 1 July 2025	1,449,641
Deficit for the Year	(16,188)
Total Comprehensive Deficit for the Year	(16,188)
Balance at 30 June 2026	1,433,453

MOUNT RHODES CID NPC

(REGISTRATION NUMBER : 2019/080628/08)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2026**STATEMENT OF CASH FLOWS**

	<u>2026</u> <u>R</u>	<u>2025</u> <u>R</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
(Deficit) / Surplus for the Year	(15,375)	205,391
Adjustments	7,370	(15,639)
Interest Received	(62,955)	(62,270)
Depreciation	70,325	46,631
Working Capital Changes	45,784	83,564
Trade and Other Payables	9,938	85,983
Taxation Payable	813	1,920
Trade and Other Payables	35,033	(4,339)
	37,779	273,316
Interest Received	62,955	62,270
Taxation	(813)	(1,920)
Cash Generated from Operating Activities	99,921	333,666
CASH FLOWS FROM INVESTING ACTIVITIES		
Property, Plant and Equipment Purchased	(248,388)	(129,884)
CASH FLOWS FROM FINANCING ACTIVITIES	-	-
CHANGE IN CASH AND CASH EQUIVALENTS	(148,467)	203,782
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	1,099,565	895,783
CASH AND CASH EQUIVALENTS AT END OF YEAR	951,098	1,099,565

MOUNT RHODES CID NPC

(REGISTRATION NUMBER : 2019/080628/08)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2026

ACCOUNTING POLICIES

1. Basis of Preparation and Summary of Significant Accounting Policies

The annual financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and in the manner required by the Companies Act 71 of 2008. The financial statements are prepared on the historical cost basis and incorporate the principal accounting policies set out below.

These accounting policies are consistent, in all material respects, with those applied in the previous year.

1.1 Significant Judgments and Sources of Estimation Uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts presented in the annual financial statements and related disclosures. Use of available information and the application of judgment is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements.

1.2 Property, Plant and Equipment

Property, plant and equipment are tangible items that are held for use in the production or supply of goods or services, or for rental to others or for administrative purposes, and are expected to be used over a period of more than one year.

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 is included in surplus or shortfall 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 ready 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:

<u>Item</u>	<u>Useful Life</u>
Camera Equipment	5 years
Container	10 years
Equipment	20 years
Fencing	10 years
Fibre Optic Equipment	15 years
Solar Equipment	20 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 surplus or shortfall to bring the carrying amount in line with the recoverable amount.

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 surplus or shortfall when the item is derecognised.

MOUNT RHODES CID NPC

(REGISTRATION NUMBER : 2019/080626/08)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2026

ACCOUNTING POLICIES

(Continued)

1.3 Financial Instruments

Initial Measurement

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through surplus or shortfall) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial Instruments at Amortised Cost

These include loans, trade receivables and trade payables. They are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in surplus or shortfall.

1.4 Taxation

The company is exempt from normal taxation on its rates revenue income in terms of section 10(1)(e)(i)(cc) of the Income Tax Act. Any other receipts and accruals derived by the company are exempt up to R50,000 per annum.

1.5 Borrowing Costs

All borrowing costs are recognised as an expense in the period in which they are incurred.

1.6 Revenue Recognition

Revenue comprises additional rates 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.

1.7 Finance Income

Finance income comprises interest income on funds invested. Interest income is recognised as it accrues, using the effective interest method.

1.8 Unauthorised, Irregular, Fruitless and Wasteful Expenditure

Unauthorised, irregular, fruitless and wasteful expenditure is accounted for as an expense in the statement of income and retained earnings and classified in accordance with the nature of the expense. Where recovered, it is subsequently accounted for as other income.

MOUNT RHODES CID NPC

(REGISTRATION NUMBER : 2019/080628/08)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2026

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

			2026 R	2025 R
2. PROPERTY, PLANT AND EQUIPMENT				
	Cost	Accumulated Depreciation	Net Book Value	Net Book Value
Camera Equipment	93,830	12,511	81,319	-
Container	83,825	16,765	67,060	75,442
Equipment	6,691	2,453	4,238	5,576
Fencing	360,374	114,928	245,446	121,774
Fibre Optic Equipment	140,015	34,166	105,849	115,184
Solar Equipment	39,368	15,091	24,277	32,150
	724,103	195,914	528,189	350,126
Net Book Value is reconciled as follows:				
	NBV at Begin	Additions/ (Disposals)	Depreciation	NBV at End
Camera Equipment	-	93,830	12,511	81,319
Container	75,442	-	8,382	67,060
Equipment	5,576	-	1,338	4,238
Fencing	121,774	154,558	30,886	245,446
Fibre Optic Equipment	115,184	-	9,335	105,849
Solar Equipment	32,150	-	7,873	24,277
	350,126	248,388	70,325	528,189
3. CASH AND CASH EQUIVALENTS				
Current Account		80,600	72,022	
Investment Account		870,498	1,027,543	
		951,098	1,099,565	
4. TRADE AND OTHER RECEIVABLES				
Deposits		-	24,408	
Value Added Tax Refundable		14,470	-	
		14,470	24,408	

MOUNT RHODES CID NPC

(REGISTRATION NUMBER : 2019/080628/08)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2026**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**

(Continued)

	<u>2026</u> <u>R</u>	<u>2025</u> <u>R</u>
5. TRADE AND OTHER PAYABLES		
Deep Blue Security	43,271	2,520
Harry Curtis & Co - Audit Fee	-	12,500
Signature Consulting (Pty) Ltd - Tax Fee	800	1,325
Sommerville and Associates Inc - Audit Fee	13,500	-
Value Added Tax Payable	-	6,193
	<u>57,571</u>	<u>22,538</u>

6. REVENUE**Amounts Received from the City of Cape Town**

Additional Rates Received	795,586	747,029
Additional Rates Retention Received	77,567	69,078
	<u>873,153</u>	<u>816,107</u>

The City of Cape Town (CoCT) charges additional rates to property owners in the special rating area of Mount Rhodes, Hout Bay which funds are utilised to enhance and supplement services provided by the CoCT. The rates retention refund relates to refunds of bad debt provision retentions by CoCT.

7. TAXATION

Other Income - Interest Received	65,199	62,270
Less: Expenditure Relating to Other Income	5,077	5,158
Less: Basic Exemption	50,000	50,000
Taxable Income	<u>10,122</u>	<u>7,112</u>

Taxation at 27%

Current Year	2,733	1,920
Less: Prior Year Overprovision	(1,920)	-
	<u>813</u>	<u>1,920</u>

The company is exempt from normal taxation on its rates revenue income in terms of section 10(1)(e)(i)(cc) of the Income Tax Act. Any other receipts and accruals derived by the company are exempt up to R50,000 per annum, after deducting qualifying expenditure.

MOUNT RHODES CID NPC

(REGISTRATION NUMBER : 2019/080628/08)

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2026

DETAILED INCOME STATEMENT

	<u>Notes</u>	<u>2026</u> <u>R</u>	<u>2025</u> <u>R</u>
REVENUE	6	873,153	816,107
Additional Rates Received		795,586	747,029
Additional Rates Retention Received		77,567	69,078
OTHER INCOME		2,710	-
Donations		466	-
Reimbursements		2,244	-
EXPENDITURE		954,193	872,966
Accounting, Secretarial and Tax Fees		40,396	38,025
Audit Fee		13,500	12,500
Advertising and Promotions		3,506	8,668
Bank Charges		1,550	1,569
Community Services		522,469	501,648
Cleaning Services		92,866	68,402
Environmental Upgrading		3,144	16,003
Public Safety - Security and CCTV Monitoring		400,959	406,243
Social Upliftment		16,500	11,000
Urban Maintenance		9,000	-
Depreciation	2	70,325	46,631
Insurance		12,123	11,371
Meeting Expenses		1,475	1,130
Printing, Postage and Stationery		-	420
Projects		255,045	21,950
Clearing		34,900	-
Developing Public Open Space		14,632	-
Landscape Entrance		25,620	-
Restoration - Sidewalk		12,347	-
Rewire and Program Boom		18,427	-
Security UPS System		-	21,950
Stabilise Embankment		149,119	-
Protective Clothing		1,500	2,501
Repairs and Maintenance		31,084	22,728
Sundry Expenses		1,220	-
Tools and Equipment		-	3,845
OPERATING (DEFICIT) / SURPLUS		(78,330)	143,121
Finance Income		62,955	62,270
(DEFICIT) / SURPLUS BEFORE TAXATION		(15,375)	205,391
Taxation	7	813	1,920
(DEFICIT) / SURPLUS FOR THE YEAR		(16,188)	203,471