MITCHELL`S PLAIN TOWN CENTRE IMPROVEMENT DISTRICT NPC
(Registration number 2019/337775/08)
Annual Financial Statements
for the year ended 30 June 2025

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Improving and uplifting of specific geographical areas in partnership with local government.
Directors	Christiaan van der Merwe Ismail Ebrahim Moosajee Fairoz Osman Bradley John Bordiss Mogamad Shaheem Hendricks Faizel Hendricks Ismail Ebrahim Moosajee
Registered office	4B Willow Road Observatory Cape Town Western Cape 7925
Business address	4B Willow Road Observatory Cape Town Western Cape 7925
Postal address	4B Willow Road Observatory Cape Town Western Cape 7925
Bankers	Standard Bank
Auditors	Cecil Kilpin & Co. Chartered Accountants (SA) Registered Auditors
Company registration number	2019/337775/08

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

Directors' Responsibilities and Approval

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

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

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

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

The directors have reviewed the company's cash flow forecast for the year to 30 June 2026 and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on pages 6 to 7.

The annual financial statements set out on pages 8 to 16, which have been prepared on the going concern basis, were approved by the directors and were signed on their behalf by:

Approval of annual financial statements

Bradley John Bordiss	**Christiaan van der Merwe**

Date: 25 August 2025

Directors' Report

The directors have pleasure in submitting their report on the annual financial statements of Mitchell`s Plain Town Centre Improvement District NPC for the year ended 30 June 2025.

1. Nature of business

Mitchell`s Plain Town Centre Improvement District NPC is a non-profit company set up in terms of the municipal by-laws of the City of Cape Town (CoCT) which acts as the management body in respect of the Special Rating Area (SRA) determined by the CoCT in terms of section 22 of the Property Rates Act in respect of a defined geographical area. The source of revenue of the company is additional rates billed by the CoCT to the registered property owners of Mitchell's Plain Town Centre Improvement District NPC which funds are utilised to enhance and supplement services provided by the CoCT. These services may include the provision of security for the common public areas of the SRA, environmental maintenance and removal of alien vegetation, cleaning and tidying public open spaces and other community related services.

2. Review of financial results and activities

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

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

3. Directors

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

Directors
Christiaan van der Merwe
Ismail Ebrahim Moosajee
Fairoz Osman
Bradley John Bordiss
Mogamad Shaheem
Hendricks
Faizel Hendricks
Ismail Ebrahim Moosajee

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

4. Events after the reporting period

There have been no facts or circumstances of a material nature that have occured between the reporting date and the date of this report that have a material impact on the financial position of the company at the reporting date.

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 access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

6. Auditors

Cecil Kilpin & Co. continued in office as auditors for the City Improvement District for 2025.

At the AGM, the members will be requested to reappoint Cecil Kilpin & Co. as the independent external auditors of the company and to confirm Mr Nils Nyback as the designated lead audit partner for the 2026 financial year.

Directors' Report

7. Secretary

The company secretary is Dylan James Coughlan Loxton. .

Independent Auditor's Report

To the Directors of Mitchell`s Plain Town Centre Improvement District NPC

Opinion

We have audited the annual financial statements of Mitchell`s Plain Town Centre Improvement District NPC (the company) set out on pages 8 to 16, which comprise the statement of financial position as at 30 June 2025; and the statement of comprehensive income; the statement of changes in reserves; and the statement of cash flows for the year then ended; and notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Mitchell`s Plain Town Centre Improvement District NPC as at 30 June 2025, and its financial performance and cash flows for the year then ended, in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Annual Financial Statements section of our report. We are independent of the company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). 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 information included in the document titled "Mitchell`s Plain Town Centre Improvement District NPC annual financial statements for the year ended 30 June 2025", which includes the Directors' Report as required by the Companies Act of South Africa and the supplementary information as set out on pages 17 to 18. The other information does not include the annual financial statements and our auditor's report thereon.

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

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

Responsibilities of the Directors for the Annual Financial Statements

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

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

PARTNERS: N NYBACK CA (SA), RA | M BRANDERS CA (SA), RA | S SCHONEGEVEL CA (SA), RA | M SPENCER CA (SA), RA | D COX CA (SA), RA
TAX: E CONRADIE B.COMPT (HONS), PG.DIP (TAX) | VREDENBURG BRANCH: J DE NOBREGA BAcc
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Cecil Kilpin & Co.
Chartered Accountants (SA)

Established 1902

Independent Auditor's Report

Auditor's Responsibilities for the Audit of the Annual Financial Statements

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

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

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

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

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

Century City
Date: 25 August 2025

Statement of Financial Position as at 30 June 2025

	Note(s)	2025 R	2024 R
Assets			
Non-Current Assets			
Property, plant and equipment	2	115,543	110,839
Current Assets			
Trade and other receivables	3	3,652	6,150
Cash and cash equivalents	4	822,701	796,907
		826,353	**803,057**
Total Assets		**941,896**	**913,896**
Equity and Liabilities			
Equity			
Retained income		919,373	873,899
Liabilities			
Current Liabilities			
Trade and other payables	5	22,523	39,997
Total Equity and Liabilities		**941,896**	**913,896**

Statement of Comprehensive Income

	Note(s)	2025 R	2024 R
Revenue	6	2,513,144	2,284,676
Other income		20,040	-
Operating surplus (deficit)	7	(2,524,795)	(2,267,600)
Operating surplus		**8,389**	**17,076**
Investment revenue	8	37,085	30,962
Surplus for the year		**45,474**	**48,038**
Other comprehensive income		-	-
Total comprehensive income for the year		**45,474**	**48,038**

Statement of Changes in Reserves

	Retained income R	Total equity R
Balance at 01 July 2023	**825,861**	**825,861**
Surplus for the year	48,038	48,038
Other comprehensive income	-	-
Total comprehensive income for the year	**48,038**	**48,038**
Balance at 01 July 2024	**873,899**	**873,899**
Surplus for the year	45,474	45,474
Other comprehensive income	-	-
Total comprehensive income for the year	**45,474**	**45,474**
Balance at 30 June 2025	**919,373**	**919,373**

Statement of Cash Flows

	Note(s)	2025 R	2024 R
Cash flows from operating activities			
Cash receipts from customers		2,535,682	2,281,531
Cash paid to suppliers and employees		(2,457,050)	(2,196,136)
Cash generated from operations	10	78,632	85,395
Interest income		37,085	30,962
Net cash from operating activities		**115,717**	**116,357**
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(89,923)	(36,091)
Total cash movement for the year		**25,794**	**80,266**
Cash and cash equivalents at the beginning of the year		796,907	716,641
Total cash at end of the year	4	**822,701**	**796,907**

Accounting Policies

1. Basis of preparation and summary of significant accounting policies

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

These accounting policies are consistent with the previous period.

1.1 Significant judgements and sources of estimation uncertainty

Critical judgements in applying accounting policies

Management did not make critical judgements in the application of accounting policies, apart from those involving estimations, which would significantly affect the annual financial statements.

1.2 Property, plant and equipment

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

Property, plant and equipment is initially measured at cost.

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

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

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

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

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

Item	Depreciation method	Average useful life
Computer equipment	Straight line	3 years
CCTV Cameras	Straight line	5 years

The depreciation charge for each period is recognised in profit or loss unless it is included in the carrying amount of another asset.

Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount.

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

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

Accounting Policies

1.2 Property, plant and equipment (continued)

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

1.3 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 profit or loss 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 profit or loss.

1.4 Tax

Tax expenses

Tax expense is recognised in the same component of total comprehensive income or equity as the transaction or other event that resulted in the tax expense. The company meets the criteria for tax exemption under section 10(1)(e)(i)(cc) of the Income Tax Act, 1962.

1.5 Impairment of assets

The company assesses at each reporting date whether there is any indication that property, plant and equipment may be impaired.

If there is any such indication, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its 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 profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group of assets) in prior years. A reversal of impairment is recognised immediately in profit or loss.

1.6 Government grants

Grants that impose specified future performance conditions are recognised in income only when the performance conditions are met.

Grants received before the revenue recognition criteria are satisfied are recognised as a liability.

Grants are measured at the fair value of the asset received or receivable.

Accounting Policies

1.7 Revenue

Revenue comprises of revenue income from ratepayers which is collected by the City of Cape Town on the entity's behalf, net of retention revenue retained.

Interest is recognised, in profit or loss, using the effective interest rate method.

1.8 Unauthorised, irregular and fruitless and wasteful expenditure

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

Notes to the Annual Financial Statements

	2025 R	2024 R

2. Property, plant and equipment

	2025			2024		
	Cost or revaluation	Accumulated depreciation and impairment	Carrying value	Cost or revaluation	Accumulated depreciation and impairment	Carrying value
Computer equipment	64,940	(64,934)	6	64,940	(64,934)	6
Camera equipment	485,377	(369,840)	115,537	395,454	(284,621)	110,833
Total	**550,317**	**(434,774)**	**115,543**	**460,394**	**(349,555)**	**110,839**

Reconciliation of property, plant and equipment - 2025

	Opening balance	Additions	Depreciation	Closing balance
Computer equipment	6	-	-	6
Camera equipment	110,833	89,923	(85,219)	115,537
	110,839	**89,923**	**(85,219)**	**115,543**

Reconciliation of property, plant and equipment - 2024

	Opening balance	Additions	Depreciation	Closing balance
Computer equipment	6	-	-	6
Camera equipment	150,224	36,091	(75,482)	110,833
	150,230	**36,091**	**(75,482)**	**110,839**

3. Trade and other receivables

	2025	2024
Prepayments	3,652	5,954
VAT	-	196
	3,652	**6,150**

4. Cash and cash equivalents

Cash and cash equivalents consist of:

	2025	2024
Bank balances	822,701	796,907

5. Trade and other payables

	2025	2024
VAT	4,373	-
Sundry creditors	18,150	16,951
Accrued expense	-	23,046
	22,523	**39,997**

6. Revenue

	2025	2024
Revenue - Additional rates received	2,513,144	2,284,676

Notes to the Annual Financial Statements

	2025 R	2024 R

7. Operating surplus (deficit)

Operating surplus (deficit) include the following expenses:

	2025 R	2024 R
Depreciation	85,219	75,482

8. Investment revenue

	2025 R	2024 R
Interest revenue		
Bank	37,085	30,962

9. Taxation

Non provision of tax

No provision has been made for 2025 tax as the company is exempt from income tax under section 10(1)(e)(i)(cc) of the Income Tax Act.

10. Cash generated from operations

	2025 R	2024 R
Net profit before taxation	45,474	48,037
Adjustments for:		
Depreciation	85,219	75,482
Investment income	(37,085)	(30,962)
Changes in working capital:		
(Increase) decrease in trade and other receivables	2,498	-
Increase (decrease) in trade and other payables	(17,474)	-
	78,632	**92,557**

11. Related parties

Related party balances and transactions with other related parties

Related party transactions

	2025 R	2024 R
Amounts received from the City of Cape Town		
Revenue services rendered	2,513,144	2,284,676

Detailed Income Statement

	Note(s)	2025 R	2024 R
Revenue			
Additional rates received		2,513,144	2,284,676
Other income			
Seed capital		20,040	-
Operating expenses			
Accounting fees		40,020	37,100
Administration and management fees		373,200	349,359
Advertising		4,658	4,586
Auditors remuneration		18,150	16,950
Bank charges		2,696	2,300
Cleaning		122,640	16,000
Computer expenses		908	983
Depreciation		85,219	75,482
Environmental upgrade		19,620	-
Insurance		7,060	7,744
Marketing and promotions		3,879	4,154
Public safety - Town Centre		24,111	-
Repairs and maintenance		70,210	48,500
Secretarial fees		2,250	6,050
Security		1,614,566	1,464,449
Social upliftment		105,500	214,000
Urban maintenance		30,108	19,943
		2,524,795	**2,267,600**
Operating surplus		**8,389**	**17,076**
Investment income	8	37,085	30,962
Surplus for the year		**45,474**	**48,038**

Supplementary Information

1. Fruitless and wasteful expenditure

No fruitless and wasteful expenditure was identified by management in the current year.

2. Unauthorised expenditure

Unauthorised expenditure refers to any spending by the company that doesn't comply with its approved budget or relevant regulations. This includes overspending and using funds for purposes other than those originally approved. No unauthorised expenditure was identified by management in the current year.