

VOORTREKKER ROAD CORRIDOR IMPROVEMENT DISTRICT NPC
(Registration number 1996/004458/08)
Annual Financial Statements
for the year ended 30 June 2016

These annual financial statements were prepared by:
Roslyn Kruise
Accountant

These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.

Published: 31/08/2016

Voortrekker Road Corridor Improvement District NPC

(Registration number 1996/004458/08)

Annual Financial Statements for the year ended 30 June 2016

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	To provide over and above the services rendered by SAPS and COCT, security, cleansing and social development support within the Voortrekker Road Corridor Improvement District.
Directors	PJ Badenhorst GS Zevenster AM Bosman RG Smithdorf F Barnes L Modak JP Bester
Registered office	1 Waterford Mews Century Boulevard Century City 7441
Business address	3A Bell Park Cnr Durban and De Lange Road Bellville 7530
Postal address	PO Box 902 Bellville 7535
Bankers	ABSA
Auditors	Cecil Kilpin & Co Chartered Accountants (S.A.) Registered Auditors
Secretary	PJ Badenhorst
Company registration number	1996/004458/08
VAT reference number	4790261210
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.

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

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The following supplementary information does not form part of the annual financial statements and is unaudited:

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Level of assurance

These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.

Independent Auditor's Report

To the members of Voortrekker Road Corridor Improvement District NPC

We have audited the annual financial statements of Voortrekker Road Corridor Improvement District NPC, as set out on pages 6 to 13, which comprise the statement of financial position as at 30 June 2016, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Directors' Responsibility for the Annual Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these annual financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the annual financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the annual financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the annual financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the annual financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion


In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Voortrekker Road Corridor Improvement District NPC as at 30 June 2016, 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.

Supplementary Information

Without qualifying our opinion, we draw attention to the fact that supplementary information set out on page 14 does not form part of the annual financial statements and is presented as additional information. We have not audited this information and accordingly do not express an opinion thereon.

Other reports required by the Companies Act

As part of our audit of the annual financial statements for the year ended 30 June 2016, we have read the directors' report for the purpose of identifying whether there are material inconsistencies between that report and the audited annual financial statements. The directors' report is the responsibility of the directors. Based on reading that report we have not identified material inconsistencies between it and the audited annual financial statements. However, we have not audited the directors' report and accordingly do not express an opinion thereon.


Cecil Kilpin & Co.
Registered Auditors
Per Partner: S Schonegevel

Century City
Date: 31/08/2016

Voortrekker Road Corridor Improvement District NPC

(Registration number 1996/004458/08)

Annual Financial Statements for the year ended 30 June 2016

Directors' Responsibilities and Approval

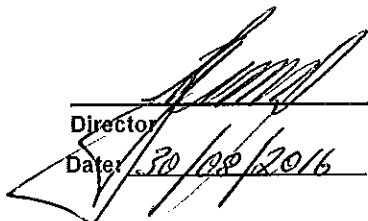
The directors are responsible for the preparation and fair presentation of the annual financial statements of Voortrekker Road Corridor Improvement District NPC, comprising the statement of financial position at 30 June 2016, and the statement of comprehensive income, changes in reserves and cash flows for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa. In addition, the directors are responsible for preparing the director's report.

The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and for maintaining adequate accounting records and an effective system of risk management, as well as the preparation of the supplementary schedules included in these annual financial statements. The directors have made assessment of the Company's ability to continue as a going concern and have no reason to believe the business will not be a going concern in the year ahead.

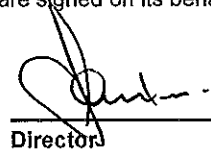
The auditor is responsible for reporting on whether the financial statements are fairly presented in accordance with the applicable financial reporting framework.

APPROVAL OF THE ANNUAL FINANCIAL STATEMENTS

The annual financial statements of Voortrekker Road Corridor Improvement District NPC, as identified in the first paragraph, were approved by the board of directors and are signed on its behalf by:



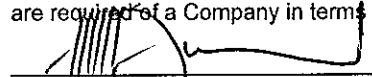
Director
Date: 30/08/2016



Director

DECLARATION BY COMPANY SECRETARY

In my capacity as a company secretary, I hereby confirm that to the best of my knowledge and in terms of the Companies Act, 2008, that for the year ended 30 June 2016, the company lodged with the Registrar of Companies all such returns as are required of a Company in terms of this Act and that all such returns are true, correct and up to date.



PJ Badenhorst
(Company Secretary)

Date: 30.8.2016

Voortrekker Road Corridor Improvement District NPC

(Registration number 1996/004458/08)

Annual Financial Statements for the year ended 30 June 2016

Directors' Report

The directors have pleasure in submitting their report on the annual financial statements of Voortrekker Road Corridor Improvement District NPC for the year ended 30 June 2016.

1. Review of financial results and activities

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

The Voortrekker Road Corridor Improvement District NPC is engaged in providing over and above the services rendered by SAPS and COCT, security, cleansing and social development support within the Voortrekker Road Corridor Improvement District and operates principally in South Africa.

During the year the Voortrekker Road Corridor Improvement District NPC and the City of Cape Town reached an agreement whereby the Voortrekker Road Corridor Improvement District manages certain public parking areas on behalf of the City of Cape Town. All income derived from this agreement is utilized in support of the Voortrekker Road Corridor Improvement District principal activities.

This is the fourth year that the company operated as a Corridor Improvement District company.

The operating results and state of affairs of the company are fully set out in the attached annual financial statements and do not in our opinion require any further comment.

The special rating area is financed by additional property rates levied on all commercial properties by the City on the Improvement District's behalf, within the boundary of the Voortrekker Road Corridor Improvement District.

Net surplus of the company for the current period was R1,111,068. This surplus allocated to the company income streams as follows, City of Cape Town R737,823 and parking management R373,245.

2. Directors

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

Directors

PJ Badenhorst

GS Zevenster

AM Bosman

RG Smithdorf

F Barnes

L Modak

JP Bester

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

3. Events after the reporting period

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

4. Auditors

Cecil Kilpin & Co continued in office as auditors for the company for 2016.

5. Secretary

The company secretary is PJ Badenhorst.

6. Reserves

These reserves are in accordance with COCT guidelines and it is not the directors intention to grow the reserves in excess of 3 months operational expenses

Voortrekker Road Corridor Improvement District NPC

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Annual Financial Statements for the year ended 30 June 2016

Statement of Financial Position as at 30 June 2016

	Note(s)	2016 R	2015 R
Assets			
Non-Current Assets			
Property, plant and equipment	2	207,915	266,316
Current Assets			
Cash and cash equivalents	3	2,799,772	1,446,030
Total Assets		3,007,687	1,712,346
Equity and Liabilities			
Equity			
Retained income		2,417,328	1,306,260
Liabilities			
Current Liabilities			
Trade and other payables	4	590,359	406,086
Total Equity and Liabilities		3,007,687	1,712,346

Voortrekker Road Corridor Improvement District NPC

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Statement of Comprehensive Income

	Note(s)	2016 R	2015 R
Revenue	5	14,279,350	12,914,717
Other income		783,310	190,690
Operating expenses		(14,048,106)	(12,996,319)
Surplus for the year		1,014,554	109,088
Investment revenue		96,514	40,108
Finance costs		-	(9,134)
Surplus for the year		1,111,068	140,062

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Statement of Changes in Equity

	Retained income R	Total equity R
Balance at 01 July 2014	1,166,198	1,166,198
Surplus for the year	140,062	140,062
Balance at 01 July 2015	1,306,260	1,306,260
Surplus for the year	1,111,068	1,111,068
Balance at 30 June 2016	2,417,328	2,417,328

Note(s)

Voortrekker Road Corridor Improvement District NPC

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Annual Financial Statements for the year ended 30 June 2016

Statement of Cash Flows

	Note(s)	2016 R	2015 R
Cash flows from operating activities			
Cash receipts from participants / special levy payers		14,446,040	13,105,407
Cash paid to suppliers and employees		(13,153,176)	(12,549,792)
Cash generated from operations	7	1,292,864	555,615
Interest income		96,514	40,108
Finance costs		-	(9,134)
Net cash from operating activities		1,389,378	586,589
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(35,636)	-
Cash flows from financing activities			
Finance lease payments		-	(85,871)
Total cash movement for the year		1,353,742	500,718
Cash at the beginning of the year		1,446,030	945,312
Total cash at end of the year	3	2,799,772	1,446,030

Voortrekker Road Corridor Improvement District NPC

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Annual Financial Statements for the year ended 30 June 2016

Accounting Policies

1. Presentation of annual financial statements

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

These accounting policies are consistent with the previous period.

1.1 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, for rental to others or for administrative purposes; and
- are expected to be used during more than one period.

Property, plant and equipment is carried at cost less accumulated depreciation and accumulated impairment losses.

Cost includes all costs incurred to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is provided using the straight-line method to write down the cost, less estimated residual value over the useful life of the property, plant and equipment which is as follows:

Item	Depreciation method	Average useful life
Furniture and fixtures	Straight line	6 years
Motor vehicles	Straight line	5 years
Office equipment	Straight line	6 years
IT equipment	Straight line	3 years
Security systems	Straight line	3 years

The residual value, depreciation method and useful life of each asset are reviewed only where there is an indication that there has been a significant change from the previous estimate.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount and are recognised in profit or loss in the period.

1.2 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 deficit) 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. Those debt instruments which meet the criteria in section 11.8(b) of the standard, 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 deficit.

Voortrekker Road Corridor Improvement District NPC

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Annual Financial Statements for the year ended 30 June 2016

Accounting Policies

1.2 Financial Instruments (continued)

Financial Instruments at fair value

All other financial instruments, including equity instruments that are publicly traded or whose fair value can otherwise be measured reliably, are measured at fair value through surplus and deficit.

1.3 Tax

Tax expenses

No provision has been made for current tax, nor deferred taxation as the Company is an approved Public Benefit Organisation in terms of Section 30 of the Income Tax Act and is exempt from income tax in terms of Section 10 (1) (cN) of the Income Tax Act.

1.4 Impairment of assets

The company assesses at each reporting date whether there is any indication that an asset 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 surplus or deficit.

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 surplus or deficit.

1.5 Government grants

Grants that do not impose specified future performance conditions are recognised in income when the grant proceeds are receivable.

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.

1.6 Revenue

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable from sponsorships, donations and special levies, net of VAT.

Support of the company objectives through non- monetary support and contributions are recognised in the annual report.

Interest is recognised, in surplus or deficit, using the effective interest rate method.

Voortrekker Road Corridor Improvement District NPC

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Annual Financial Statements for the year ended 30 June 2016

Notes to the Annual Financial Statements

	2016			2015		
	R			R		
2. Property, plant and equipment						
	2016			2015		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Furniture and fixtures	24,249	(15,910)	8,339	24,249	(11,977)	12,272
Motor vehicles	372,588	(219,473)	153,115	372,588	(144,955)	227,633
Office equipment	38,598	(25,736)	12,862	38,598	(19,302)	19,296
IT equipment	93,042	(59,444)	33,598	57,406	(50,292)	7,114
Security systems	8,668	(8,667)	1	8,668	(8,667)	1
Total	537,145	(329,230)	207,915	501,509	(235,193)	266,316
Reconciliation of property, plant and equipment - 2016						
	Opening balance	Additions	Depreciation	Total		
Furniture and fixtures	12,272	-	(3,933)	8,339		
Motor vehicles	227,633	-	(74,518)	153,115		
Office equipment	19,296	-	(6,434)	12,862		
IT equipment	7,114	35,636	(9,152)	33,598		
Security systems	1	-	-	1		
	266,316	35,636	(94,037)	207,915		
Reconciliation of property, plant and equipment - 2015						
	Opening balance	Depreciation	Total			
Furniture and fixtures	16,204	(3,932)	12,272			
Motor vehicles	302,150	(74,517)	227,633			
Office equipment	25,730	(6,434)	19,296			
IT equipment	25,761	(18,647)	7,114			
Security systems	2,890	(2,889)	1			
	372,735	(106,419)	266,316			
3. Cash and cash equivalents						
Cash and cash equivalents consist of:						
Bank balances				2,799,772	1,446,030	
4. Trade and other payables						
Trade payables				-	912	
Income received in advance				500,000	333,310	
VAT				43,969	39,042	
Other payables				46,390	32,822	
				590,359	406,086	
5. Revenue						
Revenue - SRA Rates				13,910,290	12,863,926	
COCT - Retention Funds				369,060	50,791	
				14,279,350	12,914,717	

Voortrekker Road Corridor Improvement District NPC

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Annual Financial Statements for the year ended 30 June 2016

Notes to the Annual Financial Statements

	2016 R	2015 R
6. Auditor's remuneration		
Fees	16,350	17,150
7. Cash generated from operations		
Profit before taxation	1,111,068	140,062
Adjustments for:		
Depreciation and amortisation	94,037	106,419
Interest received	(96,514)	(40,108)
Finance costs	-	9,134
Changes in working capital:		
Trade and other payables	184,273	340,108
	1,292,864	555,615
8. Related parties		
Relationships		
Common directorship		Bubesi Investments 34 Proprietary Limited Radio Tygerber NPO Greater Tygerberg Partnership NPC
Related party balances and transactions with other related parties		
Related party balances		
Payments made by company to related parties with regards to the rent and services agreements		
Greater Tygerberg Partnership NPC	281,239	226,936
9. Directors' remuneration		
No emoluments were paid to the directors during the year. (2015 - Nil)		

Voortrekker Road Corridor Improvement District NPC

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Annual Financial Statements for the year ended 30 June 2016

Detailed Income Statement

	Note(s)	2016 R	2015 R
Revenue			
Revenue - SRA Rates		13,910,290	12,863,926
COCT - Retention Funds		369,060	50,791
	5	14,279,350	12,914,717
Other income			
Parking income		420,000	-
Other income		363,310	190,690
Interest received		96,514	40,108
		879,824	230,798
Operating expenses			
Accounting fees		46,615	41,401
Advertising		95,464	68,560
Auditors remuneration	6	16,350	17,150
Bank charges		6,617	5,903
Cleaning		2,051,549	1,858,287
Computer expenses		16,322	12,757
Depreciation, amortisation and impairments		94,037	106,419
Employee costs		2,586,156	2,215,725
Environmental upgrading		39,135	11,261
Insurance		35,400	39,394
Law enforcement		316,719	258,137
Other expenses		107,078	40,136
Petrol and oil		423,191	489,915
Printing and stationery		56,235	46,739
Professional fees		14,000	-
Projects - Operations		90,000	151,700
Rent and utilities		184,550	131,489
Repairs and maintenance		-	7,998
Security		7,686,631	7,340,188
Social upliftment		85,370	74,589
Telephone and fax		96,687	78,571
		14,048,106	12,996,319
Operating surplus		1,111,068	149,196
Finance costs		-	(9,134)
Surplus for the year		1,111,068	140,062