

VOORTREKKER ROAD CORRIDOR IMPROVEMENT DISTRICT

ANNUAL REPORT AND FINANCIALS FOR THE YEAR ENDED 30 JUNE 2014

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Hardus Zevenster
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SHARING RESPONSIBILITY FOR A SHARED FUTURE

MESSAGE FROM COUNCILLOR SAM PIENAAR, MAYORAL REPRESENTATIVE

As the City of Cape Town's Mayoral representative with portfolio responsibility for the progress of the Mayoral Urban Regeneration Programme (MURP), part of my role is to assess whether the Voortrekker Road Corridor Improvement District (VRCID) is delivering its promise of a clean and safe Voortrekker Road Corridor. Today, at the end of its second year of operation, I am delighted to say that the results of its work are clearly visible on the streets of Parow and Bellville. The dedication of every person involved in the VRCID – from Hardus Zevenster, Chairman, and every Board member, to Derek Bock, Sarel Strydom, Rushdi Toefy, Cliff Crouse, Wilma Piek and all the other staff members at the VRCID – has made my job a lot easier. With their hands-on approach, we have formed a partnership that helps us address the many wicked problems that have characterised this area for so long. We have made, and continue to make, progress together.

Cleaner, safer streets and public spaces are important points of proof that give levy payers comfort that their top-up improvement district levy is being administered responsibly and that the top-up services are being delivered as promised.

The Special Rating Area (SRA), which enables the formation of improvement districts, is an innovative tool that helps the City of Cape Town support businesses and to achieve its vision to be a caring, well-run, clean, safe and inclusive city.

The positive results of the past year have confirmed the value of the VRCID for businesses that form the VRCID family. We have

received very supportive reports from businesses in the VRCID area. This feedback also reflects the renewed interest in the area as an important link between the Cape Town Central Business District (CBD) and what has now become known as the second CBD, and recognises the huge developments in the northern suburbs business environment. Many new buildings are rising and investors are beginning to take advantage of the area's huge potential for further growth. The VRCID is a critical instrument in the future commercial growth of the Voortrekker Road Corridor.

But we live in an indifferent world.

'The responsibility for making this a better world to live and work in lies not only with the City of Cape Town or the VRCID. It lies with everyone.'

The responsibility for making this a better world to live and work in lies not only with the City of Cape Town or the VRCID. It lies with everyone. Making progress together means just that: progress through co-operation and collaboration. It's true that money always influences what we do. Equally, however, it is the will and input of the public that influences where and how that money should be spent. Our environment must reflect what people want. This alignment is achieved through by-laws and policies that are shaped by the input and viewpoints of the people who live in that environment. Ultimately, our by-laws and policies must serve the constitution. Whether it is reporting a broken street light, or participating in a public consultation about road layouts, every person who lives or works in the Voortrekker Road Corridor has the ability to shape and influence its future.

The VRCID is a critical instrument in the future commercial growth of the Voortrekker Road Corridor.



COUNCILLOR SAM
PIENAAR

MESSAGE FROM COUNCILLOR LEONORE VAN DER WALT,
WARD COUNCILLOR SUB-COUNCIL 6

TELLING A SUCCESSFUL STORY

My heart is very focused on the VRCID. From the first meeting with the individuals who became the founding members, to today, as I travel down Voortrekker Road, I see the significant visible impact that the VRCID has had in Bellville and Parow. As a top-up service that supports the South African Police Service (SAPS) and the City of Cape Town, the VRCID has achieved much success over its first two years of operation, despite its limited resources. Today, the Bellville and Parow Central Business Districts (CBDs) are places of business, not places of crime and grime. It is a success story that needs to be told. And it is an important

function that needs to be continued. As we move into the next phase of the VRCID's existence, I urge business

owners and individuals alike to support the VRCID's work, not only by paying the monthly levy, but also by getting involved in other ways. Working together will help to sustain the success of the VRCID's operations, and also to attract the investment we need to make Bellville and Parow a viable economic and business node of the 21st Century.



COUNCILLOR LEONORE
VAN DER WALT

OUR VISION OUR MISSION OUR MANDATE

VISION

To create and maintain a clean and safe urban environment along the Voortrekker Road Corridor

MISSION

To improve and upgrade the public environment for the benefit of all

OUR MANDATE

The VRCID operates within a clearly defined geographical boundary of eight kilometres, providing top-up support to the City of Cape Town's service delivery teams



FROM INTENTION TO REALITY

CHAIRMAN'S MESSAGE – HARDUS ZEVENSTER



When the VRCID was established in 2012, our intention was to have a practical impact on the lives of people in the area. Two years later, we are beginning to see that intention becoming reality. I am delighted every time I hear from a business owner or a commuter how their passage to work is safer; how their environment is cleaner.

There have been many changes in the Voortrekker Road Corridor. Our urban management teams have been relentless in their quest to keep the streets and public spaces clean and welcoming. The pavements are generally clear of illegal dumping, illegal advertising and general rubbish. Commuters and business owners feel safer as they travel through the streets, both day and night. Illegally occupied buildings have been cleaned up and are being redeveloped. Retailers are returning to the area and others are upgrading their buildings. Developers are beginning to buy and renovate affordable properties. At the same time, gradually rising property prices are beginning to reflect a renewed confidence in the area.

What has not changed is the dedication of the small team of VRCID staff and the service providers who, under the leadership of Derek Bock, have maintained their commitment to making Bellville and Parow safe, clean centres for businesses and residents alike. Their hard work on the ground and behind the scenes has delivered consistent successes throughout the year. On behalf of the board, I commend their work ethic, going beyond the call of duty and placing client service at the top of their priority list.



I am delighted every time I hear from a business owner or a commuter how their passage to work is safer; how their environment is cleaner.
– HARDUS ZEVENSTER

TACKLING ISSUES HEAD ON

And yet, this success brings its own challenges: the more visible we are, the more we deliver, the higher the expectation from the community. Our role is not to replace the function of the primary service providers – the South African Police Service (SAPS) and Metropolitan Police, and the City of Cape Town. Rather, our role is to augment what they do, supporting them as they deliver their primary mandate. To achieve this, unity and collaboration are vital. This is a key focus for the Board and also for the teams working on the ground. The strategic and operational partnerships we are building have delivered notable, visible results. But like

‘Addressing urban management and security issues is just one part of the VRCID puzzle. Social development remains a priority for us.’

any relationship, it takes understanding, communication and engagement at the right levels to make them work. Without successful partnerships, we ourselves cannot be successful.

Addressing urban management and security issues is just one part of the VRCID puzzle. Social development remains a priority for us. In making that practical impact I mentioned earlier, we recognised that we needed to tackle issues head-on, not shying away from challenges and responding to the shifting sands of homelessness and vagrancy. We recognised at the outset that simply moving people beyond the VRCID boundaries was not enough. We needed to find a more sustainable, lasting solution.

Our social development team has been pivotal in helping us make breakthroughs in this regard, by establishing a joint social development task team in which all stakeholders have been participating in ongoing conversations and operations to tackle homelessness. We are particularly inspired by the work that MES is doing to bolster our own programmes.

ACTIVE CORPORATE CITIZENSHIP

Our corporate citizens have also played an active role in this area.

Throughout the last year we have been supporting plans instituted by MES and Radio Tygerberg to establish a Hope Centre, designed to provide shelter, skills development and education opportunities for people living on the street. The Foschini Group (TFG) has also allocated a substantial amount of their corporate social investment (CSI) budget to MES. These are just two examples of how the VRCID can facilitate social investment into the area. We encourage all other businesses to consider how their own CSI budgets can be used to improve their immediate environment and also the lives of people in their own neighbourhood.

For other businesses and potential investors, our message is clear: the streets of the Voortrekker Road Corridor are proof of what has been achieved over just two years. We are now looking at a period of opportunity in which property developers can take advantage of tax relief schemes like the Urban Development Zone (UDZ) as incentives to upgrade or redevelop existing buildings. We are already seeing a positive development profile in the Voortrekker Road Corridor. TFG have allocated R300m to

We encourage businesses to consider using their CSI budgets to improve their immediate environment and also the lives of people in their neighbourhood.

WITH THANKS

There have been some changes to the Board this year. We said farewell to one of our founding members, Gert Snyman, who resigned from the board when he sold his property in the area. Gert has been in charge of finance since the start of the VRCID. We thank him for his stellar contribution to our success to date. JP Bester will take his place on the Finance Committee.

We also said goodbye to Mazel Mathews of Redefine Properties. We thank Mazel for her contribution to the Board and wish her much luck in her future endeavours.

Gideon Morris from the Western Cape Provincial

Department of Community Safety was appointed to the Board by the Western Cape Premier after year end.

We look forward to working with Gideon and welcome his strong contribution to the Board.

Together, we have a solid, united Board dedicated to the job at hand, collectively motivated to achieve our goals. Each individual has taken up their position not as a means to step up to greater things, but to serve the Voortrekker Road Corridor community. It is my privilege to lead them, and I thank them all.

In the same spirit, I want to encourage everyone in our community to consider ways that they can help us to make this part of Cape Town the place we all want it to be. That is the difference between an organisation that survives and an organisation that thrives.



Property developers are beginning to take advantage of tax incentives such as the Urban Development Zone, to maximise the value of their investments in the VRCID area.

SERVICE DELIVERY WITH HIGH VISIBILITY

CHIEF OPERATIONS OFFICER REPORT - DEREK BOCK

Two years into our operations, our obligations to deliver our service have intensified, as has our commitment to making continuous progress in ensuring the VRCID area is clean and safe for everyone. This is not because our mandate has changed, but because of the visible successes we have achieved to date: we have raised the bar by which we are judged. In the past year, we have increased our visibility in the VRCID area, with newly rebranded vehicles and an increased security presence. We have increased job creation opportunities for people living on the streets. And our urban management teams have managed to reduce the volumes of illegal dumping on the streets.

The knock-on effect of this progress has been equally visible. Every day we have seen more building owners upgrading their properties. Some of the area's most problematic buildings have been cleared and are beginning to be redeveloped. Large retailers are looking to return to the area, and developers are beginning to take advantages of tax incentives such as the Urban Development Zone (UDZ).

RELATIONSHIPS ARE THE INVISIBLE KEY TO OUR SUCCESS

At the same time, there has been an enormous amount of work that is not seen by the public. Our teams work tirelessly to build relationships with our partners, finding ways to pool our collective resources and maximise our results.

This approach has been particularly successful in addressing the many complex social development challenges in the area. Wilma Piek, our full time social development manager has invested significant time and energy in developing a common approach to changing the social profile of the area. This project has led to much closer working relationships with the City of Cape Town and our security partners, as well as MES, who we have appointed as our preferred service provider. MES has been instrumental in finding new ways to assist people living on the streets with job creation and skills development programmes.

We have also seen some of our corporate citizens, including The Foschini Group (TFG) and Radio Tygerberg, investing their corporate social investment (CSI) budgets in our social development programmes. We hold up their



Chief Operations Officer, Derek Bock, and Leonie van der Merwe, VRCID Office Manager



Every Rand we collect is spent within the VRCID boundaries



The VRCID augments the services of SAPS and the City of Cape Town

‘Because of the visible successes we have achieved to date, we have raised the bar by which we are judged.’

actions as examples of how our levy payers can make a more direct and sustainable contribution to the upliftment of the Voortrekker Road Corridor.

Building relationships has also been an integral part of our security team’s priorities this year. Under the guidance of Security Manager Cliff Crouse and his now full-time deputy Chris Matthee, the VRCID provides top-up security services, augmenting the services of the South African Police Service (SAPS) and the City of Cape Town. We are their eyes and ears on the ground, which makes a real difference in our partners’ ability to respond where, when and how they need to. It is therefore critical that these relationships are responsive, positive and results-oriented. We are continually working on these connections, both at a strategic, management level and at an operational level.

‘Our teams work tirelessly to build relationships with our partners, finding ways to pool our collective resources and maximise our results.’

Building strong relationships in the urban management sector is equally important. Our precinct managers, Sarel Strydom (in Bellville), and Rushdi Toefy (in Parow) work with many departments across the City of Cape Town. The many individuals and teams there have helped us to lay a strong foundation as we build a clean and safe city. Our success depends on their support as we carry out our daily operations. At times, maintaining such high standards does place additional pressure on teams on the ground, and we work continually to navigate the challenges we collectively face. As a cog in a complex system, good relationships keep the wheels of our progress turning.

DEPLOYING RESOURCES STRATEGICALLY

The City of Cape Town’s support extends to their role in collecting VRCID levies as part of the rates payments. The VRCID is a not-for-profit organisation, with a budget dictated by the levies charged. While the percentage of levies paid is high, we do appeal to those in arrears to get their accounts up to date: every cent we collect is spent within the VRCID boundaries. Bad debts hamper service delivery.

A YEAR IN NUMBERS

OUR WORK IS WORKING

FUTURE PRIORITIES

Looking to the future, we have identified four focus areas that are strategic priorities for us:

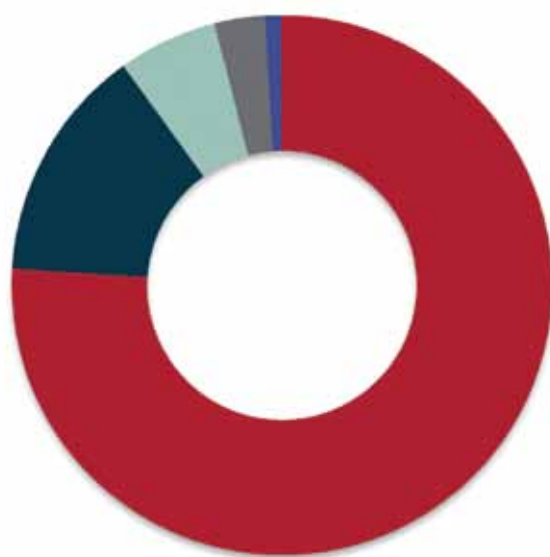
1 There is a need to begin a two-way conversation with our partners, investors and community. While visible, our work on the streets needs to be supported by a strong message of investment. The VRCID area has already begun to see improvements. While still affordable, property prices are beginning to reflect the success of the VRCID's work on the ground. We need to let investors know that the time is now. Tax incentives such as the Urban Development Zone (UDZ) and initiatives such as the Mayoral Urban Regeneration Programme (MURP) have a role to play in attracting investment.

At the same time, we are inviting the community to get involved in supporting the VRCID's continued, sustainable presence. We are open to ideas of how this could happen, from facilitating CSI investment in social development programmes, to agreeing in-kind trade exchanges.

We welcome any and all suggestions for collaborations designed for the greater good of Bellville and Parow.

- 2** Parking management is a key issue for us. We recognise the urgent need to provide cleaner, safer public parking areas across Bellville. In the new year we will be discussing ways and means to do this with the City of Cape Town.
- 3** We will continue to prioritise our social development programmes. Simply moving people away from an area does not address the root cause of homelessness. With our partners Radio Tygerberg and MES, we are facilitating the establishment of a Hope Centre, where people living on the streets can access work opportunities, and also harm prevention and skills development programmes. This is a much more sustainable approach that we hope will change the social profile in the VRCID area.

Working with such a limited budget forces us to deploy our resources strategically. This year we have allocated our budget as follows:



- 76%:** core business (safety and security, urban management, social development)
- 14%:** employee related
- 6%:** general expenses and administration (the daily costs of running an effective organisation)
- 3%:** bad debts provision
- 1%:** depreciation



Our work is supported by strong partner relationships

- 4 Following on from our commitment to building good relationships, we will continue to focus on establishing and maintaining strong, productive ties with our partners, including SAPS and the City of Cape Town.

WITH THANKS

Our work is made possible by the support and co-operation of so many individuals and organisations. We have thanked them by name elsewhere in this report. But here I would like to take the opportunity to thank everyone, from our Board of Directors to our street cleaners and security officers, for making the second year of operation a very successful one.

As we move into the next year, we remind ourselves of the quote by John Stuart Mill, English philosopher, political economist and civil servant: *"Bad men need nothing more to compass their ends, than that good men should look on and do nothing."*

We look forward to working with you, and serving the VRCID community to the best of our ability through the next year and beyond.

TELLING THE VRCID STORY

While the VRCID does not yet have a dedicated communication budget, we have begun to tell our story at any opportunity. This year, we communicated and shared information at various events and institutions, to promote the VRCID's work on a wider platform. The intention at each event is to inform property developers and investors that change is coming to Bellville and Parow; and of the VRCID's role in this transformation, in partnership with the City of Cape Town.

These include:

SPEAKING ENGAGEMENTS:

- Department of Architecture and Urban Planning and Faculty of Engineering and Architecture, Ghent University, Belgium
- Department of Economic Development and Environment, City of Windhoek, Namibia
- International Downtown Association annual conference, New York, USA
- Rode Property Conference, Stellenbosch, South Africa. Over 150 property and investment professionals from across the country attended the event, which was hosted by Erwin Rode, one of South Africa's leading property experts.
- Annual General Meeting of the South African Institute of Property Valuers

PUBLISHED ARTICLES:

- Newsletter of the German Business Improvement District Association, Berlin, Germany, regarding the VRCID's method of operations

INFORMATION SHARING EVENTS:

- Assisting other Western Cape municipalities, including Stellenbosch and Worcester, to advise on the advantages of city improvement districts
- Proudly hosted Provincial Minister Ivan Meyer at our offices to inform him of the work the VRCID is doing
- Briefing session on the VRCID model, attended by representatives of the National Planning Commission



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SOCIAL DEVELOPMENT REPORT

WILMA PIEK (VRCID SOCIAL DEVELOPMENT MANAGER)
AND ILSE ELS (MES EXECUTIVE MANAGER)

DOING GOOD, BETTER, THROUGH COLLABORATION AND PARTNERSHIPS

The VRCID conducted a homeless survey in 2013, interviewing just over 460 people living on the streets. It emerged that many of these are defined as chronic homeless, who have been living on the streets for five years or more. These statistics clearly express the magnitude of the task ahead of us. They are also a stark reminder of the need to find new solutions to an ever-present social issue.

In our work, we have two choices: we can curse the darkness, or we can light a candle. In choosing the latter, our most powerful tools are collaboration and creativity. Through collaboration and partnerships, we can expand our reach and maximise our limited resources. Through creative thinking, we can find new ways of doing good, better.

Social development practice has shown that there is less chance of chronic homelessness if the person is

helped as soon as possible after they find themselves on the street. While the number of people living on the streets remains high, we have begun to see fewer people who have been on the streets for under two years. We attribute this to our ability to provide better, more effective co-ordinated services delivered by more streamlined task teams working together to provide work, rehabilitation and reintegration opportunities.

BUILDING STRONG NETWORKS

We are justifiably proud of the progress we have made in this area. We have invested a significant amount of time in building a strong network of city and provincial government departments, security partners, non-governmental organisations (NGOs) and private businesses who share a collective vision to bring a sustainable future to the people in Bellville and Parow who need it most. The Joint Operations

Committee (JOC) helps us to access the help we need from our institutional and private partners, and to act collectively to achieve results that otherwise would be beyond our individual reach.

One example of this progress is our success in facilitating the negotiations with the Western Cape Provincial Government (WCPG) Department of Social Development to secure R1m in funding for a full time Social Worker and Auxiliary Social Worker for MES, as well as funding towards the GROW teams who operate in the VRCID area.

In addition, The Foschini Group (TFG) contributed R300 000 towards the GROW teams and job creation, in recognition of the importance of investment in the VRCID area as a priority for their corporate social responsibility (CSI) budget.

Another example of partnership in action is the joint outreach exercises by fieldworkers from Tygerberg Association of Street People (TASP), MES and the City of Cape Town to engage with street people, inviting and motivating them to access the help available to them.

Through the JOC Accommodation Task Team, we have been advocating and negotiating for increased shelter space in our area. As a result we have received support from Councillor Ruan Benecke, who is responsible for street people in Sub-Councils 4 and 6, and also the Mayor's Urban Regeneration Programme (MURP).

PREVENTION AND CURE

As we consider new, more creative ways to address chronic homelessness, we are taking a two-pronged approach: preventative support and curative support. Through our partners, TASP and MES, we have been able to support plans and programmes that will not only prevent, but will also address the causes of homelessness.

We have built a strong foundation. We now need people and businesses in the VRCID area to be part of the solution.

ILSE ELS, EXECUTIVE MANAGER, MES

"The VRCID's role in facilitating partnerships, particularly in establishing the JOC, has helped synchronise everyone's energies. In addressing chronic homelessness, we need to shift our thinking from rehabilitating individuals to rehabilitating communities. To achieve this, we need strong leadership from every part of our community: schools, churches, government officials, security personnel, business owners and individuals. If we all share a common vision of an inclusive, industrious city that serves all people, we can all be change agents. With that shared vision, we can find the power within each of us to look beyond our individual mandates and to work together to redesign the system that will enable socio-economic development to happen for the good of everyone."



Wilma Piek, VRCID Social Development Manager

Shelter space in the VRCID and also other surrounding areas is inadequate, and the shelter that is available often does not meet the needs of couples and families. TASP delivers assessment services and emergency bedding to street people in the VRCID area. During the last year, TASP also received funds from the Provincial Department of Social Development that enabled them to provide a preventative, pro-active service to high risk families whose circumstances in poverty-stricken areas could lead to homelessness.

While the generally accepted solution is to reintegrate vulnerable people to their community of origin, there is an equally acknowledged need to invest in those communities. To this end, TASP hopes to access the National Government's Extended Public Works Programme (EPWP), enabling them to create income generating opportunities within the person's community of origin.

This will in turn enable the street person to contribute financially to his family and increase the chance for successful reintegration. Reintegrating people back into broken communities without community support and without any income often exacerbates the reasons why they left home in the first place.

It is for this reason that the importance of quality curative support can never be under-estimated.

We are excited to support MES and Radio Tygerberg, who are collaborating to establish a one-stop centre where street people, those who are marginalised in our society, and those who have particular health or social needs can receive a basket of services accessible in one centralised location. The proposed Hope Centre will focus on harm reduction and safe spaces, first and second phase accommodation, and community reintegration. Under the GROW programme, Hope Centre clients will also be able to access sustainable work opportunities, skills development and education programmes and eventually exiting into job opportunities.



Communication is an essential part of our social development programme

‘We have built a strong network of city and provincial government departments, security partners, NGOs and private businesses that helps us to act collectively to achieve results that otherwise would be beyond our individual reach.’

BE PART OF THE SOLUTION

The Hope Centre is one way in which we are hoping to find new ways to bring about sustainable change for people in our community. There are still challenges ahead. Relationships can and do travel a rocky road, and we need to work hard to maintain strong ties that bind us in our work, at both a strategic and operational level. Resources are scarce, as always. We need to do more with what we have, especially by harnessing the resources of our collaborators.

We have built a strong foundation. We now need people and businesses in the VRCID area to be part of the solution. By giving responsibly, hiring GROW work teams, giving food vouchers instead of money, treating people with respect and empathy, and even directing CSI funding into the VRCID's social development programmes, each person and organisation has the power in them to do good, better.



We call on businesses in the VRCID to be part of the solution



2

URBAN MANAGEMENT REPORT

- PRECINCT MANAGERS SAREL STRYDOM (BELLVILLE)
AND RUSHDI TOEFY (PAROW)

MAKING A VISIBLE DIFFERENCE

When we opened our doors in 2012, we were starting from a very low base. The process of urban renewal was only just beginning. Then, much of our focus as a top-up urban management service was on getting the basics right: cutting grass, clearing drains, removing illegal posters. Within just a few months, we started to see change as former no-go areas were reclaimed by business and leisure users whose presence turned hostile spaces into hives of activity.

As we look back over our second year, the results of our work are clearly visible. Businesses, residents and commuters have now come to rely on the presence of our teams of urban management operatives, whose scheduled cleaning and maintenance work has become a part of everyday life in both Bellville and Parow. Their work is made possible by the outstanding contributions from our cleaning service providers Securitas, together

with our job creation partner, MES. Both partnerships have been pivotal in our ability to ensure that Bellville and Parow are clean and safe centres for business and pleasure.

URBAN RENEWAL IN ACTION

In one sense, our work is never done. As clean streets and welcoming public spaces become the norm, our success is measured by ever-higher expectations.

That said, it is gratifying to see how the evidence of our work has begun to create a momentum of its own. Our ongoing relationships with business owners and retailers have underpinned much of what we do. Through one-on-one conversations on the streets, in stores and in offices, building owners have begun to look at the contributions they themselves can make. Corporate citizens such as Spar, Shoprite and Parow Centre, for example, have begun to improve and beautify their own properties,

THE MAKE-UP OF THE VRCID URBAN MANAGEMENT TEAM:

SECURITAS CLEANING:

■ 1 cleaning supervisor ■ 2 truck drivers ■ 16 sweepers

MES/GROW:

■ 1 administrative supervisor ■ 1 operational supervisor

1 TECHNICAL TEAM COMPRISING:

■ 1 supervisor ■ 1 technical worker

■ 1 regular worker (Mon-Fri)

6 TEAMS COMPRISING:

■ 1 supervisor ■ 2 regular workers (Mon-Fri)



creating jobs as an additional spin-off, by using workers from MES's job creation programme. Other property owners are renovating and renewing their buildings, too.

Working with our security and social development colleagues, and in partnership with business owners, the changes we are beginning to see have had a positive effect not only on the physical, but also on the social profile of the VRCID area. While we acknowledge that Bellville's challenges are more complex, in Parow we have seen a marked reduction in the numbers of street children begging at intersections, and also reduced gang- and

'Businesses, residents and commuters have now come to rely on the presence of our teams of urban management operatives, whose scheduled cleaning and maintenance work has become a part of everyday life in both Bellville and Parow.'



Our work is made visible every day



Scheduled maintenance is part of daily life in the VRCID area

OUR YEAR IN NUMBERS

482	incidents of graffiti removed
562 625	tons of waste removed
1 632	illegal posters removed
80 375	bags of waste removed
819	strings and illegal stickers removed from street poles
683	drains cleaned

drug-related activities. In one example, Winston Sahd, a furniture retailer, recently opened for business on the corner of Picton and Voortrekker Road. Previously, this was an area renowned for attracting criminal elements. We have seen how bright lighting on that corner has been a very effective deterrent, with little or no crime or anti-social behaviour reported there since the store opened.

During the year we were also able to increase our own resources, by adding two new vehicles to our fleet, which have been deployed to each precinct. Thanks to Williams Hunt Motors in Bellville for facilitating this welcome addition to our arsenal of urban management tools.

But it hasn't all been plain sailing. Like any long-term project, it is important to have the right workforce in place. During the year it was necessary to resolve several staff and contract changes. However, these have now settled. The management structure has stabilised and we are continuing to see the benefits of the new arrangements.

FUTURE PLANS

As our work continues to make a visible difference to the streets and public spaces within the VRCID boundaries, we are planning for the future. We have begun to use technology to map and report incidents such as blocked drains, inadequate road markings, road repairs, missing manhole covers, broken lights and missing signage. The C3 system provides us with a fast line to the City of Cape Town's management teams who are then able to take the appropriate action.

As always, we must be realistic about how far our resources can stretch within our mandate and our geographic boundary. With that in mind, we will also be looking at ways to use our constrained resources more creatively so we can tell the VRCID story more widely. By letting our communities know what we do and where we do it, we hope to encourage more businesses and individuals to take personal responsibility for their own environment. It is also important to remind people of our mandate as a top-up service provider whose role is to augment the urban management services of the City of Cape Town.

As we continue to address problem buildings, we will also be addressing problem areas. In particular, we will be looking at the configuration, lighting and trading management on the station route into Parow Central. In partnership with business management and traders, we will be able to transform the area into a safe, welcoming route for commuters.

SHARED COMMITMENT TO A SHARED VISION

Our vision remains as clear as it was on our first day at work: a clean, safe corridor where businesses operate within the ambit of the law, taking personal responsibility for their own properties, and where individuals can live and work in a welcoming environment. Together, we will be able to achieve this vision. It will take time, but it is achievable if everyone plays their own part.



ADRIAN CRAIG, NORTHVILLE STUDENT ACCOMMODATION

Foresight and the VRCID: a potent combination for investors

We began to invest in Parow in 2011, knowing that the establishment of the VRCID would be the catalyst to urban transformation. With prices still affordable in the area, we knew that our investment would pay off. Since then, we have bought and redeveloped three buildings in Parow. Some of the buildings were classified as problem buildings. The VRCID's knowledge, support and network have been invaluable in enabling us to turn these buildings around and to establish a successful presence in the area.

As providers of student accommodation, we know that the environment around the building is as important as the building itself. Our students need to feel safe inside and out, day and night. Since the VRCID started, our students have seen a significant change in the area: it's much cleaner and more pleasant. And the presence of the VRCID security kiosk near to one of our buildings has helped to make them feel much safer. We have had reports of security officers going beyond the call of duty to help students in need, particularly at night.

Business owners need to know that they can rely on the service providers in their area. We have built an excellent relationship with the VRCID since it started. They are responsive and committed, and have become a reliable conduit to the City of Cape Town and to SAPS. As first responders, their role has had a major impact on our success.

Our vision is to create a thriving, bustling student town and we are convinced that Parow has that potential. It is a long-range vision and one that we are fully committed to achieving. With the VRCID's presence, we know it will come to be.





3

SECURITY REPORT

- CLIFF CROUSE (SECURITY MANAGER) AND
CHRIS MATTHEE (DEPUTY SECURITY MANAGER)

VISIBLE SUPPORT, VISIBLE RESULTS

Having focused on getting the basics right in our first year of operation, in our second year our approach has been to see and be seen. Our highly visible foot patrol officers and mobile units deter and prevent criminal activity. They are an additional layer of eyes and ears on the ground for the South African Police Services (SAPS), who are the primary service providers. Mobile security caravans placed in crime hotspots offer better surveillance, prevent crime and provide more immediate victim support. And technology, in the form of closed circuit television (CCTV), the CHASE monitoring system and other reporting applications, has come into its own as an additional tool for better monitoring and faster response times.

All of this has had a direct impact on our ability to reduce crime in the VRCID area. The numbers tell their own story:

IN THE LAST 12 MONTHS, VRCID SECURITY OFFICERS ATTENDED TO THE FOLLOWING INCIDENTS:

By-law infringements	9 947
Sleeping within commercial area	6 117
Illegal gambling	1 052
Traffic fines issued	1 377 (value R782 800)
56 notices issued	156
Fire and rescue	349
Motor vehicle accidents	230
Contact crimes	200
Non-contact crimes	214
VRCID arrests	122



PARTNERSHIPS ARE VITAL

The work we do behind the scenes is as important as what we do on the streets. The VRCID is a top-up service provider: our work augments that done by SAPS and the City of Cape Town. To ensure we can deliver our services to the best of our ability, relationships and partnerships are crucial. Whether in joint operations to remove criminal elements from problem buildings, executing arrests to address by-law infringements, or passing on information received from the community about criminal activity, our relationship with SAPS is a vital element in our ongoing success.

It is notable that Parow police station, which previously recorded higher crime rates than any other station in the Greater Tygerberg region, now records the fewest crimes in relation to previous years. We can confidently trace that trend back to the additional support the VRCID provides in crime prevention.

Like the work we do every day, our relationship with SAPS is a work in progress. We are continually looking at ways to enhance what works well, and to improve what could be done better, building closer connections where we need them most.

Our partnership with the City of Cape Town is equally important. The Voortrekker Road Corridor and Bellville Transport Interchange is one of eight nodes on the Mayoral Urban Regeneration Programme (MURP). Under the MURP, the City has added four law enforcement officers to the Bellville and Parow central business districts (CBDs). These officers are funded by the City and support the VRCID Security personnel on the ground. This represents a significant addition to our limited manpower. We have also received the City's support where we need it, working with various departments, including fire, health, problem buildings and urban management.

We are also heartened by the City of Cape Town's intention to establish a community court system in our area. While we acknowledge that this is a long-term plan, we are

VRCID SECURITY RESOURCES

2	VRCID branded security huts
27	day shift officers
22	night shift officers
2	dedicated law enforcement officers (City of Cape Town rent-a-cop scheme)
2	mobile security stations (public information kiosks sponsored by the Department of Community Safety)

aware that these proposals could represent a very positive step forward in our ability to deal with by-law infringements such as illegal gambling.

DOING WHAT WE DO, BETTER

Despite these successes, our work is never done. We are aware that the better we do our job, the higher the expectations are. This is a good problem to have: we know that our work is working, and we continue to look for ways that we can do what we do better. However, we cannot do it all on our own.

Many building owners have begun to upgrade their properties. Other property owners have been less active in this regard and we encourage everyone to look at how their own property can benefit or degrade an environment and act accordingly. Consider that buildings are links in a chain. If one property is unkempt, unsecured and attracts antisocial elements, then that building is the weakest link.

We recognise the need for more consistent communication with building owners and community members, and also our own contractors and staff members. To this end, we have instituted weekly training sessions for our officers who need to deal with sensitive situations. Aligned with that is our ongoing focus on social development. We continue to work with our colleagues in the social development team in dealing with

the complex security issues arising from homelessness and vagrancy.

BETTER TOGETHER

Our commitment to our work remains absolute, and we thank all our partners for the work they do in helping us deliver our services. We cannot do it all, and our limited mandate as a top-up service means that we must rely heavily on our operational partners to achieve the clean, safe vision we share. But as we see the results of our work every day, we are spurred on by the knowledge that walking together is better than walking alone.



Cliff Crouse, VRCID Security Manager and Deputy Security Manager, Chris Matthee

THANKS AND ACKNOWLEDGEMENTS



e would like to thank the following sponsors whose in-kind donations have made our work easier throughout the year:

- 1 The Foschini Group** **2 Williams Hunt Motors (Bellville)**
3 Vodacom **4 Transland Motors (Bellville)**
5 Redefine Properties **6 Antony Berrill**
7 Radio Tygerberg **8 Securitas** **9 Sanlam**

Partnerships are the key to helping the VRCID deliver its mandate to ensure a safe and clean Bellville and Parow. On behalf of the VRCID staff, I would like to acknowledge and thank the organisations and individuals who have formed those partnerships with us.

Firstly, I have to thank my Board of Directors for their guidance and support. They have spent many hours of their own personal time, at no cost to the VRCID, attending Board meetings and representing the VRCID at various other engagements. A heartfelt thanks to Board Chairperson Hardus Zevenster and Directors Johan Bester (Vice Chairperson), Allen Bosman, Romanie Smithdorf, Lamesa Modak, Piet Badenhorst, Faizel Barnes and Gert Snyman. Gert Snyman resigned from the Board and we wish him well for the future.

I would like to thank City of Cape Town Councillors Johan van der Merwe and Sam Pienaar for their invaluable support at Board meetings.

Our ongoing success depends on the support of people we work with on a daily basis, especially our colleagues from the City of Cape Town. Thank you to Kobus Coetzer and his colleagues at Property Management; Coetzee van Heerden and his team at Electricity; Andre Volschenck and colleagues at Environmental Health; Debbie Evans of Outdoor Advertising; Liezl-Ann Kenny of Business Areas Management; Neil Couert, Denver Stevens and Ivan Harmse of Solid Waste; George Gilbert of Parks; Leon Campher and his Building Inspector colleagues; Andre Moolman of Fire Services and Hilton Scholtz and colleagues at Roads and Stormwater. From the VRCID Urban Management team of Rushdi Toefy and Sarel Strydom, thank you very much. We acknowledge your support.

The Sub-councillors and Ward councillors of the area have once again been a great support to the VRCID. Here

I would specifically like to mention Councillors Leonore van der Walt, Ernest Sonnenburg, Brendan van der Merwe, Willie Jaftha and Clive Justus. We also thank Pat Jansen and her team for their support at Sub Council 6.

Like many other areas in the City of Cape Town, we are challenged with finding sustainable solutions to homelessness on our streets. Here I specifically need to thank Wilma Piek (VRCID Social Development Manager) and Veronica Geduld (Field Worker: MES). We also acknowledge and thank the following people for their dedication to helping those who are less fortunate: the staff of MES, TASP and Elim Night Shelter, BADISA Tygerberg, Cllr Ruan Beneke and the management of Middestad and Parow Mall. A special word of thanks to Charles Jordan of the Provincial Department of Social Services for helping us to obtain funding for our job creation programmes.

From a Safety and Security perspective, on behalf of Cliff Crouse (VRCID Security Manager), I would like to mention the Commanding Officers of Parow and Bellville South African Police Service (SAPS): they are Col. Ntugeli and Brig. Govender respectively. We thank them for the full support they and their teams have given to the VRCID. Thank you also to our Law Enforcement colleagues at the City of Cape Town: Neville Thomas, Christopher Mbane, Dirk Jakobs, Hilton Isaacs and Jason Hamilton. You have made a real difference and for this we are truly grateful. I also wish to welcome Chris Matthee as Deputy Security Manager to the VRCID.

Our success also depends on our service provider, Securitas, whose work has ensured that our streets are as clean and safe as they are today. We wish to thank Securitas Contract Manager CK van Rensburg and his team for their long hours on the streets of the VRCID. Their work is done in often difficult circumstances, where sometimes their lives are put at risk to ensure a better Bellville and Parow.

Finally, I wish to thank all VRCID levy payers. Without your support we would not be able to achieve the successes we have during the past year. The statistics in this year's annual report are a testament to the strength of the VRCID's role as a top-up service to the City of Cape Town. My team and I are committed to ensuring that we create a better VRCID for all that live and work in it.

Derek Bock

CORPORATE GOVERNANCE

BOARD

The following Directors serve on the Board of the Voortrekker Road Corridor Improvement District in a voluntary and non-executive role:

Hardus Zevenster (Radio Tygerberg): Chairperson

Johan Bester (Sanlam): Vice Chairperson

Faizel Barnes (Shoprite-Checkers Group)

Lamesa Modak (Growthpoint Properties)

Allen Bosman (The Foschini Group)

Romanie Smithdorf (Vodacom)

Piet Badenhorst (Laubscher & Hattingh Attorneys)

Gert Snyman (Private property owner)

The City of Cape Town also nominated two Councillors to represent the City on the Board. They are Councillor Sam Pienaar and Councillor Johan van der Merwe.

In November 2012, a Special General Meeting was held to note the Directors to the VRCID Board. During the year in review, the VRCID Board met four times to consider the Board reports as submitted by the Chief Operations Officer of the VRCID. In addition, the Board decided to form various sub-committees which would in turn lend support and guidance to the VRCID staff. These committees, with the nominated Directors, are as follows.

CHARTER: FINANCIAL MANAGEMENT COMMITTEE

Hardus Zevenster, Johan Bester, Allan Bosman, Cllrs Sam Pienaar and Johan van der Merwe

Membership

The Board will annually appoint a Financial Management Committee consisting of at least four members, the majority of whom shall be non-executive directors.

The COO will ex-officio be a member of the Committee. At least one Councillor nominated by the City of Cape Town will also be a member of the Committee.

The Board will appoint a chairman for the Committee who will decide on the frequency of meetings and who will set the agenda for such meetings. The Committee will meet at least three times per year.

The chairman of the Committee will provide regular feedback to the Board on the Committee's deliberations.

Responsibilities

The Committee will in general be responsible for managing the financial affairs of the Company with reference to its approved Business Plan and Operational Budget.

The Committee is specifically authorised to perform the following tasks:



- 1 A nominated committee member to have access to the VRCID's bank account to ensure that no improper transactions take place.
- 2 The above nominated committee member will, at the end of each month or whenever a payment is made by the COO, be informed in writing of each transaction made and the reason thereof.
- 3 Such committee member will be the Committee representative in the event of any communication between this Committee and the appointed accounting officers if necessary.
- 4 The Chairman of the Board, who as a rule will always serve on this Committee, will together with the COO sign off on the Annual Financial Statements. The more comprehensive Annual Report on the VRCID's activities to be approved by the Board.
- 5 To ensure that the VRCID stays within its allocated budget.
- 6 To pre-approve all material capital expenses and the terms of all major service provider agreements.
- 7 To approve all unbudgeted or "out of the norm" types of expenses.
- 8 To approve recommendations by the COO regarding possible fixed deposits (short, medium or long-term) with specific reference to surpluses.
- 9 To approve any local and international travel by the COO and staff.

CHARTER: HUMAN RESOURCES AND REMUNERATION COMMITTEE

Hardus Zevenster, Johan Bester and Cllrs Sam Pienaar and Johan van der Merwe

Membership

The Board will annually appoint an HR and Remuneration Committee consisting of at least four members, the majority of whom shall be non-executive directors. The Chairman of the Board will ex-officio be a member of the Committee.

The Board will appoint a chairman for the Committee

who will decide on the frequency of meetings and who will set the agenda for such meetings. The Committee will meet at least two times per year.

The chairman of the Committee will provide regular feedback to the Board on the Committee's deliberations.

Responsibilities

The Committee will in general be responsible for the Company's intellectual capital including a supportive remuneration strategy. It is also involved in establishing and maintaining an effective operational and management team.

The Committee is specifically authorised to perform the following tasks:

- 1 To assist the COO, if deemed necessary, by conducting interviews for vacant staff positions.
- 2 To approve the appointment of staff on the recommendation of the COO.
- 3 To approve and or make recommendations on any staffing changes and or requirements which the COO may wish to implement.
- 4 To approve all staff bonuses and salary adjustments as and when motivated by the COO.

CHARTER: OPERATIONAL COMMITTEE

Gideon Morris, Piet Badenhorst, Johan Bester, Romanie Smithdorf, Faizel Barnes and Lamesa Modak

Membership

The Board will annually appoint an Operational Committee consisting of at least three members, the majority of whom shall be non-executive directors. The COO will ex-officio be a member of the Committee.

The Board will appoint a chairman for the Committee who will decide on the frequency of meetings and who will set the agenda for such meetings. The Committee will meet at least two times per year.

The chairman of the Committee will provide regular feedback to the Board on the Committee's deliberations.



Hardus Zevenster:
Radio Tygerberg



Mazel Matthews:
Redefine Properties



Piet Badenhorst:
Laubscher & Hattingh
Attorneys



Faizel Barnes:
Shoprite-Checkers



Johan Bester: Sanlam



Gert Snyman:
Private property owner



Responsibilities

The Committee will in general be responsible for developing and implementing a security and urban management strategy for the Company in cooperation with the COO.

The Committee is specifically authorised to perform the following tasks:

- 1** The Committee to approve the request for additional manpower by the Security and Precinct Managers after which such request is then forwarded by the COO to the Financial and HR Committee for financial approval.
- 2** The Committee may at its discretion meet with the COO, Operational staff and the main service providers as and when needed to discuss security concerns or general operational matters.

- 3** The Committee may at its discretion request to be briefed on deployment of security and cleansing personnel.
- 4** The Committee to consider all legal aspects regarding the operational activities of the Company.

CHARTER: EXECUTIVE MANAGEMENT COMMITTEE

Hardus Zevenster, Johan Bester and Cllrs Sam Pienaar and Johan van der Merwe

Membership

The Board will annually appoint an Executive Committee consisting of at least four members, the majority of whom shall be non-executive directors. The Chairman of the Board will ex-officio be a member of the Committee and the COO will attend all meetings. At least one Director nominated by the City of



Gideon Morris:
Department of
Community Safety



Lamesa Modak:
Growthpoint Properties



Romanie Smithdorf:
Vodacom



Allen Bosman:
The Foschini Group



**Cllr Johannes van der
Merwe:** City of Cape
Town



Cllr Sam Pienaar:
City of Cape Town

Cape Town will also be a member of the Committee.

The Board will appoint a chairman for the Committee who will decide on the frequency of meetings and who will set the agenda for such meetings.

The chairman of the Committee will provide regular feedback to the Board on the Committee's deliberations.

Responsibilities

The Committee will in general be responsible to assist the COO in urgent matters arising between Board meetings. In exceptional urgent matters the Committee may take interim decisions on behalf of the Board.

The Committee is specifically authorised to perform the following tasks:

- 1** The Committee will have the authority to make an immediate and well informed decision in the event of an emergency or crisis. The Board to be informed thereof as soon as practically possible.
- 2** A nominated Committee member can stand-in for the COO in terms of decision making when and if the COO is not in a position to do so.

CHARTER: SOCIAL DEVELOPMENT COMMITTEE

Lamesa Modak, Faizel Barnes and Mazel Mathews

Membership

The Board will annually appoint a Social Development Committee consisting of at least three members, the majority of whom shall be non-executive directors. The COO will ex-officio be a member of the Committee.

The Board will appoint a chairman for the Committee

who will decide on the frequency of meetings and who will set the agenda for such meetings. The Committee will meet at least two times per year.

The chairman of the Committee will provide regular feedback to the Board on the Committee's deliberations.

Responsibilities

The Committee will in general be responsible for developing a Social Development strategy for the Company in co-operation with the Social Development Manager and COO for consideration by the Board. After the approval of the strategy by the Board, the Committee will be responsible for overseeing the implementation thereof.

The Committee is specifically authorised to perform the following tasks:

- 1** The Committee to consider requests for additional funding by the Social Development Manager after which such requests are then forwarded by the COO to the Financial Committee for financial approval.
- 2** The Committee may at its discretion meet with the Social Development Manager and COO as and when needed to discuss general vagrancy, homelessness, anti-social behaviour etc. matters.
- 3** The Committee may at its discretion request to be briefed on the cooperation with the City of Cape Town and NGOs of choice within the VRCID.
- 4** The Committee may request a Director to accompany either the Social Development Manager and / or COO when he or she meets with the City of Cape Town on issues of mutual concern.



VOORTREKKER ROAD CORRIDOR IMPROVEMENT DISTRICT

CONTENTS

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

- 25 Independent Auditors' Report
- 26 Directors' Responsibilities and Approval
- 27 Directors' Report
- 28 Statement of Financial Position
- 29 Statement of Comprehensive Income
- 29 Statement of Changes in Equity
- 30 Statement of Cash Flows
- 31 Accounting Policies
- 33 Notes to the Annual Financial Statements

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

- 36 Detailed Income Statement

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

VOORTREKKER ROAD CORRIDOR IMPROVEMENT DISTRICT NPC

(Registration number 1996/004458/08)

Annual Financial Statements for the year ended 30 June 2014

These annual financial statements were prepared by:

ROSLYN KRUUSE

ACCOUNTANT

These annual financial statements have been audited in compliance with the applicable requirements of the Companies

Act 71 of 2008.

Published _____

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 GP Snyman (Resigned 19/05/2014) AM Bosman RG Smithdorf F Barnes L Modak JP Bester M Matthews (Appointed 22/04/2014)
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
Company Secretary	PJ Badenhorst
Company registration number	1996/004458/08
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008..

INDEPENDENT AUDITORS' 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 28 to 36, which comprise the statement of financial position as at 30 June 2014, 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.

Auditors' 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 auditors' 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 entity'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 entity'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 2014, and its financial performance and its 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 36 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 2014, we have read the Directors' Report for the purpose of identifying whether there are material inconsistencies between these reports and the audited annual financial statements. This report is the responsibility of the respective preparer. Based on reading this report we have not identified material inconsistencies between this report and the audited annual financial statements. However, we have not audited this report and accordingly do not express an opinion on this report.

Cecil Kilpin & Co, Registered Auditors

Per Partner: S Schonegevel, Century City

Date: _____

A MINNÉ CA (SA), RA | N NYBACK CA (SA), RA | M BRANDERS CA (SA) RA | S SCHONEGEVEL CA (SA), RA | M SPENCER CA (SA) RA

1 Waterford Mews, Century Boulevard, Century City, 7441 ■ Tel: 021 527 4060 ■ Fax: 021 551 0508 ■ info@cecilkilpin.co.za ■ www.cecilkilpin.co.za

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 2014, 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 an 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.

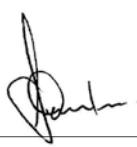
Approval of the Annual Financial Statements

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 behalf by:



Director

Date: _____




Director

Date: _____

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 2014, 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: _____

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 2014.

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.

This is the second 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 R70 626.

2. DIRECTORS

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

Directors

PJ Badenhorst

GS Zevenster

GP Snyman (Resigned 19/05/2014)

AM Bosman

RG Smithdorf

F Barnes

L Modak

JP Bester

M Matthews (Appointed 22/04/2014)

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 2014.

5. SECRETARY

The company secretary is PJ Badenhorst.

5. RESERVES

Operating expenses increase by 23% due to the fact that the prior year was operational for 10 months. The above resulted in a surplus as per retained income on page 29 of the annual financial statements. 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. During the year a portion of the reserves was utilised to settle two instalment sale agreements relating to motor vehicles purchased.

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2014

	Note(s)	2014 R	2013 R
Assets			
Non-Current Assets			
Property, plant and equipment	2	372,736	170,997
Current Assets			
Trade and other receivables	3	-	1,000
Cash and cash equivalents	4	945,310	969,972
		945,310	970,972
Total Assets		1,318,046	1,141,969
Equity and Liabilities			
Equity			
Retained income		1,166,198	1,095,572
Liabilities			
Non-Current Liabilities			
Instalment sale agreements	5	44,038	-
Current Liabilities			
Instalment sale agreements	5	41,833	-
Trade and other payables	6	65,977	46,397
		107,810	46,397
Total Liabilities		151,848	46,397
Total Equity and Liabilities		1,318,046	1,141,969

STATEMENT OF COMPREHENSIVE INCOME

	Note(s)	2014 R	2013 R
Revenue	1.5 & 7	12,134,046	10,773,500
Other income		12,500	80,000
Operating expenses		(12,031,357)	(9,760,730)
Operating surplus		115,189	1,092,770
Investment revenue		27,055	2,802
Finance costs		(71,618)	-
Surplus for the year		70,626	1,095,572
Other surplus		-	-
Total surplus for the year		70,626	1,095,572

STATEMENT OF CHANGES IN EQUITY

	Retained income R	Total equity R
Balance at 01 July 2012	-	-
Surplus for the year 2012/13	1,095,572	1,095,572
Other surplus for the year	-	-
Total surplus for the year	1,095,572	1,095,572
Balance at 01 July 2013	1,095,572	1,095,572
Surplus for the year 2013/14	70,626	70,626
Other surplus	-	-
Total surplus for the year	70,626	70,626
Balance at 30 June 2014	1,166,198	1,166,198
Note(s)		

STATEMENT OF CASH FLOWS

	Note(s)	2014 R	2013 R
Cash flows from operating activities			
Cash receipts from participants / special levy payers		12,135,046	10,773,500
Cash paid to suppliers and employees		(11,902,434)	(9,603,404)
Cash generated from operations		232,612	1,170,096
Interest income		27,055	2,802
Finance costs		(71,618)	-
Net cash from operating activities		188,049	1,172,898
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(298,582)	(202,926)
Cash flows from financing activities			
Instalment sale agreement payments		85,871	-
Total cash movement for the year		(24,662)	969,972
Cash at the beginning of the year		969,972	-
Total cash at end of the year	4	945,310	969,972

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	Average useful life
Furniture and fixtures	6 years
Motor vehicles	5 years
Office equipment	6 years
IT equipment	3 years
Security systems	3 years

The residual value, depreciation method and useful life of each asset are reviewed at each annual reporting period if there are indicators present that there has been a significant change from the previous estimate.

Gains and losses on disposals are determined by comparing the 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. This includes transaction costs, except for financial instruments which are measured at fair value through profit or loss.

Financial instruments at amortised cost

Debt instruments, as defined in 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 the end of 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 so, an impairment loss is recognised

Financial instruments at fair value

All other financial instruments are measured at fair value through profit and loss.

1.3 Tax

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 indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

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 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.

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

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

2. PROPERTY, PLANT AND EQUIPMENT

	2014			2013		
	Cost	Accumulated depreciation and impairments	Carrying value	Cost	Accumulated depreciation and impairments	Carrying value
Furniture and fixtures	24,249	(8,045)	16,204	24,249	(4,113)	20,136
Motor vehicles	372,588	(70,437)	302,151	80,000	(5,330)	74,670
Office equipment	38,598	(12,868)	25,730	38,598	(6,434)	32,164
IT equipment	57,406	(31,645)	25,761	51,411	(13,163)	38,248
Security Systems	8,668	(5,778)	2,890	8,668	(2,889)	5,779
Total	501,509	(128,773)	372,736	202,926	(31,929)	170,997

Reconciliation of property, plant and equipment - 2014

	Opening balance	Additions	Depreciation	Total
Furniture and fixtures	20,136	-	(3,932)	16,204
Motor vehicles	74,670	292,588	(65,107)	302,151
Office equipment	32,164	-	(6,434)	25,730
IT equipment	38,248	5,994	(18,481)	25,761
Security systems	5,779	-	(2,889)	2,890
	170,997	298,582	(96,843)	372,736

Reconciliation of property, plant and equipment - 2013

	Opening balance	Additions	Depreciation	Total
Furniture and fixtures	-	24,249	(4,113)	20,136
Motor vehicles	-	80,000	(5,330)	74,670
Office equipment	-	38,598	(6,434)	32,164
IT equipment	-	51,411	(13,163)	38,248
Security Systems	-	8,668	(2,889)	5,779
	-	202,926	(31,929)	170,997

	2014 R	2013 R
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3. TRADE AND OTHER RECEIVABLES

Employee costs in advance	-	1,000
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	2014 R	2013 R
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4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of:

Bank balances	945,310	969,972
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5. INSTALMENT SALE AGREEMENTS

Minimum payments due		
- within one year	47,831	-
- in second to fifth year inclusive	46,733	-
	94,564	-

less: future finance charges	(8,693)	-
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Present value of minimum payments	85,871	-
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Present value of minimum payments due		
- within one year	41,833	-
- in second to fifth year inclusive	44,038	-
	85,871	-

Non-current liabilities	44,038	-
Current liabilities	41,833	-
	85,871	-

6. TRADE AND OTHER PAYABLES

Trade payables	3	-
VAT	36,577	27,646
Other payables	29,397	18,751
	65,977	46,397

The company is registered for all tax related requirements relevant to improvement districts such as VAT, PAYE, UIF and SDL. All such returns and payments are up to date.

	2014 R	2013 R
7. REVENUE		
Revenue - SRA Rates	11,934,563	10,773,500
COCT - Retention Funds	199,483	-
	12,134,046	10,773,500

8. RELATED PARTIES

Relationships

Common directorship	Bubesi Investments 34 (Proprietary) Limited
	Radio Tygerberg NPO
	Greater Tygerberg Partnership NPC

Related party balances and transactions with other related parties

Related party balances

Payments made by the company to the related parties for initial start-up costs

Radio Tygerberg NPO	-	70,173
Bubesi Investment 34 (Proprietary) Limited	-	19,500

Payments made by company to related parties with regards to the rent and services agreement.

Greater Tygerberg Partnership NPC	186,357	52,000
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9. DIRECTORS' REMUNERATION

No emoluments were paid to the directors during the year. (2013 - Nil)

DETAILED INCOME STATEMENT

	Note(s)	2014 R	2013 R
Revenue			
Revenue - SRA Rates		11,934,563	10,773,500
COCT - Retention Funds		199,483	-
	7	12,134,046	10,773,500
Other income			
Other income		12,500	80,000
Interest received		27,055	2,802
		39,555	82,802
Operating expenses			
Accounting fees		41,009	36,000
Advertising		79,871	46,141
Auditors remuneration		11,000	-
Bank charges		6,948	3,379
Cleaning		1,720,717	1,595,376
Computer expenses		6,673	6,951
Depreciation, amortisation and impairments		96,844	31,930
Employee costs		1,874,830	1,463,961
Environmental costs		250,021	187,014
Insurance		40,381	15,353
Law enforcement		183,115	173,157
Other expenses		64,573	18,510
Petrol and oil		507,792	330,846
Printing and stationery		45,669	4,685
Project costs		-	20,580
Rent and utilities		112,765	65,968
Security		6,658,533	5,443,059
Seed capital costs		-	101,213
Social upliftment		264,272	186,878
Telephone and fax		66,344	29,729
		12,031,357	9,760,730
Surplus for the period		142,244	1,095,572
Finance costs		(71,618)	-
Surplus for the period		70,626	1,095,572

The supplementary information presented does not form part of the annual financial statements and is unaudited.