

# ANNUAL REPORT



## NORTHPINE CITY IMPROVEMENT DISTRICT NPC

**Annual Report and Financial Statements  
For the year ended 30 June 2024**



Our online report is available at [www.northpinecid.co.za](http://www.northpinecid.co.za)

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## **PART A: GENERAL INFORMATION**

### **1. GENERAL INFORMATION**

<b>Registered name:</b>	NORTHPINE CID NPC
<b>Registration no:</b>	2017/224442/08
<b>Physical address:</b>	32 Eastwood Drive, Northpine
<b>Postal address:</b>	24 Montana Road, Northpine
<b>Telephone number/s:</b>	079 108 8107 / 071 061 5186
<b>Email address:</b>	info@northpinecid.co.za
<b>Website address:</b>	www.northpinecid.co.za
<b>External auditors:</b>	Harry Curtis and Co. two financial years that the firm has acted as the NCID's auditors
<b>Company Secretary:</b>	Terence Erasmus

### **2. LIST OF ABBREVIATIONS/ACRONYMS**

CEO	Chief Executive Officer
CFO	Chief Financial Officer
CCT	City of Cape Town
KPI	Key performance indicators
SCM	Supply chain management

### 3. FOREWORD BY THE CHAIRPERSON

- Introduction
- Strategic objectives
- Executive summary of performance outcomes
- Key events / challenges
- Short and medium-term outlook
- Acknowledgments
- Conclusion




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Lindsay Schereka  
Northpine CID NPC  
15 October 2024

**4. CHIEF EXECUTIVE OFFICER'S [or Executive Manager's / Treasurer's] OVERVIEW**

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- Spending trends
- Capacity constraints and challenges
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- Audit report matters in the previous year and proposed mitigation
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- Material events after the reporting date
- Economic Viability of NPC
- Acknowledgement/s or Appreciation



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Lindsay Schereka  
NORTHPINE CID NPC

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

We confirm that, to the best of our knowledge:

All information and amounts disclosed in the annual report are consistent with the annual financial statements audited by Harry Curtis and Co.

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

The Financial Statements, prepared in accordance with the applicable accounting standards give a true and fair view of the assets, liabilities and financial position of the company.

The external auditors have been engaged to express an independent opinion on the annual financial statements.

Approved by the board on 25 July 2024 and signed on behalf by:



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Lindsay Schereka  
25 July 2024

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Cyril Williams  
25 July 2024

## 6. STRATEGIC OVERVIEW

### 6.1. Vision

#### **Overview of vision per NPC's business plan.**

The Northpine City Improvement District (NCID) was formally established in 2017 providing supplementary public safety, urban maintenance, social responsibility and urban cleaning services in close cooperation with the various City Departments as well as SAPS.

In the first five years since the establishment of the NCID in 2017, a donation was received in order to start the camera project. With the donations received for the camera roll-out areas were identified by means of greater need with the intention to cover the entire Northpine area as time went by to assist our Public Safety Officers should incidents occur. The NCID since 2017 to 2021 have installed 58 cameras that are live and monitored by our control room.

In 2019 the NCID had then decided to focus on the Urban Maintenance of the area and discussed many projects and the costs implicated with those projects. Completing various meetings with horticultures to uplifting the area by adding more greenery or possibly a five a side court for our youth. With taking budget and sponsors into account it was not possible for a five a side court as yet.

The NCID then started beautifying the entrance of Northpine, whereby a tender had gone out to all local residents in Northpine who are horticulturists. After successful completion of the tender two of Northpine local residents assisted in the completion of beautifying Northpine Drive. This Business Plan is in support of the first renewal of the initial Business Plan as the NCID aims to extend its work into a second five-year term.

*CID refers to a geographical area, designated as such by the City of Cape Town ("CTT"), in terms of the CID By-law and s. 22 of the Municipal Property Rates Act, on application by local property owners. The Northpine City Improvement District NPC's activities are funded by local property owners through an additional rate levied on their properties.*

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

### 6.2. Mission

The mission of the NCID is:

1. To manage the effective implementation of NCID plans in accordance with the relevant legislation, including but not limited to, section 22 of the Municipal Property Rates Act and the SRA By-Law.
2. To address the challenges in the community by revitalizing the neighbourhood through focused urban management and community participation.
3. To improve service delivery by providing municipal supplementary services.



*Our strategy for promoting that vision is detailed in our Business Plan, available online at [www.northpinecid.co.za](http://www.northpinecid.co.za)*

### **6.3. Values**

Overview of values per NPC's business plan.

Transparency: Open decision-making so that stakeholders can readily discern our outputs and outcomes.

Accountability: We answer for the execution of our responsibilities.

Performance: We will strive to achieve our strategic objectives.

Stakeholder inclusivity: We will carry out our activities taking into account the needs, interests and expectations of our stakeholders.

Social responsibility: We aim to deliver economic, social and environmental benefits for all our stakeholders.

Sustainable development: We will meet the needs of the local community without compromising the ability of future generations to meet theirs.



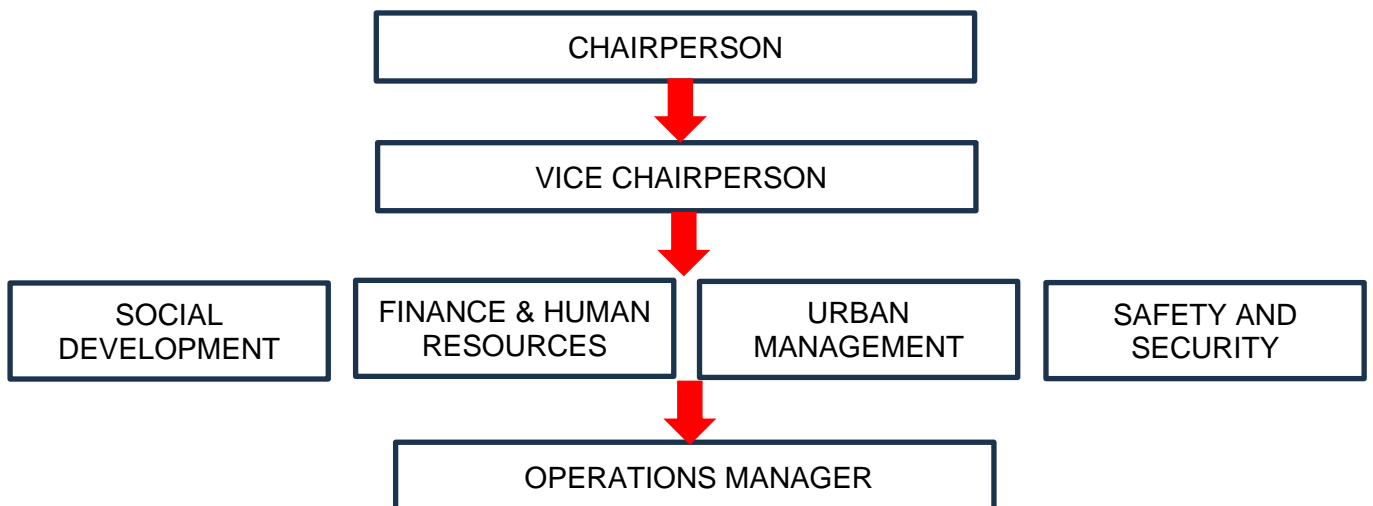
**7. STATUTORY MANDATE**

In terms of the CID By-law and s.22 of the Municipal Property Rates Act, the Northpine CID NPC is tasked with considering, developing and implementing improvements and upgrades to the NCID to supplement services provided by the CCT. The funding comes from additional rates collected by the CCT from CID property owners and paid over to the company under the aforesaid legislation, as may be supplemented by local fundraising initiatives. In expending these funds, the company is subject to oversight by the CCT in terms of the CID By-law and Policy, as well as public procurement principles enshrined in s. 217 of the Constitution of the Republic of South Africa, 1996 (the “Constitution”).

**8. ORGANISATIONAL PROFILE**

Briefly outline the primary activities of the NPC and how they relate to the NPC’s mission and primary strategic goals. Who the NPC’s stakeholders are and the scale of the NPC.

**9. ORGANISATIONAL STRUCTURE**



## **PART B: PERFORMANCE INFORMATION**

### **1. SITUATIONAL ANALYSIS**

#### **1.1. Service delivery environment**

- The current service delivery includes safety and security; urban management; social development and finance.
- Safety and security been one of the major challenges for the Northpine area. Our public safety officers and the NCID try the utmost best to curb any grime in the area by placing security operational plans to deter and reduce the amount of grime taking place in the same section of the area identified.
- With the assistance of our role players; Northpine community and our public safety officers we have had successful arrests in the area.

#### **1.2. Organisational environment**

A procurement policy of goods and services have been signed by all directors of the Northpine CID.

- The NCID has taken extra precautionary measures to mitigate wasteful expenditure and any losses/damages by following strict policies out in place.

### **2. Strategic Objectives**

Provide overview of strategic objectives *per* the NPC's implementation plan and progress towards these goals during the year under review.

### **3. Complaints Process**

The Northpine CID complaints process has been made available on our website and listed below:

The NCID offers numerous channels for dealing with complaints and/or requests.

Some of the channels include the following:

- Telephone or in person in the 24-hour Control Room.
- WhatsApp or phone call
- Email and via website contact messages.

#### **PROCESS / PROCEDURE**

Normal complaints / requests are dealt with by the NCID manager as follows:

- The NCID Manager will follow up with the complainant or person lodging the request or get it resolved in one of the following ways:
- Respond via email or WhatsApp.
- Contact the person telephonically.
- Visit the person on site.

- Lodging a service request with the City of Cape Town.
- Scheduling the necessary tasks or actions to resolve the matter.
- Taking the matter to the next Board Meeting. Formal complaints should be lodged to the NCID management via email. The NCID management will act on the complaint including one or more of the following actions:
  - Referring serious complaints to the Board.
  - Meeting with the complainant to understand the problem and address the issue.
  - Scheduling the necessary tasks or actions to resolve the matter by the NCID management team.
- Logging a service request with the City of Cape Town.
- Communicating with the complainant on the actions taken.
- Follow-up process and communication with the complainant.

#### **4. Performance Information**

##### **4.1. PUBLIC SAFETY**

4.1.1. Previously mentioned at our Annual General Meetings that the task at hand is complex and therefore requires everyone's involvement, we cannot do this alone. We have had many successful arrests due to the frequent patrolling system implemented in the area and have removed loiters and vehicles parked in secluded areas removed, this to ensure the safety of the residents, the presence of the Public Safety Officers act as a deterrent for any unlawful activity to take place. The NCID has assisted with successful arrests in the area since its inception. It has been noted that during the festive season there is usually a spike in the amount of vehicle vandalism and home burglaries.

We continue to make residents aware of this via newsletter and pamphlet and advise them to ensure that their properties are protected with an alarm system. It has to be noted that Public Safety Officers are responsible for the public domain only and cannot by any means enter private properties should an incident occur.

4.1.1.1. In order to improve public safety the NCID will develop a comprehensive and integrated public safety plan for the area in conjunction with an appointed service provider. On-going strategies include and will further include in the new term for random patrolling from our Public Safety Service Provider and SAPS , these searches have seen many successes and will continue to be done to maintain the amount of grime in the area. These actions will include coordination and cooperation with our local role players.

4.1.1.2. History has shown that there is a need from the relevant role players to assist in the area for the greater need where necessary. The NCID will continue to encourage residents and non-residents entering the area to be safe on the roads and will continue doing random Vehicle Check Point's (VCP's) in the area. NCID would make contact with the relevant role players

such as SAPS and Law Enforcement informing of the date to which the NCID would like a Vehicle Check Point. The NCID only makes contact with role players but never get involved in the role players duties in the time provided.

<b>STRATEGIC OBJECTIVE: PUBLIC SAFETY: REDUCE CRIME LEVELS IN PUBLIC AREAS WITHIN CID</b>					
<b>Measure</b>	<b>Key Performance Indicator</b>	<b>Planned target 2017</b>	<b>Actual achievement 2018/2024</b>	<b>Deviation from target to actual achievement for 2018/2024</b>	<b>Comments on deviations</b>
Record crime statistics/incidents.	Yearly reports of crime statistics/incidents	1 report per year	5 reports	1 report outstanding	In respect of the 4 <sup>th</sup> quarter, the CID is awaiting confirmation from SAPS as to crime statistics in the CID for that period.
Address factors contributing to crime levels in CID, in consultation with SAPS, CCT, Security Service & other stakeholders	Number of such factors identified and addressed through stakeholders.	<ol style="list-style-type: none"> <li>1. Many open public spaces;</li> <li>2. No "curfew" for those walking after 12am;</li> <li>3. Ensuring proper training of both Public safety officers and SAPS officials in ensuring successful arrests.</li> </ol>	Addressed 3 such causes, poor lighting in public spaces; inadequate security patrols at night; and (vegetation on street trees obscuring security patrols line of site on CCTV	CCT Failed to assist in the cutting of tree branches to assist in the deterrent of grime	Limited financial resources have hampered CID's ability to address further root causes identified.

Conduct visible, daily foot patrols.	Four public safety officers on day foot patrols	Four day time foot patrols; one branded vehicle	Four day foot patrols	n/a	n/a
Conduct visible, daily vehicle patrols	one vehicle patrol team per day shift & night shift.	1 x team (day) & 1 team (night)	1 x team (day) & 1 team (night).	n/a	n/a
Install CCTV camera infrastructure.	86 CCTV cameras installed in CID.	High risk areas identified and CCTV visible in these areas.	(1) List of cameras in each area covered by CCTV has been registered with CoCT	All installations complete.	All installations have been completed no additional CCTV will be placed.
<b>STRATEGIC OBJECTIVE: PUBLIC SAFETY: IMPROVE AND CONTINUALLY ASSESS ALIGNMENT OF RESOURCES WITH SAFETY NEEDS OF LOCAL COMMUNITY]</b>					
<b>Measure</b>	<b>Key Performance Indicator</b>	<b>Planned target 2017</b>	<b>Actual achievement 2018/2024</b>	<b>Deviation from target to actual achievement for 2018/2024</b>	<b>Comments on deviations</b>
Hot spot areas identified	No hot spot areas can be identified as grime occurs in more than one area and not consistent	To identify and inform role players of the areas noted "hotspot"	More than one area identified as "hotpot" area have been monitored	N/A	N/A
<b>STRATEGIC OBJECTIVE: PUBLIC SAFETY: FOSTER TRUST BETWEEN CID SECURITY OFFICIALS &amp; LOCAL COMMUNITY</b>					
<b>Measure</b>	<b>Key Performance Indicator</b>	<b>Planned target 2017</b>	<b>Actual achievement 2018/2024</b>	<b>Deviation from target to actual achievement for 2018/2024</b>	<b>Comments on deviations</b>
Investigate service delivery complaints re community safety.	Percentage of total annual complaints investigated to Satisfaction of complainant.	10% of complaints investigated & concluded.	5% of complaints investigated & concluded.	Many investigations occur three weeks after complaint or received to our control room	Reports from residents only reach the control room when the investigating officer arrives. At such time video footage is no longer available when the Investigating officer arrives.
Evaluation of security officers & camera controllers	Weekly evaluation reports to CID safety and security director.	Daily reports provided	Submitted 12 reports	N/A	N/A

On-site inspections of security patrol officers in CID & camera controllers	Weekly assessment of security patrol officers & camera controllers	1 weekly assessment.	conducted weekly assessments.	N/A	N/A
<b>STRATEGIC OBJECTIVE: PUBLIC SAFETY: INCREASE SAFETY THROUGH PARTNERSHIPS]</b>					
<b>Measure</b>	<b>Key Performance Indicator</b>	<b>Planned target 2017</b>	<b>Actual achievement 2018/2024</b>	<b>Deviation from target to actual achievement for 2018/2024</b>	<b>Comments on deviations</b>
Establish formal partnerships with SAPS, Metro Police and local community organisations.	5 formal partnerships entered into.	Enter into 5 such partnerships	Entered into formal partnerships with SAPS; Solid Waste Management; Law Enforcement	N/A	N/A
Liaise with relevant role players of SAPS.	Monthly meetings with relevant SAPS role players.	12 monthly meetings.	12 monthly meetings	N/A	N/A

Service/Project components	2022/2023			2023/2024		
	Projected expenditure	Actual expenditure	Over/Under expenditure	Projected expenditure	Actual expenditure	Over/Under expenditure
Cameras purchased	R 65 000.00	R 59 250.00	Under expenditure			

#### 4.2. MAINTENANCE AND CLEANSING SERVICES

- 4.2.1. Developing and implementing a plan to identify and monitor the status of public infrastructure such as roads, pavements, streetlights, road markings and traffic signs that require attention are logged with the C3 notification system. Notifications for pavements, street lights, road markings and traffic signs are noted and followed up once the message notification is received by SMS to inform of completion.
- 4.2.2. Should the C3 notification inform as complete and still requires attention an additional C3 Notification is logged and informed of area that is still in need of repairs. Coordinating actions with the relevant City of Cape Town's departments to address infrastructure defects. This will be done through specific liaison with departments and officials in addition to the reporting and monitoring of repairs identified by the CID Manager.
- 4.2.3. To enhance and maintain Northpine adding greenery and plants in open and public spaces, with assistance from the City's Recreation and Parks department in securing open plots for greenery and possible infrastructure. Assisting residents with vegetable gardens and securing open public spaces with Recreation and Parks that can be utilized to develop vegetable gardens to get the community involved and working together.

STRATEGIC OBJECTIVE: URBAN MANAGEMENT: <i>PROVIDE A CLEANER PUBLIC SPACE</i>					
Measure	Key Performance Indicator	Planned target 2017/2024 4	Actual achievement 2018/2024	Deviation from target to actual achievement for 2018/2024	Comments on deviations
Develop cleaning strategy to guide delivery from appointed service delivery provider.	Annual cleaning strategy document to be adopted by CID board.	Annual cleaning strategy	Daily cleaning strategy	N/A	N/A
Provide (on own initiative or in collaboration with CCT) additional litter bins in public spaces.	No new additional litter bins provided by CID and/or CCT.	N/A	N/A	N/A	Vandalism of green litter bins

Provide clean streets & sidewalks (i.e. cleaning of municipal bins & removing street litter).	Street cleaning takes place daily by CCT and four days a week by the CID	Daily cleaning	Daily cleaning	N/A	N/A
	Daily cleaning of sidewalks and litter bins	Daily	Daily	N/A	N/A
<b>STRATEGIC OBJECTIVE: URBAN MANAGEMENT : ENSURE EFFECTIVE DELIVERY OF CLEANING SERVICES]</b>					
<b>Measure</b>	<b>Key Performance Indicator</b>	<b>Planned target 2017/2024</b>	<b>Actual achievement 2018/2024</b>	<b>Deviation from target to actual achievement for 2018/2024</b>	<b>Comments on deviations</b>
Investigate service delivery complaints re cleansing.	Percentage of total annual complaints investigated to satisfaction of complainant.	100%	100%	N/A	All complaints are handled and completed the same day the complaint is brought forward.



<b>STRATEGIC OBJECTIVE: URBAN MANAGEMENT: RENEWING PUBLIC SPACES</b>					
<b>Measure</b>	<b>Key Performance Indicator</b>	<b>Planned target 2017/2024</b>	<b>Actual achievement 2018/2024</b>	<b>Deviation from target to actual achievement for 2018/2024</b>	<b>Comments on deviations</b>
remove graffiti in public spaces.	Three areas identified of graffiti works removed.	3	3	N/A	N/A
remove unlawful or unsightly stickers and posters from public infrastructure	0 stickers/ posters removed.	N/A	N/A	N/A	N/A

<b>Service/Project components</b>	<b>2022/2023</b>			<b>2023/2024</b>		
	<b>Projected expenditure</b>	<b>Actual expenditure</b>	<b>Over/Under expenditure</b>	<b>Projected expenditure</b>	<b>Actual expenditure</b>	<b>Over/Under expenditure</b>
Cleansing Services	R 157 000.00	R 136 019.00	Under expenditure	R 173 846.00		

**4.3. ENVIRONMENTAL UPGRADING**

4.3.1. Identifying and locating areas within Northpine to upgrade and beautify. To ensure the area maintains the greenery it is known for.

4.3.1.1. The purpose of beautifying the area to uplift the community and the area.

4.3.1.2. Many of the plants in and surrounding the area of Northpine have been donated by Bin sanitizers as well as Heavenly plants. The plants were planted by our cleaning team MES who had assisted in clearing the area and preparing the area for planting.

<b>STRATEGIC OBJECTIVE: ENVIRONMENTAL UPGRADING: GREENING PUBLIC SPACES</b>					
<b>Measure</b>	<b>Key Performance Indicator</b>	<b>Planned target 2017/2024</b>	<b>Actual achievement 2018/2024</b>	<b>Deviation from target to actual achievement for 2018/2024</b>	<b>Comments on deviations</b>
Identify & develop sites for communal gardens in partnership with CCT.	4 sites have been identified.	2	4	N/A	N/A
	2 sites developed as community gardens.	0	2	N/A	N/A
Plant trees in public spaces and along sidewalks.	4 trees planted.	4	4	N/A	N/A

**STRATEGIC OBJECTIVE: ENVIRONMENTAL UPGRADING: MAINTENANCE OF PUBLIC GREEN AREAS**

Measure	Key Performance Indicator	Planned target 2017/2024	Actual achievement 2018/2024	Deviation from target to actual achievement for 2018/2024	Comments on deviations
Mow street verges	Overgrown smaller areas identified	Smaller areas identified for grass cutting	20	N/A	Bigger areas needing assistance could not be maintained by the CID. CID solely relied on the CCT for assistance.

#### **4.4. SOCIAL AND ECONOMIC DEVELOPMENT SERVICES**

- 4.4.1. Creating market days for the community of Northpine, to create jobs for those who had lost their jobs due to COVID. The market days were hosted to assist in residents income.
- 4.4.2. The aim of hosting market days were not for the NCID to generate funds for the NCID, rather for the Northpine community to generate funds for themselves for those who solely rely on the income of items sold.
- 4.4.3. The market days have created a positive atmosphere amongst our community members. The support amongst the members have assisted in those continuing to support each other.

# PART C: CORPORATE GOVERNANCE

## 1. APPLICATION OF KING IV

1.1. *In recognition of the fact that the NPC is entrusted with public funds, particularly high standards of fiscal transparency and accountability are demanded. To this end, the NPC voluntarily subscribes to the King Code of Corporate Governance for South Africa 2016 (“King IV”), which came into effect on 01 April 2017. King IV contains a series of recommended reporting practices under the 15 voluntary governance principles.*

*The practices applied by the company are explained in this part (Part C), of the Annual Report. In determining which reporting practices to apply, the board took account of, among others things, the CCT’s policy, and the particular reporting protocols appropriate to a non-profit entity such as the NPC. **Recommended disclosures under KING IV are identified by way of reference to the relevant principle.***

1.2. *The board is satisfied that the NPC has complied with the applicable principles set out in King IV during the period under review, to the extent reasonably possible, are provided fully below. [NB: in the event that there are changes to the NPC’s governance positions reported in previous years, or cases of material non-compliance, this must be referred to briefly under this sub-heading].*

## 2. GOVERNANCE STRUCTURE

### 2.1. Board Composition

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

<b>Lindsay Schereka Chairperson (King IV principle 7.30 (c))</b>	
<b>Responsibilities</b>	Chairperson of the NCID
<b>Qualifications (King IV principle 7.30(e))</b>	
<b>Appointment to the board (King IV principle 7.30(f))</b>	01 July 2017, <i>appointed at the AGM</i>
<b>Committee membership</b>	N/A
<b>Skills and experience (King IV principle 7.30(e))</b>	Ensuring that the CID functions smoothly and all portfolios and tasks of the projects are completed timeously
<b>Career experience (King IV principle 7.30(e))</b>	
<b>Current directorships/ professional positions (King IV principle 7.30(h))</b>	Northpine CID

<b>Mark Smith</b> <b>Vice Chairperson (King IV principle 7.30 (c))</b>	
<b>Responsibilities</b>	Assist
<b>Qualifications (King IV principle 7.30(e))</b>	Business Administration NQF 8 Diploma - Radiokom - Data Communications University of Stellenbosch - Project Management Various - Technical & Management certifications
<b>Appointment to the board (King IV principle 7.30(f))</b>	01 July 2019, <i>appointed by AGM</i>
<b>Committee membership</b>	N/A
<b>Skills and experience (King IV principle 7.30(e))</b>	Senior Management Banking - IT Division Project Management - IT Division Technical - network and desktop support
<b>Career experience (King IV principle 7.30(e))</b>	2 years banking experience - Accounts Dept 40 years banking experience - IT Division
<b>Current directorships/ professional positions (King IV principle 7.30(h))</b>	Project Manager - St Vincent Roman Catholic Primary School

<b>Cyril Williams</b> <b>Finance (King IV principle 7.30 (c))</b>	
<b>Responsibilities</b>	Finance
<b>Qualifications (King IV principle 7.30(e))</b>	Worked at BP SA
<b>Appointment to the board (King IV principle 7.30(f))</b>	2023, appointed at the AGM
<b>Committee membership</b>	N/A
<b>Skills and experience (King IV principle 7.30(e))</b>	Sales and accounts payable and general ledger
<b>Career experience (King IV principle 7.30(e))</b>	BP Service stations
<b>Current directorships/ professional positions (King IV principle 7.30(h))</b>	

<b>Jan Andreas</b> <b>Safety and Security (King IV principle 7.30 (c))</b>	
<b>Responsibilities</b>	Safety and Security Director
<b>Qualifications (King IV principle 7.30(e))</b>	Matric, Higher Certificate in Accounting - NQF 5 Higher Certificate in Forensic Examination - NQF 5 Advanced Certificate - Fraud Examination - NQF 7
<b>Appointment to the board (King IV principle 7.30(f))</b>	17 October 2020, <i>appointed by AGM</i>
<b>Committee membership</b>	Member of Association of Certified Fraud Examiners (ACFE) Member of International Association of Financial Crimes Investigators (IAFCI)
<b>Skills and experience (King IV principle 7.30(e))</b>	Fraud investigation and detection Fraud investigations Risk Management Court procedures and processes
<b>Career experience (King IV principle 7.30(e))</b>	10 years SAPS experience - Detective 20 years corporate investigator - fraud and piracy Recently started as a forensic consultant for a private company
<b>Current directorships/ professional positions (King IV principle 7.30(h))</b>	Chairperson Scottsdene Central RFC Chairperson - Scottsdene Central RFC

<b>Kyle Visagie Urban Management (King IV principle 7.30 (c))</b>	
<b>Responsibilities</b>	Urban Management
<b>Qualifications (King IV principle 7.30(e))</b>	BA Psychology ETDP Assessor
<b>Appointment to the board (King IV principle 7.30(f))</b>	2023, appointed at the AGM
<b>Committee membership</b>	N/A
<b>Skills and experience (King IV principle 7.30(e))</b>	Landscaping, irrigation and garden
<b>Career experience (King IV principle 7.30(e))</b>	Community Liaison Corporate Social Investment Manager National programme specific trainers Urban and Social Development Operation Manager CBCID
<b>Current directorships/ professional positions (King IV principle 7.30(h))</b>	

<b>Changes in board composition</b>			
<b>Name</b>	<b>Date &amp; Manner of Appointment</b>	<b>Date of termination of directorship</b>	<b>Reason for termination (King IV principle 7.30(i))</b>
Desiree Cupido	19 October 2021	09 September 2024	Voluntary resignation

## 2.2. Board Observer

In terms of the by-law, city councillors are designated as “board observers” by the Executive Mayor to conduct oversight of board functions. This oversight entails receiving board documentation and attending board meetings, with a view to ensuring that the company duly executes its statutory mandate. The Executive Mayor has appointed Alderman Grant Twigg as board observer, and Councillor Kyle Carls as his alternate. Alderman Grant Twigg attended three meetings of the Northpine CID board meetings convened during the period under review, while Councillor Kyle Carls 2 of these meetings when Councillor was unable to attend.

## 2.3. Appointment of the board

All directors on the NCID board are nominated prior to the AGM. The relevant nomination for directorship form had been completed and submitted to the NCID board.

Each year the newly elected members attend these AGM’s ensuring that they are compliant with becoming a director on the board by being a resident of Northpine and in good standing with their rates.

## 2.4. Overview of the board’s responsibilities

The role of the board should cultivate and promote an ethical corporate culture.

The board should actively cultivate a culture within the company in which ethical conduct is promoted and embraced, and set the values to which the company will adhere.

- The board should ensure that integrity permeates all aspects of the company and that its vision, mission and objectives are ethically sound. The manner in which it conducts its internal and external affairs should be beyond reproach.

- The board's commitment to ethical conduct should also manifest in the company's responsibility towards the societies and natural environment in which it operates. An ethical culture is thus about more than social philanthropy or charitable donations.
- Sustaining an ethical corporate culture requires that the board and executive leadership are clear about the company's ethical values and standards and that they are seen to support these. It also requires that the company should take active measures to ensure that its ethical standards are adhered to in all aspects of its business.

Principle 1.4: The board should appreciate that strategy, risk, performance and sustainability are inseparable

- The board should play a prominent role in the strategy development process and should not be the mere recipient of a strategy proposed by the management. The board needs to balance its role of maintaining prudent control with the performance of the company.
- The board should approve the long-term and short-term strategy for the business of the company and monitor its implementation by the management.
- The board should identify key performance and risk areas and the associated performance and risk indicators and measures – this would include areas such as Boards and directors February 25, 2009 © 2009 Institute of Directors in Southern Africa. All rights reserved Page 23 financial, ethics, compliance as well as sustainability. The objectives that are set as part of the strategy should be clear, measurable, profitable and sustainable.
- Before approving the strategy, the board should ensure that the strategy is aligned with the purpose of the company, the value drivers of its business and the legitimate expectations of its stakeholders.
- The board should ensure that its long-term planning will result in sustainable outcomes. Strategy involves an assessment of risks and opportunities, and the strategy should establish a framework for action by the board and the management. The strategy development process should take account of the dynamics of the changing external environment so as to respond to changing market conditions.

## Board charter

### Role and function of the board

Principle 1.1: The board should act as the focal point for corporate governance

- Companies should be headed by a board that should direct, govern and be in effective control of the company. Every board should have a charter setting out its responsibilities.
- The board should collectively provide effective corporate governance that involves managing the relationships between the management of the company, its board, its shareholders and other relevant stakeholders.
- The board is the focal point of the corporate governance structure in the company and is the link between the stakeholders and the company. The board's paramount responsibility is the positive performance of the company in creating value for its shareholders. In doing so, it should appropriately take into account the interests of other stakeholders.



- The board should exercise leadership, enterprise, integrity and judgment in directing the company so as to achieve continuing survival and prosperity for the company.
- An important role of the board is to identify the stakeholders relevant to the business of the company. Although the board is accountable to the company it should take account of the legitimate expectations of all the company's stakeholders in its decision-making.
- The board should ensure that stakeholders are engaged in such a manner as to create and maintain trust and confidence in the company.

Principle 1.2: The board should ensure that the company acts as and is seen to be a responsible corporate citizen

- The board should ensure that the company, as a responsible corporate citizen, does not undermine the sustainability of its social and natural environments, but rather protects and enhances them. Boards and directors February 25, 2009 © 2009 Institute of Directors in Southern Africa. All rights reserved Page 22 8. Responsible corporate citizenship is necessary to protect the sustainability of the company and to ensure the ability of future generations to meet their needs. The interests of shareholders and stakeholders coincide over the long term.

Please refer to Chapter 2 Principle 2.1 for more detail.



The board charter is available online at [www.northpinecid.co.za](http://www.northpinecid.co.za)

## 2.5. Board Committees

The board has not appointed any committee members

The current NCID board of directors are satisfied that they have fulfilled their respective responsibilities in accordance with their terms of reference for the reporting period as required under principle 8.50 (f) of King IV.

## 2.6. Attendance at board and committee meetings

The board convenes at least quarterly. Special board meetings are convened when necessary. In the period under review, 1 special board meeting was convened. Particulars of board and board committee meetings are detailed in the table below. **The board observes Principle 1(c)(iv) of King IV regarding attendance of meetings. (King IV Principle 6.5 (board meetings) and King IV Principle 8.50(e)) (board committee meetings)).**

BOARD MEETINGS							
Director	Total	02 FEB 23	29 MAR 23	30 JUN 23	15 SEP 23	07 NOV 23	16 NOV 23
Lindsay Schereka	7/7	✓	✓	✓	✓	✓	✓
Cyril Williams	7/7	✓	✓	✓	✓	✓	✓
Kyle Visagie	7/7	✓	✓	✓	✓	✓	✓
Jan Andreas	7/7	✓	✓	✓	✓	✓	✓
Mark Smith	7/7	✓	✓	✓	✓	✓	✓

### 3. ETHICAL LEADERSHIP

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



*The Code is available online at [www.northpinecid.co.za](http://www.northpinecid.co.za)*

Upon appointment, directors must declare in writing to the chairperson any private interests which could give rise to a potential conflict of interest. These declarations are kept in a register and are regularly updated.<sup>1</sup>

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

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

The board is satisfied that the directors have complied with their duties in terms of the Code recorded which could potentially impact their independence.

### 4. BOARD OVERSIGHT OF RISK MANAGEMENT

#### 4.1. Risk Management Policy

Provide an executive summary outlining:

- The NPC's risk management policy and strategy, if any.
- The board is tasked with implementing a sound system of ensuring that internal controls to safeguard the company's assets and funds, and assets and funds are employed in furtherance of the company's strategic objectives.

<sup>1</sup> The code of conduct provides that the register is under the control of the chairperson and is kept confidential.

- The board considers risk at each of its meetings as detailed at para [2.8] above. The system of internal controls put in place by the board includes:
  - o The five-year strategic plan, approved by the CCT in 2022, which has been implemented across the whole range of company functions.
  - o Annual performance targets, with actual performance being monitored at least quarterly.
  - o A risk register, reviewed by the board on a bi-annual basis to identify operational risks, establish their likelihood and impact, as well as mechanisms designed to mitigate against these risks.



*The risk register is available online at [www.northpinecid.co.za](http://www.northpinecid.co.za)*

**(King IV Principle 11.9(a))**

#### 4.2. Effectiveness of Risk Management

- The extent to which the NPC has conducted risk assessments during the period under review to determine the efficacy of its aforesaid policy and strategy, and to identify any new risks. **(King IV Principle 11.9(a))**

***The board is satisfied that the systems and processes in place to govern and manage risk are adequate and that the board has executed its risk management responsibilities satisfactorily.***

### 5. ACCOUNTABILITY AND RESPONSIBILITY

#### 5.1. Performance Reviews

Performance reviews are completed in June and December each year. The board undergo an extensive discussion on how best to improve operations and projects moving forward for each financial year.

#### 5.2. Delegated limits of authority

*There is an appropriate balance between governance oversight and operational efficiency. (King IV Principle 10.85 and 10.89)*

#### 5.3. Supplier Code of Conduct

Review suppliers code of conduct to ensure that it meets the NPC's ethical standards and business practices.

The procurement policy has been put in place to ensure that suppliers quotes are fair and competitive.

# PART D: FINANCIAL INFORMATION

## 1. Report of the External Auditor

### HARRY CURTIS & CO

Chartered Accountants

Registered Auditors

SAICA Reg No : 001 30106

IRBA Reg No : 935050

P O Box 53067, Kenilworth, 7745  
4 Adelaide Road, Plumstead, 7800

Telephone : (021) 762 0255

Email : office@curtisco.co.za

Website : www.harrycurtisco.co.za

### INDEPENDENT AUDITORS REPORT

#### To the Members of

#### NORTHPINE CITY IMPROVEMENT DISTRICT NPC

##### Opinion

We have audited the financial statements of Northpine City Improvement District NPC set out on pages 6 to 12, which comprise the statement of financial position as at 30 June 2024, the statement of income and retained earnings, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Northpine City Improvement District NPC as at 30 June 2024, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008.

##### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the company in accordance with the Independent Regulatory Board for Auditors *Code of Professional Conduct for Registered Auditors (IRBA Code)* and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with the ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the International Ethics Standards Board for Accountants *Code of Ethics for Professional Accountants*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### Other Information

The directors are responsible for the other information. The other information comprises the directors report as required by the Companies Act 71 of 2008. The other information does not include the financial statements and our auditor's report thereon.

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

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

##### Responsibilities of the Directors for the Financial Statements

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

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

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



**Harry Curtis & Co**  
**H D Curtis**  
**Registered Auditor**  
**(Registration No : 639206)**

**29 August 2024**

**4 Adelaide Road**  
**PLUMSTEAD**  
**7800**

## 2. Annual Financial Statements

### **NORTHPINE CITY IMPROVEMENT DISTRICT NPC** ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

#### **STATEMENT OF INCOME AND RETAINED EARNINGS**

	<u>Notes</u>	<u>2024</u> <u>R</u>	<u>2023</u> <u>R</u>
<b>REVENUE</b>			
Additional Rates Received	5	2,792,643	2,585,780
<b>OTHER INCOME</b>			
		45,342	84,852
Donations Received		2,815	56,350
Insurance Claim Received		13,852	-
Interest Received		28,675	28,502
<b>EXPENDITURE</b>			
		2,928,542	2,529,752
Accounting, Tax and Secretarial Fees		32,826	30,833
Advertising		5,653	12,117
Audit Fee		25,000	20,000
Bank Charges		3,768	4,271
Community Services		2,381,150	1,972,069
Cleaning Services		188,732	173,846
Environmental Upgrade		9,696	-
Public Safety		2,182,457	1,785,110
Social Upliftment		265	13,113
Computer Expenses		4,609	5,089
Depreciation	1	127,421	165,053
Insurance		26,499	24,115
Interest Paid		27,212	2,541
Marketing, Promotions and Meetings		7,913	13,834
Motor Vehicle and Travel Expenses		2,543	978
Printing, Stationery, Postage and Courier		3,573	1,795
Repairs, Maintenance and Replacements		3,690	817
Salaries and Wages		264,923	265,286
Small Assets < R7000		2,969	-
Telecommunication Expenses		8,793	10,954
<b>NET INCOME / (LOSS) FOR THE YEAR</b>		(90,557)	140,880
<b>RETAINED INCOME AT BEGINNING OF YEAR</b>		1,124,885	984,005
<b>RETAINED INCOME AT END OF YEAR</b>		1,034,328	1,124,885

**NORTHPINE CITY IMPROVEMENT DISTRICT NPC**  
**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024**

**STATEMENT OF CASH FLOWS**

	<u>2024</u> <u>R</u>	<u>2023</u> <u>R</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net Income / (Loss) for the Year	(90,557)	140,880
<b>Adjustments</b>	151,818	111,244
Interest Received	(2,815)	(56,350)
Depreciation	127,421	165,053
Interest Paid	27,212	2,541
<b>Working Capital Changes</b>	154,061	24,154
Trade and Other Receivables	(4,166)	7,323
Provisions	-	-
Trade and Other Payables	158,227	16,831
<b>Cash Generated from Operating Activities</b>	215,322	276,278
Interest Received	2,815	56,350
Interest Paid	(27,212)	(2,541)
	<u>190,925</u>	<u>330,087</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Property, Plant and Equipment Purchased	<u>(187,242)</u>	<u>(134,555)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
	<u>-</u>	<u>-</u>
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	3,683	195,532
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	895,218	699,686
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<u>898,901</u>	<u>895,218</u>