Upper Kenilworth Improvement District NPC

(Registration Number 2023/812297/08)

Annual Financial Statements

for the year ended 30 June 2026

Audited Annual Financial Statements

in compliance with the Companies Act of South Africa

Upper Kenilworth Improvement District NPC

(Registration Number 2023/812297/08)

Annual Financial Statements for the year ended 30 June 2026

Index

	Page
Index	1
General Information	2
Directors' Responsibilities and Approval	3
Directors' Report	4 - 5
Independent Auditor's Report	6 - 7
Statement of Financial Position	8
Statement of Comprehensive Income	9
Statement of Changes in Equity	10
Statement of Cash Flows	11
Accounting Policies	12 - 14
Notes to the Financial Statements	15 - 19
The supplementary information presented does not form part of the Financial Statements and is unaudited:	
Unaudited Detailed Income Statement	20 - 21
Unaudited Income Tax Computation	22

Upper Kenilworth Improvement District NPC

(Registration Number 2023/812297/08)
Annual Financial Statements for the year ended 30 June 2026

General Information

Country of Incorporation and Domicile	South Africa
Registration Number	2023/812297/08
Registration Date	13 June 2023
Nature of Business and Principal Activities	The non-profit company operates as an improvement district within the upper Kenilworth area of Cape Town.
Board of Directors	Bertie, Christopher John (Chairperson) Seagers, Rowan Jonathan Cartwright, Andrew Willis Yerushalmy, Dana Minnebel Wall-Smith, Debbie Lyn Houston, Duncan John Biggs, Neil Charles (Appointed 1 December 2025) Cloete, Estelle Celeste (Appointed 1 December 2025) Kaye, Robert Andrew (Resigned 22 June 2026)
Registered Office	333 Main Road Kenilworth Cape Town Western Cape 7708
Business Address	333 Main Road Kenilworth Cape Town Western Cape 7708
Bankers	Standard Bank
Reference Numbers	
Tax number	9481951201
Value Added Tax Number	4250314913
Pay As You Earn Registration Number	7630825489
Tax Exemption Registration Number	930079833
Unemployment Insurance Fund Registration Number	2793066/7
WCF Registration Number	990001448402
Non-Profit Company Secretary	Cypress Consulting - Roux, Jacobus Johannes Jordaan
Preparer	Cypress Consulting
Auditors	Sentio Audit Incorporated

Upper Kenilworth Improvement District NPC

(Registration Number 2023/812297/08)

Annual Financial Statements for the year ended 30 June 2026

Directors' Responsibilities and Approval

The board of directors is required by the Companies Act of South Africa to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. These annual financial statements have been prepared in accordance with the IFRS for SMEs® Accounting Standard as issued by the International Accounting Standards Board (IASB®) and it is its responsibility to ensure that the annual financial statements satisfy the financial reporting standards with regards to form and content and present fairly the statement of financial position, results of operations and business of the non-profit company, and explain the transactions and financial position of the business of the non-profit company at the end of the financial year. The annual financial statements are based upon appropriate accounting policies consistently applied throughout the non-profit company and supported by reasonable and prudent judgements and estimates.

The board of directors acknowledges that it is ultimately responsible for the system of internal financial control established by the non-profit company and places considerable importance on maintaining a strong control environment. To enable the board of directors to meet these responsibilities, the board of directors sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the non-profit company and all employees are required to maintain the highest ethical standards in ensuring the non-profit company's business is conducted in a manner that in all reasonable circumstances is above reproach.

The focus of risk management in the non-profit company is on identifying, assessing, managing and monitoring all known forms of risk across the non-profit company. While operating risk cannot be fully eliminated, the non-profit company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The board of directors is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss. The going-concern basis has been adopted in preparing the financial statements. Based on forecasts and available cash resources the board of directors has no reason to believe that the non-profit company will not be a going concern in the foreseeable future. The annual financial statements support the viability of the non-profit company.

The annual financial statements have been audited by the independent auditing firm, Sentio Audit Incorporated, who have been given unrestricted access to all financial records and related data, including minutes of all meetings of the member, the board of directors and committees of the board of directors. The board of directors believes that all representations made to the independent auditor during the audit were valid and appropriate. The external auditor's unqualified audit report is presented on pages 6 to 7.

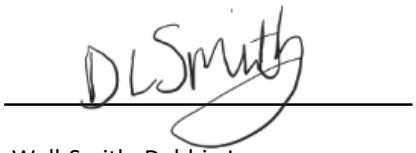
The annual financial statements set out on pages 8 to 19, and the supplementary information set out on pages 20 to 22 which have been prepared on the going concern basis, were approved by the board of directors and were signed on 27 August 2026 on its behalf by:



Bertie, Christopher John (Chairperson)



Seagers, Rowan Jonathan



Wall-Smith, Debbie Lyn

Upper Kenilworth Improvement District NPC

(Registration Number 2023/812297/08)
Annual Financial Statements for the year ended 30 June 2026

Directors' Report

The board of directors presents its report for the year ended 30 June 2026.

1. Review of activities

Main business and operations
The non-profit company operates as an improvement district within the upper Kenilworth area of Cape Town. There were no major changes herein during the year.

The operating results and statement of financial position of the non-profit company are fully set out in the attached financial statements and do not in our opinion require any further comment.

2. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

3. Events after reporting date

All events subsequent to the date of the annual financial statements and for which the applicable financial reporting framework requires adjustment or disclosure have been adjusted or disclosed.

The board of directors is not aware of any matter or circumstance arising since the end of the financial year to the date of this report that could have a material effect on the financial position of the non-profit company.

4. Directors' interest in contracts

To our knowledge none of the directors had any interest in contracts entered into during the year under review.

5. Board of Directors

The board of directors of the non-profit company during the year and up to the date of this report is as follows:
Bertie, Christopher John (Chairperson)
Seagers, Rowan Jonathan
Cartwright, Andrew Willis
Yerushalmy, Dana Minnebel
Wall-Smith, Debbie Lyn
Houston, Duncan John
Biggs, Neil Charles (Appointed 1 December 2025)
Cloete, Estelle Celeste (Appointed 1 December 2025)
Kaye, Robert Andrew (Resigned 22 June 2026)

6. Secretary

The non-profit company's designated secretary is Cypress Consulting - Roux, Jacobus Johannes Jordaan.

Directors' Report

7. Property, plant and equipment

The additions for the current and prior financial year were as follows:

Motor vehicles	169,691	5,535
	169,691	5,535

During the year, the Company's vehicle was written off following an accident. Insurance proceeds of R157,696 were received from the insurer, resulting in a profit of R55,320 on disposal. A replacement vehicle was acquired for R169,691 during the year to support the Company's operations.

8. Independent Auditors

Sentio Audit Incorporated were the independent auditors for the year under review.

Sentio Audit

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Address
Octo Place A5, Electron Street
Techno Park, Stellenbosch,
7600, South Africa

Postal
P.O.Box 658, Stellenbosch,
7599, South Africa

Registration
Sentio Audit Incorporated
2021/549478/21

Independent Auditor's Report

To the member of Upper Kenilworth Improvement District NPC

Opinion

We have audited the annual financial statements of Upper Kenilworth Improvement District NPC (the company) set out on pages 8 to 19, which comprise the statement of financial position as at 30 June 2026; and the statement of comprehensive income; the statement of changes in equity; and the statement of cash flows for the year then ended; and notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Upper Kenilworth Improvement District NPC as at 30 June 2026, and its financial performance and cash flows for the year then ended, in accordance with the IFRS for SMEs Accounting Standard as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa.

Basis for Opinion

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

Other Matter

We draw attention to the fact that supplementary information set out on page 21 to 23 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.

Responsibilities of the Directors for the Annual Financial Statements

The directors are responsible for the preparation and fair presentation of the annual financial statements in accordance with the IFRS for SMEs Accounting Standard as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

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

Directors:
J van Dyk | V Badenhorst
Sentio is a member of GMN International, an association of legally independent accounting firms
gmni partnering for success

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

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

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

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

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



V Badenhorst
SENTIO AUDIT INCORPORATED
Registered Auditors
IRBA Number: 919485

28 August 2026
Stellenbosch

Upper Kenilworth Improvement District NPC

(Registration Number 2023/812297/08)

Annual Financial Statements for the year ended 30 June 2026

Statement of Financial Position

Figures in R	Notes	2026	2025
Assets			
Non-current assets			
Property, plant and equipment	3	227,014	208,017
Current assets			
Trade and other receivables	5	17,757	-
Cash and cash equivalents	7	1,545,619	1,201,783
Total current assets		**1,563,376**	**1,201,783**
Total assets		**1,790,390**	**1,409,800**
Equity and liabilities			
Equity			
Surplus funds		1,783,113	1,369,195
Liabilities			
Current liabilities			
Trade and other payables	8	1,651	40,605
Current tax liabilities	6	5,626	-
Total current liabilities		**7,277**	**40,605**
Total equity and liabilities		**1,790,390**	**1,409,800**

Upper Kenilworth Improvement District NPC

(Registration Number 2023/812297/08)

Annual Financial Statements for the year ended 30 June 2026

Statement of Comprehensive Income

Figures in R	Notes	2026	2025
Revenue	10	4,611,415	4,186,978
Other income	11	148,696	-
Employee benefits expense		(599,739)	(565,650)
Depreciation and amortisation		(48,320)	(56,151)
Other expenses		(3,772,815)	(3,072,054)
Other gains and (losses)	12	9,000	-
Surplus from operating activities		**348,237**	**493,123**
Finance income		71,307	25,881
Surplus before tax		**419,544**	**519,004**
Income tax expense	13	(5,626)	-
Surplus for the year		**413,918**	**519,004**

Upper Kenilworth Improvement District NPC

(Registration Number 2023/812297/08)

Annual Financial Statements for the year ended 30 June 2026

Statement of Changes in Equity

Figures in R	Surplus funds
Balance at 1 July 2024	850,191
Changes in equity	
Surplus for the year	519,004
Total comprehensive income for the year	519,004
Balance at 30 June 2025	**1,369,195**
Balance at 1 July 2025	1,369,195
Changes in equity	
Surplus for the year	413,918
Total comprehensive income for the year	413,918
Balance at 30 June 2026	**1,783,113**

Upper Kenilworth Improvement District NPC

(Registration Number 2023/812297/08)

Annual Financial Statements for the year ended 30 June 2026

Statement of Cash Flows

Figures in R	Note	2026	2025
Cash flows from operations			
Surplus for the year		**413,918**	**519,004**
Adjustments to reconcile surplus			
Adjustments for income tax expense		5,626	-
Adjustments for finance income		(71,307)	(25,881)
Adjustments for (increase) / decrease in other operating receivables		(17,757)	11,733
Adjustments for (decrease) / increase in trade accounts payable		(24,738)	18,939
Adjustments for decrease in other operating payables		(14,216)	(81,471)
Adjustments for depreciation and amortisation expense		48,318	56,149
Adjustments for gains and losses on disposal of non-current assets		(9,000)	-
Total adjustments to reconcile surplus		**(83,074)**	**(20,531)**
Net cash flows from operations		**330,844**	**498,473**
Interest received		71,307	25,881
Net cash flows from operating activities		**402,151**	**524,354**
Cash flows used in investing activities			
Proceeds from sales of property, plant and equipment		111,376	-
Purchase of property, plant and equipment		(169,691)	(5,535)
Cash flows used in investing activities		**(58,315)**	**(5,535)**
Net increase in cash and cash equivalents		**343,836**	**518,819**
Cash and cash equivalents at beginning of the year		1,201,783	682,964
Cash and cash equivalents at end of the year	**7**	**1,545,619**	**1,201,783**

Accounting Policies

1. General information

Upper Kenilworth Improvement District NPC ('the non-profit company') operates as an improvement district within the upper Kenilworth area of Cape Town.

The non-profit company is incorporated as a non-profit company and domiciled in South Africa. The address of its registered office is 333 Main Road, Kenilworth, Cape Town, Western Cape, 7708.

2. Basis of preparation and summary of significant accounting policies

The annual financial statements of Upper Kenilworth Improvement District NPC have been prepared in accordance with the IFRS for SMEs Accounting Standard as issued by the International Accounting Standards Board and the Companies Act of South Africa. The annual financial statements have been prepared under the historical cost convention. They are presented in South African Rand.

The preparation of financial statements in conformity with the IFRS for SMEs Accounting Standard as issued by the International Accounting Standards Board requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the non-profit company's accounting policies.

The principal accounting policies applied in the preparation of these annual financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the board of directors.

The non-profit company adds to the carrying amount of an item of property, plant and equipment the cost of replacing parts of such an item when that cost is incurred if the replacement part is expected to provide incremental future benefits to the non-profit company. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to surplus or deficit during the period in which they are incurred.

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives range as follows:

Asset class	Useful life
Motor vehicles	5 years
Computer equipment	3 years
Security equipment	1-5 years
Signage	10 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, if there is an indication of a significant change since the last reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other gains / (losses)' in the statement of comprehensive income.

Accounting Policies

Basis of preparation and summary of significant accounting policies continued...

2.2 Financial instruments

Trade and other receivables

Most sales are made on the basis of normal credit terms and the receivables do not bear interest. Where credit is extended beyond normal credit terms, receivables are measured at amortised cost using the effective interest method. At the end of each reporting period, the carrying amounts of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in surplus or deficit.

Trade and other receivables are classified as debt instruments and loan commitments at amortised cost.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown in current liabilities on the statement of financial position.

Trade and other payables

Trade payables are obligations on the basis of normal credit terms and do not bear interest.

2.3 Tax

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the entity operates and generates taxable income.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the entity. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Upper Kenilworth Improvement District NPC has been approved for income tax exemption under the reference number 930079833. The additional rates received is exempt in terms of section 10(1)(e)(i)(cc) of the Act with effect from 13 June 2023.

The exemption under section 10(1)(e) is limited to the additional rates received or accrued to qualifying approved entities and any receipts or accruals other than rates to the extent that those receipts or accruals do not exceed R50,000.

2.4 Revenue

Revenue is measured at the fair value of the consideration received or receivable. Revenue is shown net of value-added tax, returns, rebates and discounts.

Accounting Policies

Basis of preparation and summary of significant accounting policies continued...

Additional rates and retention reserve

Revenue is generated from additional rates collected by the City of Cape Town on the CID's behalf and recognised as net of bad debt reserve.

The City of Cape Town retains a retention reserve of 3% of all payments due to the CID. This reserve covers any shortfall the City may suffer due to non-payment or short payment of the CID revenue by property owners. Reserve revenue is not accrued in accounts receivable and is only recognised as income when the City pays over any excess retention reserve funds to UKID.

Interest income

Interest income is recognised using the effective interest method.

2.5 Employee benefits

Compensation paid to employees for the rendering of services are recognised at the undiscounted amount paid or expected to be paid in the accounting period in which the services were rendered.

Notes to the Financial Statements

Figures in R	2026	2025

3. Property, plant and equipment

Balances at year end and movements for the year

	Motor vehicles	Computer equipment	Security equipment	Signage	Total
Reconciliation for the year ended 30 June 2026					
Balance at 1 July 2025					
At cost	164,226	18,797	112,150	23,510	**318,683**
Accumulated depreciation	(44,077)	(10,050)	(53,578)	(2,961)	**(110,666)**
Carrying amount	**120,149**	**8,747**	**58,572**	**20,549**	**208,017**
Movements for the year ended 30 June 2026					
Additions from acquisitions	169,691	-	-	-	**169,691**
Depreciation	(25,059)	(6,265)	(14,643)	(2,351)	**(48,318)**
Disposals	(102,376)	-	-	-	**(102,376)**
Property, plant and equipment at the end of the year	**162,405**	**2,482**	**43,929**	**18,198**	**227,014**
Closing balance at 30 June 2026					
At cost	175,226	18,797	112,150	23,510	**329,683**
Accumulated depreciation	(12,821)	(16,315)	(68,221)	(5,312)	**(102,669)**
Carrying amount	**162,405**	**2,482**	**43,929**	**18,198**	**227,014**
Reconciliation for the year ended 30 June 2025					
Balance at 1 July 2024					
At cost	158,691	18,797	112,150	23,510	**313,148**
Accumulated depreciation	(11,186)	(3,784)	(38,935)	(610)	**(54,515)**
Carrying amount	**147,505**	**15,013**	**73,215**	**22,900**	**258,633**
Movements for the year ended 30 June 2025					
Additions from acquisitions	5,535	-	-	-	**5,535**
Depreciation	(32,891)	(6,266)	(14,643)	(2,351)	**(56,151)**
Property, plant and equipment at the end of the year	**120,149**	**8,747**	**58,572**	**20,549**	**208,017**
Closing balance at 30 June 2025					
At cost	164,226	18,797	112,150	23,510	**318,683**
Accumulated depreciation	(44,077)	(10,050)	(53,578)	(2,961)	**(110,666)**
Carrying amount	**120,149**	**8,747**	**58,572**	**20,549**	**208,017**

Notes to the Financial Statements

Figures in R	2026	2025

4. Financial assets

4.1 Carrying amount of financial assets by category

	Debt instruments at amortised cost	Total
Year ended 30 June 2026		
Cash and cash equivalents (Note 7)	1,545,619	**1,545,619**

	Debt instruments at amortised cost	Total
Year ended 30 June 2025		
Cash and cash equivalents (Note 7)	1,201,783	**1,201,783**

5. Trade and other receivables

5.1 Trade and other receivables comprise:

Prepaid expenses	8,507	-
Value added tax	9,250	-
Total trade and other receivables	**17,757**	**-**

5.2 Items included in Trade and other receivables not classified as financial instruments

Prepaid expenses	8,507	-
Value added tax	9,250	-
Total non-financial instruments included in trade and other receivables	**17,757**	**-**

6. Current tax liabilities

Current tax liabilities comprise the following balances

Net current tax liability from all items being set off	(5,626)	-

7. Cash and cash equivalents

7.1 Cash and cash equivalents included in current assets:

Cash		
Balances with banks	1,545,619	1,201,783

Notes to the Financial Statements

Figures in R	2026	2025
Cash and cash equivalents continued...		
7.2 Net cash and cash equivalents		
Current assets	1,545,619	1,201,783
8. Trade and other payables		
8.1 Trade and other payables comprise:		
Trade payables	1,651	26,389
Other payables - accruals	-	5,963
Value added tax	-	8,253
Total trade and other payables	**1,651**	**40,605**
8.2 Items included in trade and other payables not classified as financial liabilities		
Value added tax	-	8,253
Total trade and other payables excluding non-financial liabilities included in trade and other payables	1,651	32,352
Total trade and other payables	**1,651**	**40,605**
9. Financial liabilities		
Carrying amount of financial liabilities by category		

	Debt instruments at amortised cost	Total
Year ended 30 June 2026		
Trade and other payables excluding non-financial liabilities (Note 8)	1,651	**1,651**
Year ended 30 June 2025		
Trade and other payables excluding non-financial liabilities (Note 8)	32,352	**32,352**

10. Revenue		
Amounts received from the City of Cape Town:		
Additional rates received	4,523,476	4,186,978
Additional rates retention received	87,939	-
Total revenue	**4,611,415**	**4,186,978**

Notes to the Financial Statements

Figures in R	2026	2025
11. Other income		
Other income comprises:		
Insurance claim	148,696	-
12. Other gains and (losses)		
Other gains and (losses) comprise:		
Gain or (loss) on disposal of assets	9,000	-
13. Income tax expense		
13.1 Income tax recognised in surplus or deficit:		
Current tax		
Current year	5,626	-
Total current tax	**5,626**	**-**
13.2 The income tax for the year can be reconciled to the accounting surplus as follows:		
Surplus before tax from operations	419,544	519,004
Income tax calculated at 27.0%	113,277	140,131
Tax effect of		
Gross receipts and accruals not subject to income tax - s10(1)(e)(i)(cc)	-	-
- Additional rates and retention received	(79,087)	(133,143)
- Surplus on disposal of assets	(14,936)	-
Other than additional rates - basic exemption s10(1)(e)(i)(cc) - limited to R50,000		
- Interest received	(13,500)	(6,988)
- Deductible indirect overhead expenses	(127)	-
Tax charge	**5,626**	**(0)**

The exemption under section 10(1)(e) is limited to the additional rates received or accrued to qualifying approved entities and any receipts or accruals other than levies to the extent that those receipts or accruals do not exceed R50,000.

Notes to the Financial Statements

Figures in R	2026	2025

14. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The Upper Kenilworth Improvement District's initial approval period is five years, from 1 July 2023 to 30 June 2028. During this period, the City of Cape Town will continue to collect additional rate income from property owners on behalf of the CID and pay it monthly in terms of the approved finance agreement.

15. Fruitless and wasteful expenditure

The Upper Kenilworth Improvement District (UKID) confirms that expenses are duly authorised by the board and for the financial year under review, no instances of fruitless and wasteful or irregular expenditure were incurred.

16. Unauthorised expenditure

Unauthorised expenditure refers to any spending by the CID that doesn't comply with its approved budget or relevant regulations. This includes overspending, using funds for purposes other than those originally approved. The Upper Kenilworth Improvement District has incurred no unauthorised expenditure for the year under review.

Unaudited Detailed Income Statement

Figures in R	Notes	2026	2025
Revenue	10		
Additional rates received		4,523,476	4,186,978
Additional rates retention received		87,939	-
		4,611,415	**4,186,978**
Other income	11		
Insurance claim		148,696	-
Employee benefits expense			
Employee costs - salaries		(599,739)	(565,650)
Depreciation and amortisation			
Depreciation - property, plant and equip.		(48,320)	(56,151)
Other expenses			
Accounting fees		(81,650)	(72,750)
Advertising and marketing		(3,179)	(4,672)
AGM expenses		(5,316)	(2,990)
Auditors' remuneration		(14,975)	(14,250)
Bank charges		(8,072)	(7,612)
Cleaning		(315,902)	(264,130)
Computer expenses		(1,542)	-
Insurance		(15,815)	(15,409)
Law enforcement officers		(265,248)	-
Legal expenses		(18,591)	-
Loss on disposal of asset		(102,376)	-
Management fees		-	(607)
Motor vehicle expenses		(46,860)	(53,648)
Operating lease expenses		(73,108)	(68,970)
Printing and stationery		(544)	(1,637)
Public safety - CCTV monitoring		(156,865)	(162,362)
Public safety - Leasing of cameras		(47,557)	(47,557)
Public safety - Security cost		(2,390,148)	(2,199,917)
Secretarial fees		(3,000)	-
Social upliftment		(59,622)	(61,203)
Subscriptions		(1,553)	(1,449)
Telecommunication		(3,319)	(3,024)
Training		-	(3,720)
Urban maintenance		(157,573)	(86,147)
		(3,772,815)	**(3,072,054)**
Other gains and losses	12		
Gain or loss on sale - property, plant and equip.		9,000	-
Surplus from operating activities		**348,237**	**493,123**

Unaudited Detailed Income Statement

Figures in R	Notes	2026	2025
Finance income			
Interest received		71,307	25,881
Surplus before tax		**419,544**	**519,004**
Income tax	13		
Current tax		(5,626)	-
Surplus for the year		**413,918**	**519,004**

Unaudited Income Tax Computation

Figures in R	Notes	2026	2025
Surplus before tax		419,544	519,004
Gross receipts and accruals not subject to income tax - s10(1)(e)(i)(cc)			
- Additional rates and retention received		(292,915)	(493,123)
- Surplus on disposal of assets		(55,320)	-
Other than additional rates - basic exemption s10(1)(e)(i)(cc) - limited to R50,000			
- Interest received		(50,000)	(25,881)
- Deductible indirect overhead expenses		(471)	-
		(398,706)	(519,004)
Taxable income		**20,838**	**-**
Normal tax		**5,626**	**-**
Total per statement of comprehensive income		**5,626**	**-**
Total per statement of financial position - (Asset) / Liability		**5,626**	**-**
Tax rate		27.00%	27.00%
Capital gains tax			
Net capital gain / (loss)		-	-
Inclusion rate		80.00%	80.00%
Taxable gain / (loss)		**-**	**-**