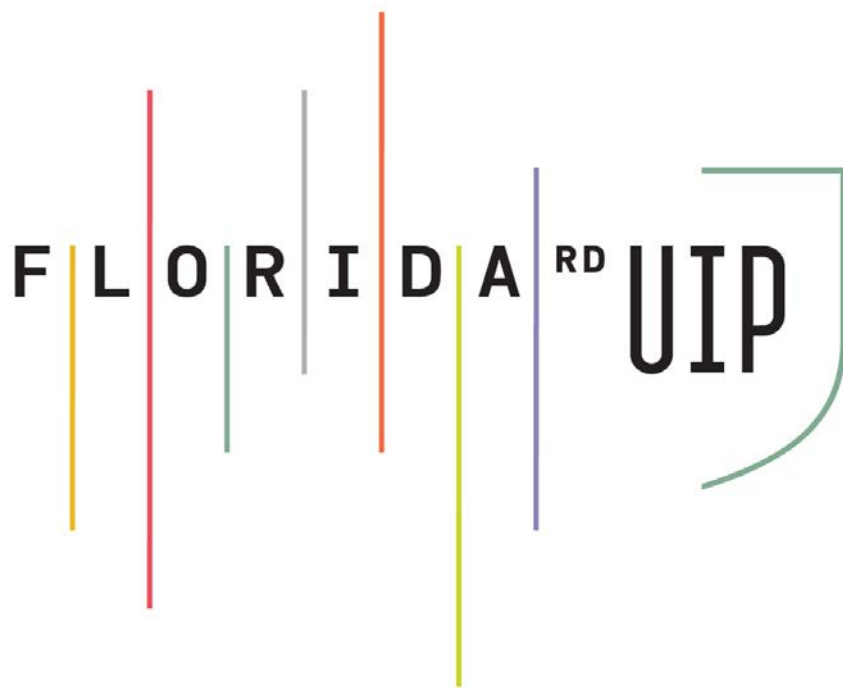


Florida Road Urban Improvement Project NPC (Florida Rd UIP)

Registration Number: 2013/059252/08
("the Company")



Annual Report for year ended 30 June 2017

Contents

	Pages
Notice of Meeting	3
Directors Nomination Form	4
Proxy Form	5
Meeting Agenda	6
Minutes of Previous Annual General Meeting	8
What Is A UIP?	14
Background To The Florida Rd UIP	15
UIP Services	15
UIP / Municipal Relationship	15
The Chairman's Annual Review and Budget 2018/2019	16
Annexure 1 - Auditors Report and Annual Financial Statements	

Florida Road Urban Improvement Project NPC (Florida Rd UIP)

Registration Number: 2013/059252/08

("the Company")

Notice of the 5th Annual General Meeting

Telephone: 031 561 2496

Cell: 082 389 3584

Email: jarrod@urbanmgt.co.za

Business Address: 44 Lagoon Drive, uMhlanga Rocks, 4320

Registered address: 44 Lagoon Drive, uMhlanga Rocks, 4320

Postal address: Box 867, uMhlanga Rocks, 4320,

Notice is hereby given that the Annual General Meeting of the members of the Company will be held at the **Olive Tree Church, 113 Florida Rd on 7 December 2017 at 15h00** for the following purposes:

1. To receive the Chairman's Report.
2. To receive and adopt the audited annual financial statements for the year ended 30 June 2017, which incorporates the independent auditors report.
3. To appoint the auditors of the company.
4. To elect directors in terms of Article 4 of the Memorandum of Incorporation.
The Board shall comprise a minimum of 3 directors.
It would facilitate secretarial procedures if nominations for the appointment of Directors could be emailed to jo@urbanmgt.co.za by no later than 6 December 2017. Nominations must be in writing with the name of the proposer and seconder, the acceptance of such nomination by the nominee, and should be accompanied by the curriculum vitae of such nominee. A proxy form is enclosed for this purpose.
5. To receive and adopt the Budget for the financial year 1 July 2018 to 30 June 2019.
6. To transact such other business as may be transacted at an annual general meeting.

Note: Any member entitled to attend and vote is entitled to appoint a proxy to attend, vote and speak in his/her stead, and such proxy need not also be a member of the Company.

Items for discussion under any agenda item should be advised to the Chairman Florida Rd Urban Improvement Project NPC and emailed to jo@urbanmgt.co.za by no later than the 6 December 2017. Please note that such notification must be in writing.

By order of the Board

W. Stainforth

Chairman

Florida Road Urban Improvement Project NPC (Florida Rd UIP)

Registration Number: 2013/059252/08

Directors Nomination Form for the Annual General Meeting of 7 December 2017

I, the undersigned:.....

duly authorised representative of:.....

being a Member of the Florida Road Special Ratings Area, hereby nominate for appointment as Director of the Florida Road Urban Improvement Project NPC:

.....

Proposer's signature

Nominee's signature

NOTE:

Directors Nomination Form should be emailed to jo@urbanmgt.co.za for the attention the Chairman Florida Road Urban Improvement Project NPC by 6 December 2017.

Florida Road Urban Improvement Project NPC (Florida Rd UIP)

Registration Number: 2013/059252/08

Form of Proxy

I, the undersigned.....

duly authorised as representative of.....

being a Member of the Florida Road Special Ratings Area, hereby appoint:

..... (Name of Proxy)

Or, failing him/her, the Chairman of the meeting, as my proxy to vote for me and on my behalf at the Annual General Meeting of the Florida Road Urban Improvement Project NPC to be held on 7 December 2017.

I record that my proxy will vote as he/she thinks fit.

Signed at:..... this.....day of.....2017

Signature:.....

FOR AND BEHALF OF:.....

NOTE:

Proxy forms should be emailed to jo@urbanmgt.co.za for the attention the Chairman Florida Road Urban Improvement Project NPC by 6 December 2017.

Florida Road Urban Improvement Project NPC (Florida Rd UIP)

Registration Number: 2013/059252/08

Agenda

1. Welcome
2. Apologies
3. To adopt the Minutes of the Annual General Meeting held on 22 November 2016.
4. Matters Arising for the Annual General Meeting held on 22 November 2016
5. To receive the Chairman's Report
6. Resolution 1: To receive and adopt the annual financial statements for the year ended 30 June 2017, which incorporates the independent auditors report.
7. Resolution 2: Appoint the auditors to the Company.
8. Resolution 3: To elect Directors for the ensuing year. In terms of the Memorandum of Incorporation the following Directors retire at the Annual General Meeting, and being eligible, are available for re-election: Wayne Stainforth, Michael Holland, Ross Roger, Pat Brown, Alfred Sudheim, Laurence Dinsdale, Marco Santoniccolo & Nadeem Shahid.
9. Resolution 4: To receive and adopt the Budget for the financial year 1 July 2018 to 30 June 2019.
10. Place-making Committee Update
11. General
12. Close of Meeting

By order of the Board



Florida Road

Urban Improvement Project (UIP) NPC

(Registration Number: 2013/059252/08)

**Minutes of the 4th Annual General Meeting of Members of the
Florida Road Urban Improvement Project (UIP) NPC,
Olive Tree Church, Florida Road
22 November 2016 at 16h00**

Directors:

Name	Initial	Representing	Present	Apologies
Wayne Stainforth (Chair)	WS	Western Star	Present	
Michael Holland	MH	Europa	Present	
Alfred Sudheim	AS	118 & 124 Florida	Present	
Laurence Dinsdale	LD	Dropkick Murphy's		Apologies (proxy)
Marco Santoniccolo	MS	Spiga d'Oro		Apologies
Nadeem Shahid	NS	Urban Lime	Present	
Ross Rodger	RR	Olive Tree Church	Present	
Patrick Brown	PB	N/A	Present	

Invitees:

Trevor Hodgson	TH	Blaine House	Present	
Grant Smith	GS	CPF	Present	
Francois Russouw	FR	Florida Park Hotel	Present	
B. Banks	BB	Cecil & Boyd	Present	
Sandy Harvey	SH	Resident	Present	
J. Martin	JM	Ridelor	Present	
Trish Emmett	TE	Emmett Architects	Present	
Martin [insert]	M	324 Florida Road	Present	

Nico Singh	NSingh	304; 308; 324; 174 & 178 Florida Road	Present	
Lloyd Van Rensburg	LVR	Church in Florida	Present	
Clint Pretorius	CP	167 Florida Road	Present	
Richard Bouffe	RB	70 Florida Road	Present	
Nico Sofilas	NSofilas	153 Florida Road	Present	
Brian Wright	BW	UIP Project Leader	Present	
Jarrood Evans	JE	UIP Precinct Manager	Present	
Cara Reilly	CR	UIP Place-making	Present	
Jo Barnard	JB	UIP Corporate Governance & Secretariat	Present	
Prabashni Pillay	PP	Eris Property Management	Present	
Mogie Naidoo	MN	BDO (Auditor)	Present	
Mark Quigley		Florida Park Hotel		Apologies (proxy)
Father Brett		St Joseph's Church		Apologies (proxy)
Gerard Billson		Hertex Fabrics		Apologies (proxy)
Nicole Munreo		The Benjamin		Apologies
Robert Mainguard		The Quarters		Apologies
Farhana Bhayat		The Quarters		Apologies
Maureen Collinge		Christian Science Church		Apologies
Sbusiso Mkhwanazi		Leseko Engineers		Apologies
Paula Hunt		Frank Night		Apologies
Michelle Cole		Fed meats		Apologies
Elaine Butcher		JT Ross		Apologies
Sheryl Templeton		RPP KZN		Apologies
Zane Da Silva		Taco Zulu		Apologies
James Arbuthnot		Spar		Apologies
Kerry-Leigh		Mark Gold		Apologies
Cindy Rootman		Fed Meats		Apologies
Barbara Chochola		ARUP		Apologies
Hennie Hilder		PSA		Apologies
Marco Santonicollo		Spiga		Apologies
Laurence Dinsdale		Dropkicks		Apologies

Mario Rodrigus		Interdeco		Apologies
----------------	--	-----------	--	-----------

1/16	Welcome and Introductions	Action
a.)	Wayne Stainforth ("the Chair") welcomed all to the 3 rd Annual General Meeting of Members of the Florida Road Urban Improvement Project Non-Profit Company ("Florida Road UIP").	
2/16	Apologies	
a.)	Apologies were recorded as listed above.	
b.)	Proxies were recorded as listed above.	
3/16	Quorum	
	<p>Attendees confirmed having received due notice of the meeting.</p> <p>It was noted that the quorum required for the Annual General Meeting was 10 members, personally present, or by its duly authorised representative. The Chair therefore confirmed the meeting duly constituted.</p> <p>The Chair introduced the meeting to the Directors as follows:</p> <ul style="list-style-type: none"> • Wayne Stainforth • Michael Holland • Ross Roger • Pat Brown • Alfred Sudheim • Marco Santoniccolo • Laurence Dinsdale • Nadeem Shahid. <p>The Chair explained that Nadeem Shahid from Urban Lime had recently joined the Board.</p> <p>The Chair further introduced Jarrod Evans, Brian Wright, Cara Reilly and Joanne Barnard of the UIP's management team and Mogie Naidoo of BDO (the Auditor).</p>	
4/16	To adopt the Minutes of the Annual General Meeting held on 14 December 2015	
	<p>The Minutes of the Annual General Meeting held on <u>14 December 2015</u> had been circulated to attendees before the meeting.</p> <p>There being no comments minutes were approved as a correct record of proceedings, adopted and signed by the Chair.</p>	
5/16	Matters Arising From Previous Minutes	
	There were no matters arising from the minutes of the Annual General Meeting held on <u>14 December</u>	

	2015.	
6/16	Presentation of the Annual Report	
	<p>Jarrold Evans (JE) presented a power point presentation which updated attendees regarding operational matters such as cleaning, greening, special projects and the importance of the symbiotic relationship with eThekweni Municipality (eTM).</p> <p>Cara Reilly (CR) presented on the Brand DNA and Place-making process, explaining that to date, the brand development process for Florida Rd had been driven by the UIP in collaboration with various municipal departments. Michael Holland explained that the Florida Road Marketing Committee (FRMC) to be the custodian of the Florida Rd brand DNA, marketing plan and related urban framework and that the Committee to date comprised the following members: Nicole Munroe (The Benjamin), Marco Santoniccolo (Spiga) and Mike Holland (Europa). The Chair called for further nominations to the FRMC, there were none.</p> <p>A formal constitution for the FRMC had been drafted to explain and more accurately reflect the intended position and status of the entity and was circulated at the meeting. The Chair proposed that the FRMC formal constitution be adopted, this was seconded by MH and the Directors <u>resolved that the FRMC's Constitution was approved and adopted.</u> The Chair suggested that should members have any questions they contact MH directly.</p> <p>MH further explained that the need for a Code of Conduct for the Precinct became evident during the Brand DNA workshops and other interactions among various role-players and as such the FRMC was tasked to formulate a Code and to date have secured more than 30 signed endorsements from General Property Owners and Business Owners within the Precinct. MH urged the business and property owners in attendance to sign the Code, adding that there would be copies available for signature after the meeting.</p> <p>In response to a query JE explained that both sides of Windermere Road between Argyle and Alliance Francaise had been included in the proposed expansion boundary.</p> <p>The Chairman thanked the Directors and the management team for their commitment to the Road and congratulated all on another successful year.</p>	<p>MH/All</p> <p>MH/All</p>
7/16	Resolution 1 - To receive and adopt the annual financial statements for the year ended <u>30 June 2016</u>, which incorporates the Chairman's report to members, and the report of the independent auditors.	
	<p>The Chairman noted that the Financial Statements, his Chairman's Review and the Report of the Independent Auditors fully covered the activities of the Company for the period under review. He enquired whether there were any queries or comments from the floor. As no comments or queries were raised, MH proposed and Pat Brown (PB) seconded that the Annual Financial Statements of the Company for the year ended 30 June 2016 be approved and adopted. The proposal was accepted and the <u>meeting resolved that the Financial Statements for the year ended 30 June 2016 were approved and adopted.</u></p> <p>Brian Wright explained that eTM had agreed to allow UIPs to raise VAT invoices on UIP levies, which would make available an additional 14% revenue on levies.</p>	

8/16	Resolution 2: To re-appoint BDO as the auditors of the Company.	
	The Chair moved to re-appoint BDO as the Auditors of the Company, MH proposed, Alf Sudheim seconded and the motion was put out to the meeting and <u>was unanimously carried.</u>	
9/16	Resolution 3: To elect directors for the ensuing year	
	<p>The Chair explained that the Directors would retire at this Annual General Meeting and that the following Directors would be available for re-election:</p> <ul style="list-style-type: none"> • Wayne Stainforth • Michael Holland • Ross Roger • Pat Brown • Alfred Sudheim • Marco Santoniccolo • Laurence Dinsdale • Nadeem Shahid. <p>The meeting noted the Companies Act of 2008 required that Directors be individually elected, and as such he called for nominations of directors:</p> <ul style="list-style-type: none"> • Wayne Stainforth nominated by Clint Pretorius and seconded by Nico Sofilas. • Michael Holland nominated by Clint Pretorius and seconded by Nico Sofilas. • Ross Roger nominated by Clint Pretorius and seconded by Nico Sofilas. • Pat Brown nominated by Clint Pretorius and seconded by Nico Sofilas. • Alfred Sudheim nominated by Clint Pretorius and seconded by Nico Sofilas. • Marco Santoniccolo nominated by Clint Pretorius and seconded by Nico Sofilas. • Laurence Dinsdale nominated by Clint Pretorius and seconded by Nico Sofilas. • Nadeem Shahid nominated by Clint Pretorius and seconded by Nico Sofilas. <p>There were no objections to the nominations, so the Chair moved that the nominees be elected to the Board until the next Annual General Meeting. <u>The motion was unanimously carried.</u></p>	
10/16	Resolution 4: To adopt the 2017/2018 Budget	
	<p>The Chair explained that Resolution 4 was to receive and adopt the budget for the financial year 1 July 2017 to 30 June 2018.</p> <p>BW explained that eTM required that the annual budget be approved by a majority of members at the AGM or General Meeting. The proposed budget, which had been approved by the Directors required a levy increase of 7% to maintain current service standards, a summary of which is detailed below:</p>	

	2017/2018:	2016/2017
	R:	R
INCOME	2 973 008:	2 836 645
Annual levy @ 7% increase		
EXPENSES		
Admin and general	146 822:	139 750
Utilities	0:	0
Company costs	32 462:	30 624
Operational manager	512 904:	474 911
Security	1 242 756:	1 171 753
Cleaning	187 975:	176 735
Greening	56 751:	47 068
Repairs & maintenance	35 717:	29 393
Social investment	10 560:	9 600
Communications, PR & mrkt. of the UIP	105 930:	99 000
Project management and leverage fee	277 811:	257 237
	2 609 688:	2 436 071
Vat:	365 356:	341 050
Total:	2 975 044:	2 777 121
SURPLUS	-2 036:	59 524
ESTIMATED RESERVE AT 30 JUNE 2017	532 990:	535 026

There being no questions the members and Directors unanimously voted to approve and adopt the 2017/2018 budget of R2,975,044.

11/16 Resolution 5: To receive and adopt the amended Memorandum of Incorporation, which makes provision for a requirement of Section 10(1)(e)(i)(cc) of the Income Tax Act

The Chair explained that the UIP's tax exemption application had been accepted by SARS, however a condition of the approval was an amendment to the Memorandum of Incorporation (MoI) to make provision for a requirement of Section 10(1)(e)(i)(cc) of the Income Tax Act. John Hudson & Company Attorneys drafted the proposed amendment in line with SARS's requirements and recommendations. MH proposed the amendment, with AS seconding it, and the **amendment to the MoI to make provision for a requirement of Section 10(1)(e)(i)(cc) of the Income Tax Act was approved and adopted.**

12/16 General

The Chair asked whether there was any other business to be dealt with under general and the following items were raised:

- a.) By-law noncompliance: Nico Sofilas commented that noncompliance from entertainment operators on the road continued to be an issue. MH reiterated the FRMC's mandate to secure agreement by businesses to the Precinct's Code of Conduct, which was hoped to increase accountability on the Road.

BW confirmed that a multi-faceted approach was being taken to tackle this issue:

- Community organisation – Organisation amongst the private sector, which was currently being achieved through the Marketing Committee and the Code of Conduct.
- Licencing and enforcement framework – Licencing enforcement by eTM continues.
- A short-term licencing enforcement plan - eTM had introduced a new rates code to enable them to charge five times rates to property owners in contravention of by-laws.

	<ul style="list-style-type: none"> The handheld parking meter system and the new allowance of vatable invoices for levies will translate into increased revenue which can be focussed to issues such as this. 	
b.)	Brand DNA and Place-making: In response to a question, MH confirmed that the FRMF covered the marketing for the entire of Florida Road. CR added that both the Greyville and the Mitchell Park areas had also been included in the re-visioning process.	
10.	Meeting Closure	
	There being no further business the Chair thanked the meeting for their attendance and declared the meeting closed at 17h45.	
	<p>Read and confirmed this _____ day of _____ 2017</p> <p>_____</p> <p>Chair</p>	

What Is A UIP?

An Urban Improvement Precinct (UIP) is one term given to a vehicle used to manage public spaces. Implemented abroad and throughout South Africa UIP's (also known as City Improvement Districts / Business Improvement Districts) successfully tackle the threat of urban decay; retain existing investment; stimulate new investment; improve safety and quality of life, and respond to the challenge of environmental sustainability.

There is no correlation between the rand value of municipal rates paid and service levels delivered to an area as there is a set service level throughout the municipality. This means that despite some areas contributing more to the rates base, service levels will remain the same. For this reason, property owners in key economic nodes come together to fund the establishment and management of public space management structures.

In Kwa-Zulu Natal, this structure is known as a UIP or Special Ratings Area (SRA) and is classified as a geographic area within which the majority of property owners agree to pay for certain services supplementary to those supplied by the municipality. Essentially, the UIP fills the gap in service delivery to public areas thus ensuring the desired level of safety and quality of public areas and add measurable value for all stakeholders.

Services Provided

Services provided by a UIP are based on the needs of the area and the related budget but usually include:

- Dedicated Precinct Manager
- Dedicated security teams that work with local authorities
- Dedicated cleaning and maintenance teams focused on taking care of public space
- Marketing and Communication
- Place-marketing projects that focus on experience of place
- Social and Environmental Projects
- Work that grows partnerships with local councils/municipalities

Formation and Management

The UIP/SRA mechanism is provided for in the Municipal Property Rates Act of 2004. The Act requires the UIP register a Non-Profit Company (NPC) to represent property owners in the defined UIP area. The NPC runs independently of the municipality, ensures service delivery and provides financial governance. The UIP Board which is constituted by property owners or property owner representatives must approve an annual budget for services rendered to the defined UIP area. The budget is approved annually by the municipality together with a finance agreement.

The UIP budget is funded by property owner levies which are calculated on a pro rata basis against assessed property values. This payment is levied on the municipal rates bill and collected by the municipality, free of charge, on behalf of the NPC. Once the formation of the UIP is approved by Council all property owners within its boundaries are required by law to contribute to the UIP

The Benefits

- A UIP is a sustainable funding mechanism for urban management and improvement, with the financial responsibility equitably shared by precinct members.
- With governance by the Municipal Property Rates Act of 2004, there are no free-loaders as all property owners within the UIP boundaries are compelled by the law to contribute.
- Being an independent and privately funded entity, means the UIP management is directly answerable to its property owners, ensuring responsive service delivery.

- As a municipal-recognised legal entity through which issues of common interest and concerns can be addressed, the UIP is able to leverage costs and service levels with private sector service providers such as security, landscaping etc.
- The UIPs are recognised as 'service provider' to public areas by the municipality. The status of an official service provider provides significant leverage in optimising municipal service delivery.

Background to Establishment of The Florida UIP

The Florida Rd Urban Improvement Precinct (FRUIP) boundaries are defined as Florida Rd and the adjacent lanes bordering on to properties located on Florida Rd.

Florida Road, although having benefited from the 2010 Soccer World Cup infrastructure upgrade, was experiencing increasing levels of urban decay, specifically around the issue of crime, grime and by-law enforcement. This was negatively impacting on property values / rates base, investor confidence, business viability and the quality of life of those who work, live and visit the area.

The status quo in 2012 resulted in commercial property owners establishing the FRUIP which commenced f operations commencing in July 2013.

UIP Services

Based on a budget and business plan approved by the FRUIP board, the management team delivers the following services:

- Dedicated Precinct Manager
- Safety and security delivered by a dedicated UIP security team that interacts with SAPS, Metro Police, community policing forums and security companies
- A 24-hour reporting line **086 111 6113** for security and emergency services, create a platform for members to report municipal faults in public spaces, and encourage feedback and suggestions on service delivery and how better to improve the Florida Rd experience
- The UIP aims to optimise municipal services while actively motivating for improved and upgraded municipal infrastructure
- Landscaping, cleaning and maintenance of public area infrastructure delivered by a dedicated team
- Place-making projects all aimed at making the experience of Florida Rd more enjoyable
- A well-structured website www.floridaroaduip.co.za that keeps users updated with latest news, projects and events.
- An email service that provides important information on security updates and municipal service alerts.

UIP / Municipal Relationship

At the core of Florida Rd's success is the ability for the UIP and municipality to build and strengthen a mutually beneficial relationship. Significant progress has been made to date, however there is still a long way to go. Importantly the UIP does not replace or duplicate municipal services, instead provides a supplementary service to the Road.

The Chairman's Annual Review and Budget for 2016/2017

It is with pleasure that I present the Chairman's report for the Florida Road UIP/ Special Ratings Area (SRA) for the financial year ending June 2017, a year that has proven vital to the sustainability of the UIP.

Florida Road is unlike any other precinct in eThekweni, with an exciting combination of cultures interacting in a mixed-use zone, trendy restaurants nestled between residential and office blocks. The vibe and happenings on the road attract both local and foreign visitors and it is recognised as one of the more popular destinations in travel brochures.

It is therefore imperative that a structure like the UIP be supported in its' endeavours to maintain high standards and improve the Florida Rd precinct. This sentiment is shared not only by the property owners who fund the UIP but by the media, who have featured a number of articles on the success of the UIP structure.

These articles include:

- January 2017 – Berea Mail – Additional security for Florida Rd
- February 2017 – Independent – Speed humps welcomed
- February 2017 – Tribune – Speedhump installation notice
- February 2017 – Berea Mail – Tram shelter restored
- February 2017 – Mercury – City installs speed humps
- March 2017 – Independent – A Safer Durban
- April 2017 – Berea Mail – FR reveals new character
- May 2017 – Berea Mail – Good work by UIP Officer
- May 2017 – Tribune – FR fans applaud effort by road monitors
- October 2017 – Berea Mail – Security Officer Commended

2017 saw the culmination of a lengthy brand DNA process for Florida Rd. The outcome of which covers a broad spectrum of the roads identity, with one aspect in particular, speaking to the structural framework plan for Florida Rd.

On the 27th of September 2017, the Florida Rd Economic Development Forum met and is intended as the consultative body through which relevant Municipal Departments and representatives of local property owners, business and residents can engage collectively with the overall development concept, individual development plans and other related matters to build consensus behind the development programme and the success of Florida Road as a social and economic node. This first engagement focused briefly on the Forum's Terms of Reference, temporary road closure plan, Gordon Park redevelopment and local developments. The items listed below all fall within Florida Road's development vision and complete street concept of which is included in the Forums agenda.

- Review zoning to commercial / mixed use including side lanes – requires relaxation of regulations on parking requirements and creative solutions to be found
- Sidewalk upgrades
- Roadway upgrades
 - Reduction in lanes
 - Additional parking bays by introducing angled bays
- Lighting
- Greening
- Street furniture
 - Benches

- Bins
- Bus shelters
- Bollards
- Wayfinding signage
- Lighting
- Stakeholder process to direct future use and management
- Additional CCTV cameras
- Gordon Road Park

UIP MOTIVATED MUNICIPAL MAINTENANCE

SIGNAGE AND TRAFFIC LIGHTS:

All signage and traffic lights are in good order. Graffiti on municipal signage continues to be a challenge however these are cleaned within 24 hours.

Street signs replaced



PAVING:

Paving upgraded prior to the SWC 2010 from Argyle to Gordon Rd is repaired and maintained by the UIP cleaning, greening and maintenance staff as and when required. We have also begun repairing damaged asphalt paving which allows for immediate repairs to minor damages.

We are currently working closely with the City in requesting further structural upgrades to the entire length of Florida Road. Structural upgrades to paving along the top half of Florida have been included in the list of targeted interventions presented to the city.



METRO POLICE:

Metro Police continue to patrol Florida Rd whilst using the multi-use facility at the Gordon Rd Park. Work has also begun at the Montpelier Rd Lawn Tennis Courts in preparation to house a Metro Police Satellite Station. Hopefully the satellite materialises in the coming months.



PARKS:

Although Florida Road is split between two districts, Parks Department continue to provide a helpful and vital service. Active tree trimming along Florida Rd recently certainly prevent unwanted damaged and mess from falling branches during the recent storm. Much time and effort were saved.

UIP cleaning and security staff continue to share the Gordon Park kiosk. Parks have also assisted in replacing the damaged hand dryers and soap dispensers.



UIP OPERATIONS

The UIP provides a 7 day a week 24-hour security service and a daily cleaning service. The precinct begins at the Greyville traffic circle, and covers the full length of Florida Road to the Innes Rd traffic lights and includes the service lanes either side of Florida Rd which extend from 4th Ave to Currie Rd on the south west and from 6th Ave to Gordon Rd on the north-east side.

UIP SECURITY

The UIP fulfils a support role to the SAPs and Metro Police. Productive relationship with these authorities is fundamental to the success of the UIP in securing public areas. The UIP has no legal instrument to enforce service standards or bylaws. UIP Security Officers continue to support the Sidewalk Monitors by ensuring the removal of vagrant car guards night. An additional UIP guarding foot patrol presence has now been introduced thanks to the support gained from residents and NGOs. The security patrol also covers every section of the precinct on foot during each shift.



The Sidewalk Monitor Programme - On the 5th of October 2015, we rolled out the Sidewalk Monitor Programme, consisting of 14 uniformed Monitors stationed a vulnerable point along Florida Road. The monitors are linked via radio to the UIP security vehicle and proved a welcome site to tenants, residents and visitors. The success of this plan resulted in the immediate removal of the vagrant car guards that plagued the road & continues to be very effective.



Far Left: Sidewalk Monitor Bigboy Gwala rewarded following the arrest of a suspect

Below are some notable preventative actions the UIP has taken to ensure a safe precinct:

Crime stats based on incidents reported to the UIP	
UIP Actions with other Law Enforcement Departments	July 2016 to June 2017
UIP arrests & hand over to SAPF / Metro Police	17
UIP call outs to SAPF / Metro Police	80
Crimes	July 2016 to June 2017
Murder	0
Attempted murder	1
Total sexual offences	0
Assault (Grievous Bodily Harm)	2
Assault common	8
Common robbery	16
Robbery with aggravating circumstances	5
Carjacking	2
Robbery at Residential premises	0
Robbery at non-residential premises	3
Malicious damage to property	16
Burglary residential	2
Burglary non-residential	5
Theft of motor vehicle	26
Theft out of motor vehicle	51
Drug related crime	0
All theft not mentioned elsewhere	16
Vehicle accidents	32
Total	185

By-law Enforcement	
Drinking in public	299
Fights / brawls defused	33
Illegal car guards removed	239
Illegal informal traders removed	223
Pamphlet distribution	21
Public disturbance	27
Public indecency	132
Suspicious people questioned	155
Total	1 129

Standing Meetings Attended	
Monthly - UIP Secur. Forum (Sec. services)	24
Monthly / weekly - SAPF / CPF Sec. 5 (Sec. services)	42
Chamber of Business	2
Total	68

CLEAN, GREENING AND MAINTENANCE

The cleaning and greening team begin with a litter collection pick at 06h00 in preparation for the early morning breakfast run and then moves into the service lanes to keep those areas not only tidy but free of graffiti as well. Weed control, grass trimming, tree maintenance and other gardening services are carried out every day.

This work is captured on the UIP website with the [Latest News](#) and [Gallery](#) sections keeping members updated on the work being done. Before and after photos are an excellent way to remind us all of the positive impact the UIP has on our precinct.

The UIP's operational management and fault reporting system that is accessible on both the web and mobi version of the UIP website is proving a very effective way to get members and the public in general to voice their issues related to services in the public space. In terms of operations, a big thank you is extended to the security contractor, Enforce Security and landscaping / cleaning contractor, Superclean for their commitment and service levels to ensure a memorable experience of Florida Road's public areas.

Top left: Basic paving repairs; Top right: Removing gum from pavements; Bottom left: Repainting street furniture; Bottom Right: Removal of Graffiti on Gordon Road.



OPERATIONAL STATISTICS

Performance measurement is a critically important management tool for ensuring the UIP continues to maintain standards and wherever possible improve performance. Below is a summary of the Operational Statistics for the financial year.

UIP Operational Stats	July 2016 to June 2017
Service requests - UIP members/stakeholders	July 2016 to June 2017
Number service requests received for the year (eTM +UIP tasking)	3
Running total of unresolved serv. requests - tasking eTM	4
Running total of unresolved serv. requests - tasking UIP	0

UIP services (initiated by UIP management)	
Number of service requests to eTM	313
Running total of unresolved serv. request to eTM	25
Running total of unresolved serv. request to UIP contractors	0

Private property improvement requests	
Requests to private prop owners	22
Outstanding requests to private prop owners	37

UIP Special Projects Completed	
Maintenance projects	189
Greening projects	124
Graffiti tags removed	162
Municipal waste bags filled	12 807
Animals rescued	0

Supa Mamas Road Race



Below: Bootcamp



A Visible Difference

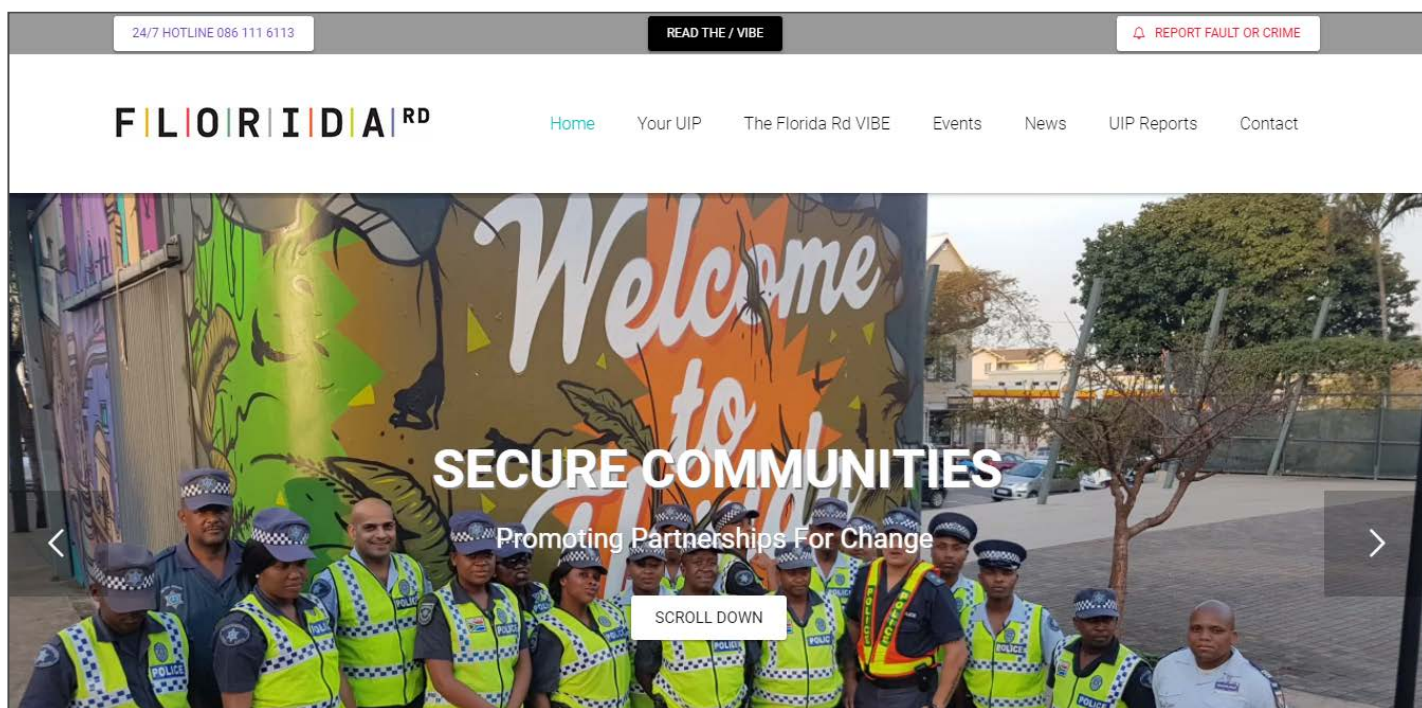
Besides the day to day cleaning, greening and maintenance projects there have been other UIP driven projects that have resulted in significant changes and improvements to the area's public spaces. These projects include:

Traffic calming measures: Speed humps have been installed and have drastically reduced speed bring with them a notable sense of calmness to the road.



Upgrades to the tram shelter.





Marketing and Communication

The UIP marketing and communication focus for the period has been on communicating the services provided by the UIP and the leveraged support obtained from ETM. These messages are targeted at the UIP levy payers as well as the general public, whose interest in the UIP work has grown significantly over the period.

The UIP has relied predominantly on social media / the website and the UIP newsletter to communicate this message with an emphasis on images to tell the story. Below is a summary of this work:

Communication Tool	2016 / 2017	2015 / 2016	Notes
Newsletters Sent	69	57	
News items posted to website	101	83	
Facebook page likes	2391	886	
Highest reach on Facebook	13 727	11 965	
Instagram Posts	166	N/A	
Instagram Followers	360	N/A	

Florida Rd Placemaking and Living THE / VIBE

Another defining moment in the journey of this unique place, Florida Rd launched its quarterly publication – THE / VIBE in August 2017.

Developed by the Florida Rd place-making committee and Urban Improvement Precinct (UIP), with input and guidance from the eThekweni Municipalities Transport Authority (ETA) and Economic Development Unit (EDU), THE / VIBE is a space dedicated to serving the dynamic Florida Rd community, a place to share the news and views of the Roads' food, culture, work, family, design and party happenings, a space to keep in touch about this rapidly evolving place.

The text-rich first-issue starts with hard-core strategy, summing up and sharing the discoveries of the Florida Rd brand DNA and urban development programs, initiated and funded by the eThekweni Municipality. Some of the influential voices on the road share their thoughts on the future of the place, after which the new Florida Rd visual identity is revealed. Visioning and the future of the physical spaces on Florida Rd are touched on, and finally, the magazine asks for the community to pull together explaining how everyone from businesses to residents can get involved.

“Essentially THE / VIBE aimed to re-ignite the fire in those that may have left the road, while delivering on promises made to the die-hards for their commitment to keeping this place relevant and uniquely Durban,” said Florida Rd place-making committee chairman and owner of Next Chapter, Mike Holland.

With so much to talk about and so much to look forward to, the only way to understand it, is to read the magazine. Available freely at outlets along Florida Rd, THE / VIBE is also available as a flipbook on the Florida Rd UIP website

DETAIL DESCRIBED – a short summary of the salient issues raised in THE / VIBE

After more than 18 months of research, surveys, workshops, meetings, participation processes and public engagements, a new Florida Rd brand is ready to emerge, and with it the action plan and interventions needed to help the road reach its full potential as a go-to-place for Durban’s locals and visitors alike.

With an authentically urban beat interwoven with iconic snippets of history, both finding their place along a busy thoroughfare, Florida Road is uniquely Durban. Yet despite its history and its people, despite its restaurants, galleries, and bars, by 2013 Florida Road had begun to slide into urban decay, slowly losing its’ reputation as one of the city’s trendiest streets.

Thankfully through a collective urban management intervention that saw the creation of the Florida Rd Urban Improvement Precinct (UIP) in late 2013, safety, attention and care have been restored, and Florida Rd is once again poised for change with an inclusive and long-term identity.

Initiated in June 2016 by a collective of the Florida Rd UIP and the eThekweni Municipality’s Economic Development, Florida Rd took its first steps on a journey of discovering its brand identity. This long and inclusive process looked to uncover the roads true character, understanding who it is and who it isn’t, how it wants its personality to be communicated and the image it would like to shake off.

The Two Lenses of Florida Rd

This journey exposed a Florida Rd vision of the future with the capacity to open and connect communities and entrepreneurs from across the corners of the City, allowing platforms to do business, play and prosper.

Its ability to provide a space for the coming together of culture, styles, ages and demographics is key to the character of this unique place, one that is to be nurtured and grown within the Durban mix. This vision and the development approach by the Florida Rd UIP team, place-making committee, City leaders and private sector collaborators focuses on stakeholder needs and is developed into detailed implementation plans to enable Florida Rd to develop and directly support the City’s vision of being “The most liveable City in Africa” not by 2030 but right now!

How will this be delivered? Through the inter-connected lenses of place-making and urban planning.

The place-making and branding of Florida Rd focuses on building the Florida Rd community by interlinking public and private spaces in terms of what they offer and how they offer it. This plan looks at what the product, service and public open space mix should look like and what quality standards will be set to uphold them? It also talks to the idea

of value, and understanding what benefits Florida Rd needs to provide to its stakeholders and how the place can go about fulfilling these needs.

This brand lens is summed up by the new Florida Rd logo, the delicious and gritty x-factor that is Florida Rd. This logo forms part of a branding toolkit for how business, communities and the drivers of the road use this brand and position Florida Rd – including a new brand for the Florida Rd UIP

The Florida Rd UIP, place-making committee and city structures such as the eThekweni Transport Authority, Urban Planning and Land-use are working on a Florida Rd Urban Development Framework, an effort that combines urban architecture, planning, transport and engineering designs with the findings of the DNA process. In its basic form, this framework looks at optimizing the street, its public open space and urban character, and the pavements, parks and places in between, for human interaction. In addition to this are detailed design concepts around parking provision, impact on surrounding roads, overall traffic flow etc.

Bringing The Plans To Life

To date, the brand development process for Florida Rd has been driven by the UIP in collaboration with various municipal departments. With operations and the fostering of municipal relationships key to the future success of Florida Rd's, and the resources required to deliver this, a dedicated marketing entity has been set up for Florida Rd.

The Florida Rd Marketing Committee (FRMC) is the custodian of the Florida Rd brand DNA, marketing plan and related urban framework and has been formed as an entity that works in conjunction with the UIP and in-line with related municipal departments to deliver a sort after spaces that offer exceptional experiences to a varied audience who live, work, play and meet on Florida Rd.

CHALLENGES:

- **Bylaw enforcement:** Stringent bylaw enforcement is critical for the ongoing and future success of our precinct. As the popularity of Florida Rd grows and visitor numbers increase, so does the need for enforcement by trained and motivated Metro Police Officers. A local Metro satellite station would certainly assist in reducing bylaw related incidents.
- **Noncompliance:** Late operating hours linked with loud amplified music continues unchecked and the failure of noncompliant business owners to grasp the negative impact being caused is a serious concern. Decreasing residential property values, the inability of neighbouring businesses to operate successful and the stigma associated with Florida Rd due to its night time lawlessness is counterproductive to our collective vision for Florida Rd.
- **Security and cleaning:** The increasing popularity of Florida Rd brings with it the need for higher service levels. Additional manned guarding security, supported by electronic aids such as body worn cameras and CCTV systems are required to ensuring the road remains safe 24/7.
- **Sidewalk Monitors:** Although no longer a challenge. Tremendous time and effort is required to ensure the Sidewalk Monitor plan continues to operates successfully. On the rare occasion, Illegal car guards attempt operate however these are remove by our dedicated security team.

Budget 2018/2019

The budget provides for holistic supplementary service delivery to Florida Roads public areas with the aim of enhancing the experience and safety of Florida Rd. This translates into secured property values and improved investment confidence.

The 2017/2018 levy rate randage decreased by 21.5% due to an increase in property values. With the ever-growing popularity of Florida Rd, UIP service demands are growing exponentially. The board although mindful of the challenging economic times has rigorously assessed serviced demands and after careful consideration has approved a 13% levy increase for 2018/2019 which will fund the deployment of additional on street services.

Florida Rd UIP Budget July 2018 - June 2019		
	2018/2019	2017/2018
	R	R
Income	3 354 198	2 973 008
Expenses		
Admin and general	160 532	146 822
Utilities	0	0
Company costs	40 945	32 462
Operational manager	553 937	512 904
Security	944 945	1 242 756
Cleaning	268 681	187 975
Greening	59 292	56 751
Repairs & maintenance	54 067	35 717
Social Economic Development	438 128	10 560
Communications, PR & mrkt. of the UIP	121 695	105 930
Project management and leverage fee	300 035	277 811
	2 942 257	2 609 688
Vat	411 916	365 356
Total Expenses	3 354 173	2 975 044
Surplus / deficit	24	-2 036
Estimated year end reserve	533 014	

Conclusion

My sincere thanks are extended to the Board of Directors and invitees who voluntarily contributed generously of their time and efforts to assist in managing the business of the UIP. Thanks also to City Management, municipal departments, the SA Police Services, Community Policing Forum and we look forward to many years of a productive partnership. I also take this opportunity of thanking our management team for their hard work and dedication to the success of the UIP, without their efforts we could not have achieved the successes of the past year.

Finally, thank you to all UIP members who have supported the endeavours of the UIP, and we look forward to reporting on an equally productive 2018/2019 financial year.

Wayne Stainforth

Chairman

BDO South Africa Incorporated

5A Rydall Vale Office Park
38 Douglas Saunders Drive
La Lucia Ridge
4051

Florida Road Urban Improvement Project
NPC
(Registration number 2013/059252/08)
Annual financial statements
for the year ended 30 June 2017

Florida Road Urban Improvement Project NPC

(Registration number 2013/059252/08)

Annual Financial Statements for the year ended 30 June 2017

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Management and Administration of the Florida Road Precinct
Directors	Wayne Stainforth Michael Anthony Holland Alfred Sudheim Patrick Brown Ross Rodger Marco Santoniccolo Laurence Dinsdale Nadeem Shahid
Registered office	44 Lagoon Drive Umhlanga Rocks
Business address	44 Lagoon Drive Umhlanga Rocks
Auditors	BDO South Africa Incorporated Registered Auditors
Company registration number	2013/059252/08
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act of South Africa.
Preparer	The annual financial statements were independently compiled by: Stuart Noble CA(SA) Financial Training Corporation (Pty) Ltd

Florida Road Urban Improvement Project NPC

(Registration number 2013/059252/08)

Annual Financial Statements for the year ended 30 June 2017

Index

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

Index	Page
Directors' Responsibilities and Approval	3
Directors Report	4
Independent Auditors' Report	5 - 6
Statement of Financial Position	7
Statement of Comprehensive Income	8
Statement of Changes in Equity	9
Statement of Cash Flows	10
Accounting Policies	11 - 12
Notes to the Annual Financial Statements	13 - 14

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

Detailed Income Statement	15 - 16
---------------------------	---------

Florida Road Urban Improvement Project NPC

(Registration number 2013/059252/08)

Annual Financial Statements for the year ended 30 June 2017

Directors' Responsibilities and Approval

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

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

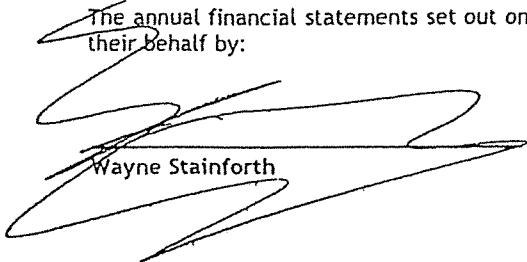
The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board of directors sets standards 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 company and all service providers are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

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

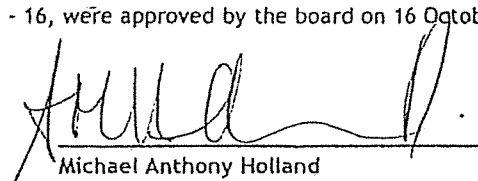
The directors are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The annual financial statements have been prepared on the going concern basis, since the directors have every reason to believe that the company has adequate resources in place to continue in operation for the foreseeable future.

The annual financial statements set out on pages 4 - 16, were approved by the board on 16 October 2017 and were signed on their behalf by:



Wayne Stainforth



Michael Anthony Holland

Florida Road Urban Improvement Project NPC

(Registration number 2013/059252/08)

Annual Financial Statements for the year ended 30 June 2017

Directors Report

The directors have pleasure in submitting their report on the annual financial statements of Florida Road Urban Improvement Project NPC and its associates for the year ended 30 June 2017.

1. Nature of business

Florida Road Urban Improvement Project is a Non Profit Company and was incorporated in South Africa on 10 April 2013. The aim and objectives of the Company relate to the physical area within the defined boundaries of the precinct.

The services of the company are procurement of supplementary services including security, landscaping, maintenance and other such services which improve the quality of public areas.

2. Review of financial results and activities

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

3. Directors

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

Directors

Wayne Stainforth
Michael Anthony Holland
Alfred Sudheim
Patrick Brown
Ross Rodger
Marco Santoniccolo
Laurence Dinsdale
Nadeem Shahid

Changes

Appointed Tuesday, May 23, 2017

4. Events after the reporting period

The directors are not aware of any material matter or circumstance arising since the end of the financial year, not otherwise dealt with in this report or the financial statements, which significantly affect the financial position of the company or the results of its operations to the date of this report.

5. Going concern

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a sound financial position to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

6. Auditors

BDO South Africa Incorporated will continue in office in accordance with section 90 of the Companies Act.



Tel: +27 31 514 7000
Fax: +27 31 536 8021
www.bdo.co.za

Rydallviews Building
5A Rydall Vale Office Park
38 Douglas Saunders Drive
La Lucia Ridge, 4051
PO Box 47
La Lucia 4153
South Africa

Independent Auditors' Report

To the members of Florida Road Urban Improvement Project NPC

We have audited the financial statements of Florida Road Urban Improvement Project NPC, as set out on pages 7 to 14, which comprise the statement of financial position as at 30 June 2017, 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.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Florida Road Urban Improvement Project NPC as at 30 June 2017, 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 of South Africa.

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 other 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 (Parts A and B). 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 of South Africa and the supplementary information set out on pages 15 to 16. 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 of South Africa, and 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.

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.

BDO South Africa Incorporated
Registration number: 1995/002310/21
Practice number: 905526
VAT number: 4910148685

National Executive: S Dansie • H Bhaga-Muljee • BJ de Wet • M McGarrigle • HCS Lopes • B Lovell (Durban Office Managing Director) • FD Schneider • I Skosana (Non-Executive Chairman) • ME Stewart (Chief Executive) • S Fisher

Office Managing Director: B Lovell

The company's principal place of business is at 22 Wellington Road, Parktown, Johannesburg, where a list of directors' names is available for inspection. BDO South Africa Incorporated, a South African personal liability company, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.



Independent Auditors' Report

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 taken on the basis of these financial statements. 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.

BDO South Africa Incorporated
Bronwyn Lovell
Director
Registered Auditor
07 November 2017

Florida Road Urban Improvement Project NPC

(Registration number 2013/059252/08)

Annual Financial Statements for the year ended 30 June 2017

Statement of Financial Position as at 30 June 2017

Figures in Rand	Note(s)	2017	2016
Assets			
Non-Current Assets			
Property, plant and equipment	2	1,257	1,912
Current Assets			
Trade and other receivables	3	185,903	174,651
Cash and cash equivalents	4	283,541	619,970
		469,444	794,621
Total Assets		470,701	796,533
Equity and Liabilities			
Equity			
Retained income		453,550	553,011
Liabilities			
Current Liabilities			
Trade and other payables	5	17,151	243,522
Total Equity and Liabilities		470,701	796,533

Florida Road Urban Improvement Project NPC

(Registration number 2013/059252/08)

Annual Financial Statements for the year ended 30 June 2017

Statement of Comprehensive Income

Figures in Rand	Note(s)	2017	2016
Revenue	6	2,907,119	2,567,640
Operating expenses		(3,027,823)	(2,523,348)
Operating surplus	7	(120,704)	44,292
Investment revenue	8	21,243	23,816
(Loss)/ surplus for the year		(99,461)	68,108
Other comprehensive income		-	-
Total comprehensive (loss) income for the year		(99,461)	68,108

Florida Road Urban Improvement Project NPC

(Registration number 2013/059252/08)

Annual Financial Statements for the year ended 30 June 2017

Statement of Changes in Equity

Figures in Rand	Retained income	Total equity
Balance at 01 July 2015	484,903	484,903
Surplus for the year	68,108	68,108
Other comprehensive income	-	-
Total comprehensive income for the year	68,108	68,108
Balance at 01 July 2016	553,011	553,011
Loss for the year	(99,461)	(99,461)
Other comprehensive income	-	-
Total comprehensive loss for the year	(99,461)	(99,461)
Balance at 30 June 2017	453,550	453,550

Note(s)

Florida Road Urban Improvement Project NPC

(Registration number 2013/059252/08)

Annual Financial Statements for the year ended 30 June 2017

Statement of Cash Flows

Figures in Rand	Note(s)	2017	2016
Cash flows from operating activities			
Cash (used in) generated from operations	10	(357,672)	295,926
Interest income		21,243	23,816
Net cash from operating activities		(336,429)	319,742
Total cash movement for the year			
		(336,429)	319,742
Cash at the beginning of the year		619,970	300,227
Total cash at end of the year	4	283,541	619,969

Florida Road Urban Improvement Project NPC

(Registration number 2013/059252/08)

Annual Financial Statements for the year ended 30 June 2017

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 of South Africa. The annual financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make judgements, estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results in the future could differ from these estimates which may be material to the annual financial statements.

Critical judgements in applying accounting policies

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

Key sources of estimation uncertainty

The following are key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Impairment testing

The company reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. When such indicators exist, management determine the recoverable amount by performing value in use and fair value calculations. These calculations require the use of estimates and assumptions. When it is not possible to determine the recoverable amount for an individual asset, management assesses the recoverable amount for the cash generating unit to which the asset belongs.

Useful lives of assets

The company depreciates its tangible assets over their estimated useful lives taking into account residual values, where appropriate. The appropriateness of its assets estimated useful lives, residual values and their depreciation methods are re-assessed on an annual basis. The actual lives of these assets and their respective residual values may vary depending on a variety of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account.

1.2 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.

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

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:

Florida Road Urban Improvement Project NPC

(Registration number 2013/059252/08)

Annual Financial Statements for the year ended 30 June 2017

Accounting Policies

1.2 Property, plant and equipment (continued)

Item	Average useful life
Furniture and fixtures	5 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.

1.3 Financial instruments

Trade and other receivables

Trade receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment.

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.

Trade and other payables

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

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 profit or loss.

1.5 Equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

1.6 Government grants

Grants that do not impose specified future performance conditions are recognised in income when the grant proceeds are received. Grants are measured at the fair value of the asset received or receivable.

1.7 Revenue

Revenue comprises grant income received from Ethekwini Municipality in terms of the Florida Road Special Rating Area (SRA). Voluntary contributions comprise amounts received from property owners of Florida Road, and these contributions are recorded when received.

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for services provided in the normal course of business.

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

Florida Road Urban Improvement Project NPC

(Registration number 2013/059252/08)

Annual Financial Statements for the year ended 30 June 2017

Notes to the Annual Financial Statements

Figures in Rand	2017	2016
-----------------	------	------

2. Property, plant and equipment

	2017			2016		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Furniture and fixtures	3,280	(2,023)	1,257	3,280	(1,368)	1,912

Reconciliation of property, plant and equipment - 2017

	Opening balance	Depreciation	Total
Furniture and fixtures	1,912	(655)	1,257

Reconciliation of property, plant and equipment - 2016

	Opening balance	Depreciation	Total
Furniture and fixtures	2,570	(658)	1,912

Details of properties

A register containing the information required by Regulation 25(3) of the Companies Regulations, 2011 is available for inspection at the registered office of the company.

3. Trade and other receivables

Trade receivables	185,903	172,929
Prepayments	-	1,722
	185,903	174,651

4. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	283,541	619,970
---------------	---------	---------

The bank account is held by Eris Property Group (Pty) Ltd in terms of section 32(1) of Act No.112/1976.

5. Trade and other payables

Trade payables	-	227,340
Accrued Expense	17,151	16,182
	17,151	243,522

6. Revenue

Grant income in terms of Florida Road Special Rating Area	2,630,552	2,478,272
Voluntary contributions	276,567	89,368
	2,907,119	2,567,640

Florida Road Urban Improvement Project NPC

(Registration number 2013/059252/08)

Annual Financial Statements for the year ended 30 June 2017

Notes to the Annual Financial Statements

Figures in Rand	2017	2016
7. Operating surplus		
Operating surplus for the year is stated after accounting for the following:		
Depreciation on property, plant and equipment	655	658
8. Investment revenue		
Interest revenue		
Bank	21,243	23,816
9. Taxation		
No provision has been made for 2017 tax as the company has no taxable income. The company is exempt from income tax in terms of section 10(1)(d)(iii), of the Income Tax Act.		
10. Cash (used in) generated from operations		
(Loss) profit before taxation	(99,461)	68,108
Adjustments for:		
Depreciation	655	658
Interest received	(21,243)	(23,816)
Changes in working capital:		
Trade and other receivables	(11,252)	25,120
Trade and other payables	(226,371)	225,856
	(357,672)	295,926

11. Directors' remuneration

No emoluments were paid to the directors or any individuals holding a prescribed office during the year.

12. 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.

13. Events after the reporting period

The directors are not aware of any material matter or circumstance arising since the end of the financial year, not otherwise dealt with in this report or the financial statements, which significantly affect the financial position of the company or the results of its operations to the date of this report.

Florida Road Urban Improvement Project NPC

(Registration number 2013/059252/08)

Annual Financial Statements for the year ended 30 June 2017

Detailed Income Statement

Figures in Rand	Note(s)	2017	2016
Revenue			
Grant income		2,630,552	2,478,272
Voluntary contributions		276,567	89,368
	6	2,907,119	2,567,640
Other income			
Interest received	8	21,243	23,816
Expenses (Refer to page 16)		(3,027,823)	(2,523,348)
Surplus for the year		(99,461)	68,108

Florida Road Urban Improvement Project NPC

(Registration number 2013/059252/08)

Annual Financial Statements for the year ended 30 June 2017

Detailed Income Statement

Figures in Rand	Note(s)	2017	2016
Operating expenses			
Administration and management fees		(793,572)	(726,641)
Advertising		(106,916)	(70,593)
Auditors remuneration		(25,776)	(26,466)
Bank charges		(1,123)	(1,625)
Cleaning		(183,264)	(185,506)
Commission paid		(19,500)	(18,000)
Depreciation		(655)	(658)
Entertainment		(8,159)	(13,307)
CSI Project		(3,414)	(15,224)
Sundry expenses		(1,135)	(165)
General office expenses		-	(2,744)
IT expenses		(16,871)	(21,714)
Input VAT not claimed		(344,673)	(298,977)
Insurance		(6,090)	(5,344)
Landscaping expenses		(41,136)	(12,377)
Legal expenses		(2,200)	-
Levies		(4,375)	(10,000)
Printing and stationery		(9,993)	(8,115)
Public relations services		(133,485)	-
Repairs and maintenance		(84,568)	(18,635)
Secretarial fees		(36,747)	(33,708)
Security		(1,165,361)	(1,018,908)
Telephone and fax		(31,276)	(29,379)
Tools		(7,534)	(5,262)
		(3,027,823)	(2,523,348)