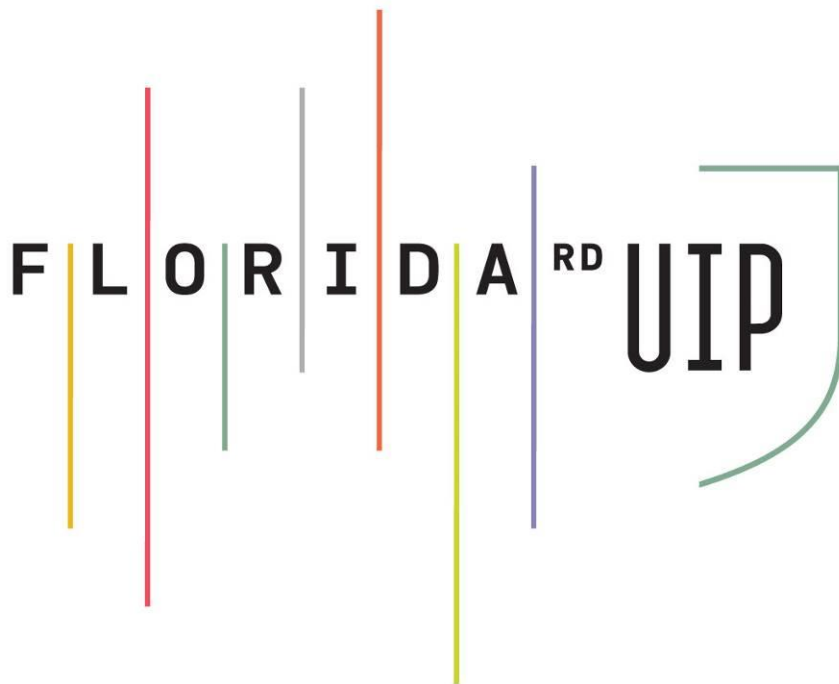


Florida Road Urban Improvement Precinct NPC (Florida Rd UIP)

Registration Number: 2013/059252/08



Annual Report for year ended 30 June 2020

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Florida Road Urban Improvement Project NPC (Florida Rd UIP)

Registration Number: 2013/059252/08

("the Company")

Notice of the 7th Annual General Meeting

Telephone: 031 561 2496

Cell: 060 748 4127

Email: jarrod@urbanmgt.co.za

Business Address: Ocean Dune, 2 Heleza Blvd, Hillhead, Umhlanga, 4320

Registered address: Ocean Dune, 2 Heleza Blvd, Hillhead, Umhlanga, 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 via Microsoft Teams Meeting on **9 February 2021 at 13h00** 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 2020, which incorporates the independent auditors report.
3. To re-appoint Baker Tilly Morrison Murray as 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 5 and a maximum of 10 nominated directors.

It would facilitate secretarial procedures if nominations for the appointment of Directors could be emailed to cherrie@urbanmgt.co.za by no later than 24 January 2021. 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 2021 to 30 June 2022.
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 cherrie@urbanmgt.co.za by no later than the 24 January 2021. 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 9 February 2021

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 cherrie@urbanmgt.co.za for the attention the Chairman Florida Road Urban Improvement Project NPC by 24 January 2021

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 9 February 2021.

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

Signed at:..... this.....day of.....2021

Signature:.....

FOR AND BEHALF OF:.....

NOTE:

Proxy forms should be emailed to cherrie@urbanmgt.co.za for the attention the Chairman Florida Road Urban Improvement Project NPC by 24 January 2021.

Florida Road Urban Improvement Project NPC (Florida Rd UIP)

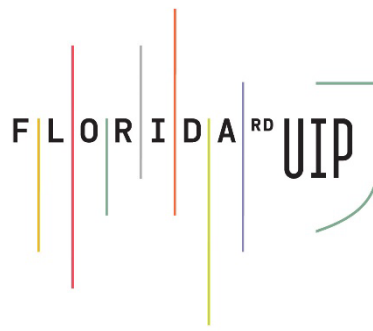
Registration Number: 2013/059252/08

Agenda

1. Welcome
2. Apologies
3. Resolution 1: To receive and adopt the annual financial statements for the year ended 30 June 2020, which incorporates the independent auditors report.
4. To adopt the Minutes of the Annual General Meeting held on 5 February 2020.
5. Matters Arising for the Annual General Meeting held on 5 February 2020.
6. To receive the Chairman's Report
7. Resolution 2: Re-appoint Baker Tilly Morrison Murray as 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, Ross Roger, Pat Brown, Alfred Sudheim, Laurence Dinsdale, Tom Wood and Chris Rencken.
9. Resolution 4: To receive and adopt the Budget for the financial year 1 July 2021 to 30 June 2022.
10. Marketing 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 6th Annual General Meeting of Members of the Florida Road Urban Improvement Project (UIP) NPC, Olive Tree Church, Florida Road 5 February 2020 at 14h00

Directors:

Name	Initial	Representing	Present	Apologies
Wayne Stainforth (Chair)	WS	Western Star	Present	
Tom Woods	TW	Private		Apologies (proxy)
Alfred Sudheim	AS	118 & 124 Florida Road	Present	
Laurence Dinsdale	LD	Dropkick Murphy's	Present	
Chris Rencken	CR	Urban Lime	Present	
Ross Rodger	RR	Olive Tree Church		Apologies (proxy)
Patrick Brown	PB	Private	Present	

Invitees:

Mike Holland	MH	Next Chapter	Present	
Lloyd Van Rensburg	LvR	Incite Church	Present	
Greg Aryrs	GA	Florida Park Hotel	Present	
Anthony Sterne	AS	Liverton Leasing	Present	
Tarryn Burrows	TB	Liverton Leasing	Present	
Brian Wright	BW	UIP Project Leader	Present	
Jarrold Evans	JE	UIP Precinct Manager	Present	
Jo Barnard	JB	UIP Corporate Governance & Secretariat	Present	
Cherrie Francis	CF	Company Secretariat Support	Present	
Maxine Schilz	KW	UIP Finance	Present	
Sarah Kate Stocker	SKS	Baker Tilly Morrison Murray Auditors	Present	
Nqobile Maluleka	NM	Olive Tree Church	Present	
Richard Buffe	RB	Caltex Garage		Apologies

1/19	Welcome and Introductions	Action
a.)	Wayne Stainforth ("the Chair") welcomed all to the 6 th Annual General Meeting of Members of the Florida Road Urban Improvement Project Non-Profit Company ("Florida Road UIP").	
2/19 Apologies		
a.)	Apologies were recorded as listed above.	
b.)	Proxies were recorded as listed above.	
3/19 Quorum		
	The attendees confirmed having received due notice of the meeting.	

	<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 • Ross Roger • Pat Brown • Alfred Sudheim • Chris Rencken • Laurence Dinsdale (in absentia) • Tom Woods (in absentia). <p>Since the last AGM Karen Peterson resigned from the Board and Chris Rencken of Urban Lime joined the Board. The Board took the opportunity to thank Karen for her service to the UIP and to welcome Chris to the Board.</p> <p>The Chair further introduced Brian Wright, Jarrod Evans, Joanne Barnard, Cherrie Francis and Maxine Schilz of the UIP's management team and Sarah-Kate Stocker of Baker Tilly Morrison Murray (the Auditor).</p>	
4/19	Resolution 1 - To receive and adopt the annual financial statements for the year ended <u>30 June 2019</u>, which incorporates the Chairman's report to members, and the report of the independent auditors.	
	<p>The Chair explained that the approval of the Annual Financial Statements had been brought forward on the Agenda, to allow the Auditors to leave the meeting after their respective presentation.</p> <p>The Chair noted that the Annual Financial Statements (AFS) along with the Chair's Review and the Report of the Independent Auditors, fully cover the activities of the Company for the period under review. The Chair explained that Sarah-Kate Stocker (SkS) from Baker Tilly Morrison Murray (the Auditor) was in attendance to respond to members' questions.</p> <p>SkS took the meeting through a through a high-level summary of the AFS, confirming that there had been an unqualified audit opinion, with no matters for concern.</p> <p>As no comments or queries were raised, Pat Brown (PB) proposed and Alfred Sudheim (AS) seconded that the Annual Financial Statements of the Company for the year ended 30 June 2019 be approved and adopted. The proposal was accepted, and the <u>meeting resolved that the Financial Statements for the year ended 30 June 2019 were approved and adopted.</u></p> <p>SkS and Maxine Schilz (MS) left the meeting at 14h20.</p>	
5/19	To adopt the Minutes of the Annual General Meeting held on 7 December 2017	
	<p>The Minutes of the Annual General Meeting held on <u>29 January 2019</u> and the Special General Meeting held on <u>6 March 2019</u> had been circulated to attendees before the meeting.</p> <p>There being no comments, the minutes were approved as a correct record of proceedings. As such, adoption of the minutes was proposed by PB and a seconder AS.</p>	

6/19	Matters Arising from Previous Minutes	
	Joanne Barnard (JB) confirmed that there were no matters arising from the previous meetings.	
7/19	Presentation of the Annual Report	
	The Management Team took the attendees through a high-level presentation of the Annual Report, highlighting the UIP's role, management structure, services and deliverables.	
	The Chair thanked the Management team for their service during 2019.	
8/19	Resolution 2: To re-appoint Baker Tilly Morrison Murray as the auditors of the Company.	
	The Companies Act 2008 requires us to annually appoint an Auditor to the Company. The Chair proposed the reappointment of Baker Tilly Morrison Murray as the appointed Auditors for the Company, and the motion was put to the meeting and <u>was unanimously carried.</u>	
9/19	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 • Ross Roger • Pat Brown • Alfred Sudheim • Laurence Dinsdale • Chris Rencken • Tom Woods. <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 (WS) nominated by Mike Holland (MH) and seconded by AS • Ross Roger nominated by Wayne Stainforth (WS) and seconded by MH • Pat Brown nominated by MH and seconded by Chris Rencken (CR) • Alfred Sudheim nominated by WS and seconded by PB • Laurence Dinsdale nominated by WS and seconded by CR • Tom Woods nominated by WS and seconded by MH • Chris Rencken nominated by WS and seconded by MH. <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>	
10/19	Resolution 4: To receive and adopt the 2020/2021 Budget	
	<p>The Chair explained that Resolution 4 was to receive and adopt the budget for the financial year 1 July 2020 to 30 June 2021.</p> <p>The Board continue to be mindful of the challenging economic times having rigorously assessed serviced demands and after careful consideration had approved a 3% levy increase for 2020/2021, which would fund the deployment of additional on street services. A summary of which is detailed below:</p>	

Florida Rd UIP Budget July 2020 - June 2021

	Expenses	2020/2021	2019/2020	Notes
1	Admin and general	188 028	171 036	
2	Utilities	0	0	
3	Company costs	121 249	43 304	A
4	Operational management	628 291	589 943	
5	Security	843 969	985 851	B
6	Cleaning	519 689	218 550	C
7	Greening	66 695	61 693	D
8	Repairs & maintenance	46 346	61 559	E
9	Social Economic Development	616 771	503 939	F
10	Communications, PR & mrkt. of the UIP	130 969	129 843	
11	Project management and leverage fee	337 119	318 038	
12	Special Projects	30 000	0	G
		3 529 126	3 083 757	
	Vat at 15%	0	462 564	H
	Total Expenses	3 529 126	3 546 321	
	Total Income	3 529 724	3 546 720	I
	Surplus / deficit	598	399	

Budget Notes

- A Provided for Depreciation , eimbursement Admin Fee and Office rental in budget
- B Prior year budget was overstated when compared to actual costs. Decreased the C grade Night shift to 1 guard. Savings allocated to cleaning.
- C Prior year budget understated when compared to actual costs. Increased cleaning staff from 2 to 4. Added monthly consumables.
- D Increased plants and shrubs budget by R300 from prior year budget based on the tree bowl maintenance requirement.
- E Decreased the monthly maintenance by R1 600 per month from prior year budget.
- F Increased sidewalk monitors by 5 Monitors.
- G Introduced Special projects
- H The precinct is now vat registered and therefore gets the full benefit of claiming vat on expenditure.
- I The income percentage increase has decreased substantially based on the prior years in order to achieve the ETM target of 25% of General Rates.

Antony Sterne (AS) and Greg Ayres (GA) representing the Florida Park Hotel expressed concern regarding the allocation to Security and queried Excellerate's responsibilities in this regard. The Chair and Management Team responded by advising that a full security tender process had been undertaken ahead of Excellerate's appointment and that budget allocations were in line with the agreed contract. Brian Wright (BW) undertook to share the Security Service Schedule with GA and GA agreed to forward any further queries and concerns he had to BW and Jarrod Evans (JE). BW further explained that the security contract was due to go out to tender in 2020 and welcomed suggestions by members of companies for potential consideration.

BW
GA

In response to a question regarding by-law enforcement, JE explained that the UIP had no by-law enforcement power and therefore were reliant on Metro Police for support in this regard. JE added that the KZN Precinct Management Forum had been exploring the use of a sponsored policing in managed areas, which would give the UIP some enforcement power through the deployment of decicated Metro police officers to the Road under the direction of the UIP.

There being no further questions, the members and Directors unanimously voted to approve and adopt the 2020/2021 budget of R3,529,126 and financed by a levy income of R3,529,724.

	<u>It was noted that the Florida Road Marketing Committee was no longer actively being driven. The meeting expressed concern that this vital Committee had lost momentum and it was agreed that AS, MH and CR meet after the meeting to consider the future of the Committee.</u>	AS/MH/CR
12/19	General	
	<p>AS also agreed to attend future UIP Board meetings, CF undertook to include AS as an attendee on all future meeting invitations.</p> <p>The Chair asked whether there was any other business to be dealt with under general and no items were raised.</p>	CF
13/19	Meeting Closure	
	There being no further business the Chair thanked the meeting for their attendance and declared the meeting closed at 16h00.	
	<p>Read and confirmed this _____ day of _____ 2020</p> <p>_____</p> <p>Chair</p>	

Florida Rd Urban Improvement Precinct NPC

Registration No. 2013/059252/08

Summary of Actions coming out of Annual General Meeting held on 5 February 2020

	Date of meeting:	Minute no.	Action:	By whom	Status
1.	5.02.20	10/19	Resolution 4: To receive and adopt the 2020/2021 Budget: <ul style="list-style-type: none">BW undertook to share the Security Service Schedule with GA and GA agreed to forward any further queries and concerns he had to BW and JE.	JE/BW	Done
2.	5.02.20	11/19	Florida Road Marketing Committee Update: <ul style="list-style-type: none">MH, AS and CR to meet after AGM to discuss future of Marketing Committee.	MH/AS/CR	Done
3.	5.02.20	12/19	General: <ul style="list-style-type: none">CF to include AS in future Board Meeting invitations.	CF	Done

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 for 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 Road's success, is the ability for the UIP and Municipality to build and strengthen a positive and mutually beneficial relationship. In this regard, significant progress has been made. Importantly the UIP does not replace or duplicate municipal services, instead provides a supplementary service to the precinct.

Municipal support the past year has been instrumental in securing a premium experience of place within the precinct. Lighting, road marking, greening and general maintenance to municipal infrastructure have all been kept to a high standard and have been very well received by property owners and visitors to the Road.

Municipal fault repairs initiated by UIP Management. Daily inspections of the road ensure faults are reported to eTM for resolution.

Photos below: Municipal contractors assisted with repainting all road markings within the precinct.



Photos below: repairs to damaged stormwater drains within the precinct

Before



Before

After



After



Click on the links below to see news related to municipal support:

<https://floridaroaduip.co.za/site/broken-bin-quickly-repaired/>

<https://floridaroaduip.co.za/site/damaged-storm-water-drain-repaired/>

<https://floridaroaduip.co.za/site/new-seats-for-gordon-road-park/>

<https://floridaroaduip.co.za/site/eighth-avenue-asphalt-reinstated/>

<https://floridaroaduip.co.za/site/road-signs-replaced/>

<https://floridaroaduip.co.za/site/roads-department/>

<https://floridaroaduip.co.za/site/signage-repaired/>

<https://floridaroaduip.co.za/site/traffic-circle-at-florida-road-and-lambert-road-intersection/>

<https://floridaroaduip.co.za/site/cleaning-up-the-precinct/>

<https://floridaroaduip.co.za/site/clearly-visible-road-markings/>

<https://floridaroaduip.co.za/site/sink-avenue-repaired/>

<https://floridaroaduip.co.za/site/9th-avenue-pavement-reinstated/>

<https://floridaroaduip.co.za/site/ethekwini-offers-rates-incentives-for-owners-of-green-buildings/>

<https://floridaroaduip.co.za/site/drained-repaired/>

<https://floridaroaduip.co.za/site/update-cleansing-and-solid-waste-services-during-lockdown/>

<https://floridaroaduip.co.za/site/manhole-cover-replaced/>

<https://floridaroaduip.co.za/site/dsw-on-florida-road/>

The Chairman's Annual Review

1. Overview:

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 2020. A big thank you to those members and/or proxies for attending the meeting. Thanks also to our Management Team for their assistance in preparation of this comprehensive year-end report.

The efforts of the UIP to secure property values and provide an attractive public realm has secured Florida Road's place as Durban's premier business and entertainment node. 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 continues to be recognised as one of eThekweni's more popular destinations in travel brochures.

<https://www.iol.co.za/lifestyle/food-drink/10-things-to-do-on-florida-road-19731588>

It is therefore imperative that a structure like the UIP be supported in its' endeavours to maintain high standards and continually 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 Florida Rd and the UIP structure.

<https://www.iol.co.za/ios/news/florida-road-back-in-business-76ef2afb-b8eb-4ff1-9cdf-1464a834418d>
<https://www.iol.co.za/business-report/economy/property-buyers-snap-up-apartments-on-florida-road-30774579>

<https://bereamail.co.za/220896/clean-safe-streets-order-of-the-day-for-managed-precincts/>

<https://bereamail.co.za/175895/new-gallery-creates-buzz-on-florida-road/>

<https://www.msn.com/en-za/news/other/wish-on-florida-durbans-new-hot-spot/ar-BBY5dOM>

COVID-19

The year so far has certainly been a challenging one due to the COVID-19 pandemic and subsequent lockdown, which has had far reaching economic consequences. The Florida Rd UIP however has remained active, even during the strictest regulations of levels 4 and 5 of the Lockdown, ensuring our municipal mandate is maintained.

Listed below are the practical steps taken by the Management Team, to ensure the precinct continues to function effectively:

- Management structures
 - The management team are the services backbone underpinning the precincts sustainability and supporting on-ground precinct managers, was decentralised by setting up Microsoft Teams – functions included: finance, governance, communication and engagement with the

authorities which had never been more important. Remote staff, even in the case of quarantine, continued to effectively provide the required services and support

- All precinct documentation had previously been transitioned to a Microsoft cloud server, which allowed for easy and safe access through Microsoft SharePoint.

- Precinct Managers

- All operational functions continued to operate, including service reports and follow ups to with Municipality
- All Precinct Manager's utilised Teams and SharePoint to allow interactive communication with support services and service providers
- Practiced social distancing and diligent hygiene
- All meetings were conducted online unless in an absolute emergency, where the meeting was held outdoors
- Precinct service providers were briefed on expected ops procedures to mitigate COVID-19 and continued to work closely with precinct managers to ensure optimal service levels given the status quo.
- Precinct Managers downloaded the TeamViewer QuickSupport app onto all cell phones utilising the Incident Desk TakeAction reporting application. This was to allow remote support should the app stop functioning.

- Board governance - it was essential that good governance continued unabated – which it did!

- Day to day functions continue uninterrupted
- To ensure board meeting continuity, performance oversight and rigour in board decision making, the management team introduced the Microsoft Teams platform for board meetings – in this regard:
 - Teams is an interactive video platform which allows live presentation of meetings, recording and transcription – it is based on Microsoft 365, however can be accessed from any device from a link which was included in the meeting request
 - IT Works (IT service provider) contacted Directors to assist with setting up MS Teams

- Financial Management - it was also essential that the financial management of the Precinct continued unabated:

- Drove a proactive COVID budget containment process with the precinct board, including scenario planning, levy arrears recovery forecasting; cost containment which required review of service scope and level, implementation of associated savings interventions and associated negotiations with service providers.
- Maintaining monthly creditor payments and weekly debtor tracking
- Updating of monthly cashflow analysis to ensure business continuity

- Risk Matrix

- The Management continues to interrogate the precinct Risk Management Framework - which has been circulated as part of this meeting pack.
- Currently - the most serious long-term threat has been the financial sustainability of the UIP due to the decline in collection rates, however the Management Team and the Directors have been working hard to remedy this.

In these uncertain times it was agreed that the best way forward was to ensure that health guidelines provided by Government were followed by our Precinct Management Team. As such, utmost care and attention was placed on sanitisation, self-isolation if ill or vulnerable and maintaining minimum contact with people as far as possible and in line with the changing regulations.

In other news...

Management Team

The UIP would like to welcome Andrew Fynn as the new Florida Rd Precinct Manager. Andrew joins the Team with a wealth of experience in the security industry and more recently as the Assistant Precinct Manager to the uMhlanga Rocks UIP. Andrew also spent considerable time on Florida Rd providing operational support during this Covid-19 lockdown period.



Final words from Jarrod:

“I would like to thank you all for your support and guidance over the last 5 years. Florida Rd’s journey has truly been an incredible and rewarding experience and I look forward to an exciting future for our precinct. I’ll be working closely with Andrew during the coming months, ensuring a smooth transition”.

2. UIP Motivated Municipal Infrastructure

Precinct Plan for Florida Rd

The UIP met with the eThekweni Transport Authority and a cross section of municipal departments on the 19th September 2019. This engagement was called by Thami Manyathi, HOD ETA, for the purpose of developing a Precinct Plan for Florida Rd which incorporates development controls, zoning, densification, feasibility study, structural upgrades, parking, urban design and safety, along with a host of other aspects all

of which are interrelated. Thami Manyathi has appointed Rocky Herrmann, Project Executive at ETA to drive the process going forward ensuring alignment with various eTM departments. The meeting concluded with Rocky requesting Tony Markewicz compile a scope of works in terms of a Precinct Plan development requirements, which covers significantly more than the Complete Streets plan noted above. The significance of ETA taking the lead on this cannot be underestimated. Although this process will take time, we are gaining serious traction, and the development of a Precinct Plan driven by ETA is a big step in the right direction.

The UIP management team and Board members met with Tony Markewicz on the 9th of October 2019 to discuss the scope of works (SoW) terms of reference. Tony has since met with all eTM departments concerned ensuring alignment across all sectors.

SoW project objectives include:

- Determine the target demographic, economic and land use profile for the Windermere Precinct that will meet the City's development mandate.
- Determine the capital investment implications for servicing the target development profile with respect to transportation, traffic, engineering services, social facilities, public space and landscape.
- Determine future traffic, NMT, public transport, parking and loading demands, and associated infrastructure requirements related to the Precinct's target profile.
- Identify engineering infrastructure and services needs related to water and waste, energy, ICT and storm water management.
- Prepare an Urban Design Strategy that translates the economic, land use transportation and traffic, and engineering services profile into a TOD orientated "live work play" Precinct which is integrated with the environment quality objectives of the City.
- Prepare an Implementation Strategy with priorities, phasing, costing and sourcing of the capital investment based on business plan principles which articulates how the economic, social, environmental and financial returns on investment by the City will be achieved over time and how new projects and investments on the Precinct will be integrated with the abovementioned key anchor projects.
- Identify development and management strategies, controls and design guidelines for land use, parking, loading, public space and landscape, built form and heritage conservation.

The Scope of Works prepared by Tony Markewicz was submitted to eTM in early 2020 and we are now awaiting feedback and potential appointment.

Complete Streets Plan for Florida Rd

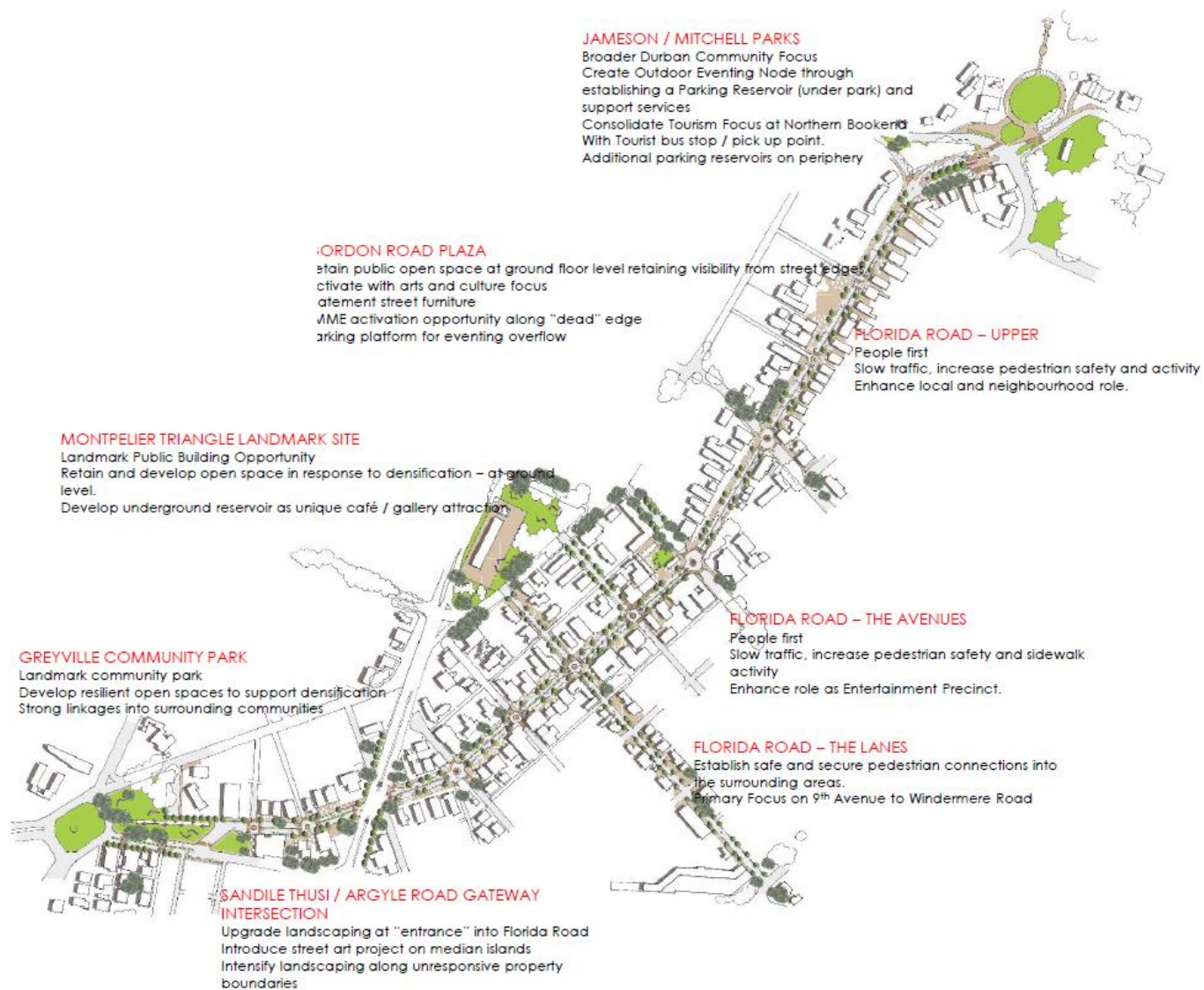
Whilst running concurrent to the Precinct Plan. The Complete Streets Plan aims to implement structural upgrades to Florida Rd and its feeder lanes.

The Complete Streets project is currently on hold pending budget being assigned in the future. Phase 1 of implementation will be the installation of 4 additional traffic circles and raised intersections as well as design improvements to the Florida and Sandile Thusi intersection creating a gateway entrance feature. The engineering and urban design plans are complete and ready for implementation. Municipal capital budgets

were drastically cut in the COVID budget adjustments, and so we will be waiting for funds to become available.

Key interventions include:

- Improved street lighting
- Streetlight poles repainted
- Handheld parking meters
- Parking bays along full length of Florida Rd and feeder lanes
- Safety railing at Sandile Thusi intersection – High accident zone
- Upgraded bus shelters
- Walking route signage to be replaced
- Public toilets
- Bollards required to prevent illegal parking
- Asphalt pavements between Gordon and Innes and feeder lanes
- Traffic calming measures between Sandile Thusi and Greyville circle
- Stormwater drain maintenance - weekly
- Removal of advertising bins
- High-pressure cleaning - weekly
- No vendor signage installed to assist in bylaw enforcement
- Event poster frames
- Green area maintenance
- CCTV cameras
- 24/7 Metro deployment



3. Florida Rd - Cared for and managed

As the popularity of Florida Rd increases and investment grows, so does the demand for supplementary services. This said, the UIP management team is constantly working to ensure the tools it employs best fit the needs of the node ensuring the service requirements are met.



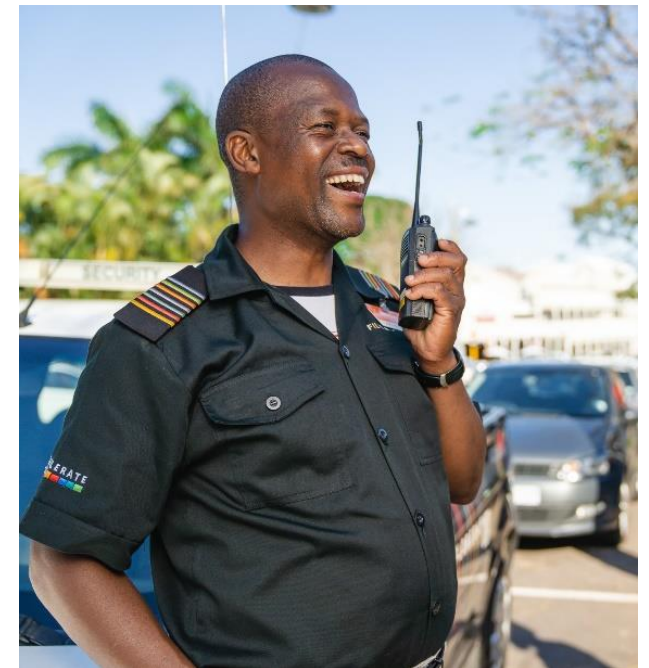
Security:

Safety and security remain the UIP's primary deliverable, however, a safe precinct will not secure investment and ultimately grow if the area is not clean, green and well maintained.

The UIP fulfils a support role to the SAPS and eTM Law Enforcement - a productive relationship with the authorities is fundamental to the UIP's success.

The UIP security compliment has been proactive in making 11 arrests during the reporting period of July 2019 to June 2020.

The UIP security deployment for the precinct currently consists of a dedicated patrol vehicle manned by a Senior "A" Grade Security Officer. Due to impact of the COVID-19 pandemic and subsequent lockdown, our compliment is no longer supported by a nightshift foot patrol officer. The breakdown of staff is highlighted below.



Florida Rd by day:

- 1x "A" Grade Security Officer patrolling in marked FRUIP vehicle.

Florida Rd by night:

- 1x "A" Grade Security Officer patrolling in marked FRUIP vehicle.

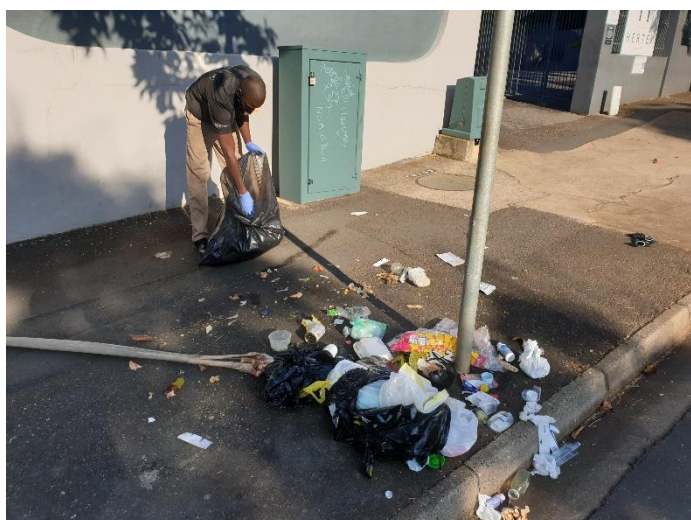


Key Security stats:

Crime stats based on incidents reported to the UIP	
UIP arrests & hand over to SAPF / Metro Police	11
UIP call outs to SAPF / Metro Police	34
Calls to the UIP Hotline	308
Contact Crimes in grey	

Murder	0
Attempted murder	0
Total sexual offences	0
Assault (Grievous Bodily Harm)	0
Assault common	3
Common robbery	6
Robbery with aggravating circumstances	2
Carjacking	2
Robbery at residential premises	0
Robbery at commercial premises	2
Malicious damage to property	3
Burglary residential	2
Burglary commercial	5
Theft of motor vehicle	15
Theft out of motor vehicle	18
Drug related crime	0
All theft not mentioned elsewhere	26
Vehicle accidents	20

Photos below: Our security team were extremely supportive during the Lockdown period by filling service delivery gaps.



Click on the links below for news relating to Security:

<https://floridaroaduip.co.za/site/mercury-articles-speak-to-crime-and-solutions/>

<https://floridaroaduip.co.za/site/excellent-work-rewarded/>

<https://floridaroaduip.co.za/site/florida-uip-security-rewarded/>

<https://floridaroaduip.co.za/site/well-done-to-saps/>

<https://floridaroaduip.co.za/site/our-top-tips-for-business-crime-prevention/>

<https://floridaroaduip.co.za/site/arrest-and-reward/>

<https://floridaroaduip.co.za/site/teamwork-all-around/>

<https://floridaroaduip.co.za/site/florida-rd-uip-delivering-essential-service/>

Sidewalk Monitors:

On the 5th of October 2015, we rolled out the Sidewalk Monitor Programme, consisting of 14 uniformed Monitors stationed at vulnerable points along Florida Road. Our Monitors communicate via handheld radio to the UIP security vehicle and provide an invaluable service to Florida Rd which is now free of drug dealers masquerading as Illegal car guards.

The Sidewalk Monitor compliment has since increased to 25 Monitors, thanks to voluntary funding from commercial tenants.



If you are a business or property owner on Florida Road and would like to fund a sidewalk monitor outside your business/property please contact Andrew Fynn on Fynn@urbanmgt.co.za

Click on the links below for news relating the Sidewalk Monitors:

<https://floridaroaduip.co.za/site/new-uniforms-for-monitors/>

<https://floridaroaduip.co.za/site/new-florida-rd-sidewalk-monitor-uniforms/>

<https://floridaroaduip.co.za/site/its-all-systems-go/>

<https://floridaroaduip.co.za/site/good-work-despite-rains/>

Cleaning, Greening & Maintenance

The cleaning and greening team are the unsung heroes of Florida Rd. Their contribution to the success of the precinct is often overlooked yet their day to day duties are instrumental to the UIP achievements. Daily cleaning duties begin at 6am with a litter pick of the precinct in preparation for the early morning breakfast run. Close attention is then paid to tree bowls, graffiti and general maintenance.

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 of all 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 mobile version of the UIP website is proving a very effective way to get members and the public to voice their issues related to services in the public space. In terms of operations, a big thank you is extended to our security contractor, Excellerate Security and landscaping / cleaning contractor, Tsebo Cleaning Services for their commitment and service levels to ensure a memorable experience of Florida Road's public areas.



Key stats:

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 2019 to June 2020
Service requests - UIP members/stakeholders	
Number service requests received for the year (eTM +UIP tasking)	11
Running total of unresolved serv. requests - tasking eTM	6
Running total of unresolved serv. requests - tasking UIP	0

UIP services (initiated by UIP management)	
Number of service requests to eTM	228
Running total of unresolved serv. request to eTM	153
Running total of unresolved serv. request to UIP contractors	2

Private property improvement requests	
Requests to private prop owners	15
Outstanding requests to private prop owners	3

UIP Special Projects Completed	
Maintenance projects	29
Greening projects	16
Graffiti tags removed	49
Municipal waste bags filled	22200
Animals rescued	0

Photos below: The following pictures reflect a handful of tasks conducted by our cleaning, greening and maintenance staff on a daily basis. This regular upkeep and attention to detail on Florida Roads public realm by a small group of motivated staff play a significant part towards our precincts continued success.



Photos below: Repairs to paving damaged by heavy rains and generally upkeep of green spaces.



Click on the links below for news relating to cleaning, green and maintenance:

<https://floridaroaduip.co.za/site/intersection-curbs-painted/>

<https://floridaroaduip.co.za/site/benches-and-tables-painted/>

<https://floridaroaduip.co.za/site/paving-repaired/>

<https://floridaroaduip.co.za/site/going-the-extra-mile/>

<https://floridaroaduip.co.za/site/uip-team-removal-of-graffiti/>

<https://floridaroaduip.co.za/site/proactive-florida-road-uip-continues-to-deliver-sound-precinct-management-and-security-to-public-areas-while-ensuring-the-uips-continuity-post-lockdown/>

<https://floridaroaduip.co.za/site/maintenance-after-heavy-rains/>

<https://floridaroaduip.co.za/site/cleaning-after-the-wind/>

<https://floridaroaduip.co.za/site/sanitisation-on-florida-rd/>

<https://floridaroaduip.co.za/site/pavement-repairs-on-florida-road/>

<https://floridaroaduip.co.za/site/removal-of-soil/>

<https://floridaroaduip.co.za/site/weeding-and-repairs-on-florida-rd/>

<https://floridaroaduip.co.za/site/weeding-and-repairs-on-florida-rd/>

4. **Levy – Based Communications**

The Florida Rd UIP levy-based communication channels focus on communicating the services provided by the UIP in the area and the leveraged support obtained from eThekweni Municipality (eTM). These messages are targeted at the UIP levy payers as well as the public, whose interest in the UIP work has grown significantly over the years.

The UIP has relied predominantly on social media (Facebook and Instagram), website and the UIP newsletter to communicate these messages with an emphasis on images to tell the story.

Below is a summary of this work:

Communication Tool	1 July 2019 – 30 June 2020	1 June 2018 – 30 June 2019	2017 /2018
Newsletters Sent	33	34	51
News items posted to website	91	102	145
Facebook Page likes	N/A	3 206	2 778
Facebook shares	1 as at June 2020	N/A	N/A
Facebook comments	2 as at June 2020	N/A	N/A
Facebook followers	3 480 as at June 2020	N/A	N/A
Highest post reach on Facebook	9 058	15 300	9 200
Highest Post Reach Content	Sibusiso Xulu Rewarded	Shark Nets Removed	N/A

Instagram Posts	81	103	264
Instagram Followers	1018	926	571

**N.B: Facebook likes have been removed as an engagement measure as of June 2020. The number of Facebook shares, comments and followers have thus been added as a more accurate depiction of the Facebook following and engagement.*

To subscribe to our newsletter please contact divinia@urbanmgt.co.za or opt in via our website: <https://floridaroaiduip.co.za/site/>

In addition, please follow us via social media:



Facebook: <https://www.facebook.com/floridarduip/>



Instagram <https://www.instagram.com/floridarduip/>

FRUIP Newsflashes and Monthly Insights

The communications team have now created a popular 'Monthly Insights' newsfeed that provides a holistic view about the precinct, with key takeaways from the Precinct Manager as well as current industry topics. Additionally, Newsflashes are sent on an as needed basis, depending on the newsworthy aspect of the story. New header designs were created for the Everlytic platform to make the Newsflashes and Insights look more professional.

FRUIP Perception Surveys

Over December 2019 / January 2020, the Florida Rd UIP undertook the annual perception survey, aimed at gauging the public view of Florida Road's public spaces. The survey was accessible via the web / social media and newsletters using links and QR codes. There were 146 responses to the survey.

The comprehensive results are available on the below link:

<https://floridaroaiduip.co.za/site/wp-content/uploads/bsk-pdf-manager/2020/09/FRUIP-Survey-Results.pdf>

A summary of the results from the 2019-2020 FRUIP Perception Survey



Additional Surveys carried out during the reporting period

As a proactive approach during hard lockdown the FRUIP team also carried out two surveys specifically to understand the pandemic's effects on businesses and people within the precinct and measures we could implement to provide support during COVID-19 recovery and beyond. The surveys were distributed via the FRUIP communication channels with a notable response.

To access the complete results from the Business Survey, click the link below.

<https://floridaroaduip.co.za/site/wp-content/uploads/bsk-pdf-manager/2020/09/LOCKDOWN-BUSINESS-IMPACT-SURVEY-FRUIP.pdf>

To access the complete results from the Public Survey, click the link below.

<https://floridaroaduip.co.za/site/wp-content/uploads/bsk-pdf-manager/2020/09/LOCKDOWN-PUBLIC-RESIDENT-IMPACT-SURVEY-FRUIP.pdf>

A major lockdown survey outcome

The BizHub is a free business listing directory, available to businesses within the precinct and is set up on the FRUIP website. Users create a profile and can easily add their business details and images for other people to access.

The BizHub listing service was sparked in response to the COVID-19 business impact surveys conducted by the UIP in April and May. Precinct manager Andrew Fynn says: "We received overwhelming requests for increased business marketing support in the precinct and decided to leverage our current communications platforms to assist."

Read more here

<https://floridaroaduip.co.za/site/increase-your-business-digital-presence-with-the-uips-new-bizhub-listing/>

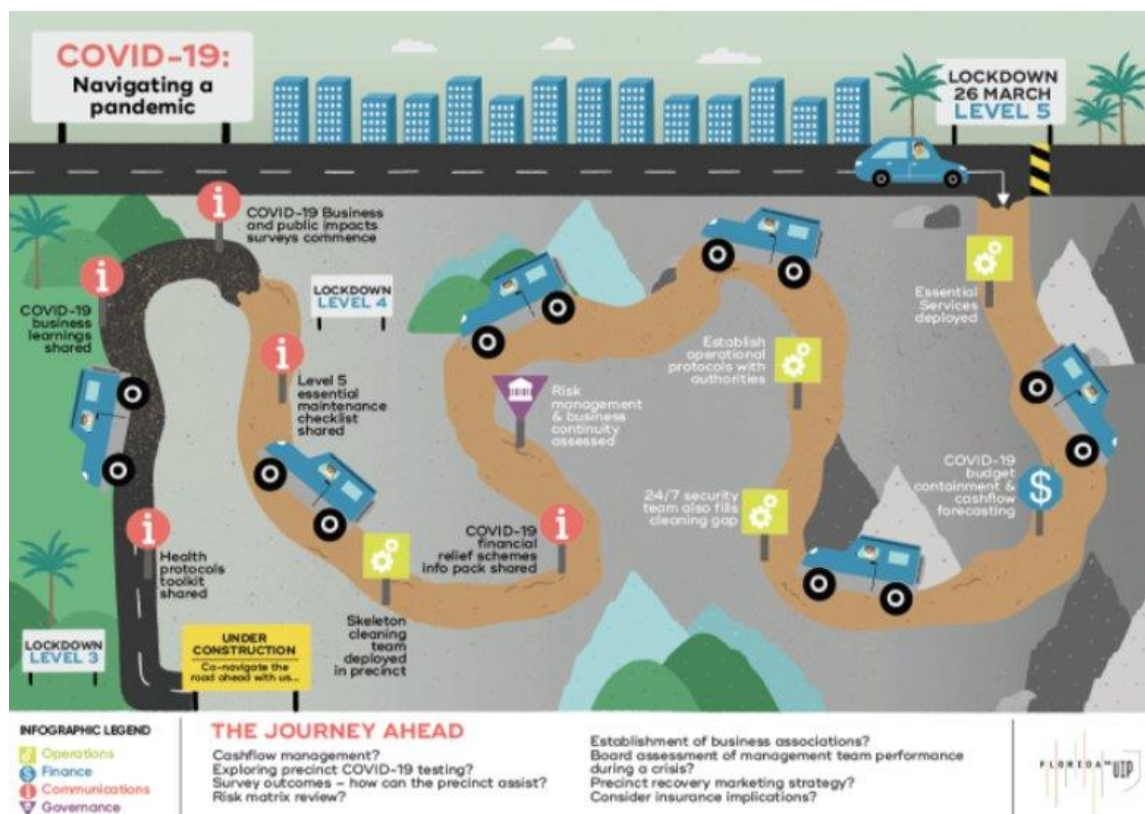


Access the Florida Road UIP BizHub [here](#)

Additionally, the FRUIP Comms team are working on pushing the BizHub on communication channels to actively encourage businesses to register and take advantage of this free service.

Navigating the COVID-19 pandemic

The FRUIP team worked together to create a comprehensive graphic to depict measures taken to navigate through the worst parts of the pandemic. The COVID-19 pandemic did not come with instructions or a road map. This did not deter the Florida Rd UIP as we tackled the lockdown with a holistic management response to protect properties and businesses, keep the precinct well managed and cared for, and ensure business continuity. See below graphic representation of how we successfully navigated the pandemic. Click here for the PDF version – <https://floridaroaduip.co.za/site/covid-19-navigating-a-pandemic/>



NAVIGATING COVID-19: Precinct management during a pandemic



FINANCE: Proactive budgeting for business continuity

- Drove a proactive COVID budget containment process with the precinct board, including scenario planning, levy arrears recovery forecasting; cost containment which required review of service scope and level, implementation of associated savings interventions and associated negotiations with service providers.
- Maintaining monthly creditor payments and weekly debtor tracking
- Updating of monthly cashflow analysis to ensure business continuity



COMMUNICATIONS: Supporting members with useful information & keeping them informed

- The three primary communications themes are:
 - Your property and / or business is safe and being protected
 - The precinct is being well managed and cared for
 - The precinct is ready and willing to make up lost economic ground post recovery
- Weekly newsletters to keep stakeholders informed
- Meaningful stories & info
 - Private & public sector COVID-19 relief info pack collated to assist members and businesses in the precinct
 - Business maintenance essential service check list which could be done during the lockdown, thus saving downtime once back in business
 - Compiled a suggested workplace health protocols guide with useful templates to save business time and expense
 - Provided a PPE supplier listing for getting back to business
 - Shared COVID-19 business learnings which was intended to assist businesses with similar internal processes
- Consistent on the ground reporting to reassure members
- Supported community building initiatives
- Ensured regular discussions and updates with key property owners and businesses to reassure them the precinct is in good hands

Florida Road UIP - Olive Tree Church, 113 Florida Rd - jarrod@urbanmgt.co.za - www.floridaroaduiip.co.za

NAVIGATING COVID-19: Precinct management during a pandemic



OPERATIONS: Getting the Inside Track

- Registration, preparation and placement of precinct management teams as essential service providers
- Establishing operational protocols with the Municipality and SAPS
- Ongoing discussions and meetings with chairmen and directors to ensure informed decision making
- Bi-weekly report back to precinct boards
- Daily internal meetings on the security and general services status of precincts to which chairmen were invited
- Ensuring emergency repairs to public realm infrastructure was speedily completed
- Ongoing fault reporting to the municipality and follow up
- Cleaning & greening:
 - Optimising operational routines & responsibilities of a much reduced cleaning and greening staffing complement
 - Security staff assisting with cleaning duties when cleaners aren't present
- Security:
 - 24/7 security acting as the eyes and ears for precinct members
- Ensuring a healthy precinct
 - Precinct sanitisation initiatives - infrared scanners, public space sanitising and perspex screens
 - Operational staff equipped with required PPE
 - Public space sanitisation of benches, bus stops and ablution facilities conducted.



GOVERNANCE: Ensuring Business as usual

- Enhancing communications with the Board - assisting the Board to 'take the lead'
- Considering the potential impact on the organisation's ability to function and providing mitigation recommendations
- Review of Risk Management Framework and devising a precinct and recovery plan
- Assessing key areas where there is additional risk and probabilities for their occurrence

Florida Road UIP - Olive Tree Church, 113 Florida Rd - jarrod@urbanmgt.co.za - www.floridaroaduiip.co.za

Budget 2021/22

The budget provides for holistic supplementary service delivery to Florida Road's 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 board has agreed to a 0% Levy increase due to the economic effects of COVID-19. The Budgeted Deficit will be funded by the Reserve.

Florida Rd UIP Budget July 2021 - June 2022		
	2021/2022	2020/2021
	R	R
Income	3 546 625	3 529 724
Expenses		
1 Admin and general	197 461	188 028
2 Utilities	0	0
3 Company costs	129 233	121 249
4 Operational management	653 765	628 291
5 Security	879 033	843 969
6 Cleaning	547 989	519 689
7 Greening	70 335	66 695
8 Repairs & maintenance	48 199	46 346
9 Social Economic Development	636 944	616 771
10 Communications, PR & mrkt. of the UIP	136 209	130 969
11 Project management and leverage fee	350 601	337 119
12 Special Projects	31 200	30 000
	3 680 971	3 529 126
Total Expenses	3 680 971	3 529 126
(Deficit)/ Surplus	-134 346	598

5. Conclusion

My sincere thanks are extended to the Board of Directors and invitees who voluntarily contribute their valuable time and effort to assist in managing the business of the UIP. Equally a big thank you goes to eThekweni City Management, municipal departments, the SA Police Services, and the Community Policing Forum for all your dedication and support this past year.

I would also like to take this opportunity and thank our management team for their hard work and dedication ensuring the success of the UIP and Florida Rd. Without their efforts we could not have achieved the successes to date.

Finally, thank you to all UIP members who have supported the endeavours of the UIP. We look forward to reporting on an equally productive 2020/2021 financial year.

Wayne Stainforth

Chairman

Florida Road Urban Improvement Project NPC

(Registration number 2013/059252/08)

Annual Financial Statements
for the year ended 30 June 2020

Florida Road Urban Improvement Project NPC

(Registration number: 2013/059252/08)

Annual Financial Statements for the year ended 30 June 2020

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Management and Administration of the Florida Road Precinct
Directors	W Stainforth A Sudheim P Brown R Rodger L Dinsdale C Rencken T Woods
Registered office	44 Lagoon Drive Umhlanga Rocks Kwazulu Natal 4319
Business address	44 Lagoon Drive Umhlanga Rocks Kwazulu Natal 4319
Auditors	Baker Tilly Morrison Murray Chartered Accountants (SA) 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: NTTB Zuma Professional Accountant (S.A.)
Issued	<hr/>

Florida Road Urban Improvement Project NPC

(Registration number: 2013/059252/08)

Annual Financial Statements for the year ended 30 June 2020

Index

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

	Page
Directors' Responsibilities and Approval	3
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Statement of Changes in Equity	9
Statement of Cash Flows	9
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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
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Florida Road Urban Improvement Project NPC

(Registration number: 2013/059252/08)

Annual Financial Statements for the year ended 30 June 2020

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 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 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 employees 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 have reviewed the company's cash flow forecast for the year to 30 June 2021 and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the company's financial statements. The financial statements have been examined by the company's external auditors and their report is presented on pages 4 to 6.

The annual financial statements set out on pages 7 to 15, which have been prepared on the going concern basis, were approved by the directors and were signed on their behalf by:

Director

Director

Independent Auditor's Report

To the shareholders of Florida Road Urban Improvement Project NPC

Opinion

We have audited the financial statements of Florida Road Urban Improvement Project NPC (the company) set out on pages 8 to 14, which comprise the statement of financial position as at 30 June 2020, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Florida Road Urban Improvement Project NPC as at 30 June 2020, 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. 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 sections 290 and 291 of the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (Revised January 2018), parts 1 and 3 of the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (Revised November 2018) (together with the IRBA Codes) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities, as applicable, in accordance with the IRBA Codes and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Codes are consistent with the corresponding sections of the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) respectively. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw attention to Note 15 to the financial statements which indicates the impact of the outbreak of the novel coronavirus (COVID-19), which was declared a global pandemic by the World Health Organisation in March 2020. Our opinion is not modified in respect of this matter.

Independent Auditor's Report

Other information

The directors are responsible for the other information. The other information comprises the Detailed Income Statement as set out on page 15 and the Directors' Report as required by the Companies Act of South Africa, which we obtained prior to the date of this report. 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 on the other information obtained prior to the date of this auditor's report, 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 Annual Financial Statements

The directors are responsible for the preparation and fair presentation of the annual financial statements in accordance with 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 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.

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 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 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 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.

Independent Auditor's Report

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.

Baker Tilly Morrison Murray
Registered Auditors

Partner: M Sharpley

Date: _____

Florida Road Urban Improvement Project NPC

(Registration number: 2013/059252/08)

Annual Financial Statements for the year ended 30 June 2020

Directors' Report

The directors have pleasure in submitting their report on the annual financial statements of Florida Road Urban Improvement Project NPC for the year ended 30 June 2020.

1. Nature of business

Florida Road Urban Improvement Project NPC 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 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:

W Stainforth
A Sudheim
P Brown
R Rodger
L Dinsdale
C Rencken
T Woods

4. Going concern

On 11 March 2020, the World Health Organisation declared the novel strain of coronavirus (COVID-19) a global pandemic and recommended containment and mitigation measures worldwide. This led the President of South Africa to impose a nation-wide lockdown which has caused companies to close its operations for an extended period from 27 March 2020. While the disruption is currently expected to be temporary, there is uncertainty around the duration as well as the recovery timeline. Therefore, while the company expects this matter to negatively impact its cash flow, results of operations and financial position, the related financial impact cannot be reasonably estimated at this time.

Notwithstanding the operational and financial effects of the nation-wide lockdown, 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 and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any further 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.

5. Auditors

Baker Tilly Morrison Murray continued in office as auditors for the company for 2020.

Florida Road Urban Improvement Project NPC

(Registration number: 2013/059252/08)

Annual Financial Statements for the year ended 30 June 2020

Statement of Financial Position as at 30 June 2020

Figures in Rand	Note(s)	2020	2019
Assets			
Non-Current Assets			
Property, plant and equipment	2	7 000	10 360
Current Assets			
Trade and other receivables	3	708 648	559 102
Cash and cash equivalents	4	117 516	258 418
		826 164	817 520
Total Assets		833 164	827 880
Equity and Liabilities			
Equity			
Retained income	5	795 321	471 983
Liabilities			
Current Liabilities			
Trade and other payables	6	37 843	158 951
Taxation		-	196 946
		37 843	355 897
Total Equity and Liabilities		833 164	827 880

Florida Road Urban Improvement Project NPC

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Annual Financial Statements for the year ended 30 June 2020

Statement of Comprehensive Income

Figures in Rand	Note(s)	2020	2019
Revenue	7	3 294 817	3 783 087
Operating expenses		(2 979 457)	(3 446 016)
Operating profit	8	315 360	337 071
Interest received	9	9 110	11 220
Interest paid	10	(62 305)	-
Profit before taxation		262 165	348 291
Taxation	14	61 173	(196 946)
Profit for the year		323 338	151 345

Statement of Changes in Equity

Figures in Rand	Retained income	Total equity
Balance at 01 July 2018	320 638	320 638
Profit for the year	151 345	151 345
Balance at 01 July 2019	471 983	471 983
Profit for the year	323 338	323 338
Balance at 30 June 2020	795 321	795 321
Note(s)	5	

Statement of Cash Flows

Figures in Rand	Note(s)	2020	2019
Cash flows from operating activities			
Cash generated from operations	13	48 066	172 761
Interest income		9 110	11 220
Interest paid		(62 305)	-
Tax paid		(135 773)	-
Net cash from operating activities		(140 902)	183 981
Total cash movement for the year		(140 902)	183 981
Cash at the beginning of the year		258 418	74 437
Total cash at end of the year	4	117 516	258 418

Florida Road Urban Improvement Project NPC

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Annual Financial Statements for the year ended 30 June 2020

Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The annual financial statements have been prepared on a going concern basis 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

Critical judgements in applying accounting policies

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

Key sources of estimation uncertainty

Useful lives of property, plant and equipment

The company reviews the estimated useful lives of property, plant and equipment when changing circumstances indicate that they may have changed since the most recent reporting date.

Impairment testing

The company reviews and tests the carrying value of property, plant and equipment 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.

1.2 Property, plant and equipment

Property, plant and equipment are tangible assets which the company holds for its own use or for rental to others and which are expected to be used for more than one period.

Property, plant and equipment is initially measured at cost.

Cost includes costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service 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.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the company and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the period in which they are incurred.

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the company.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Furniture and fixtures	Straight line	5 years

When indicators are present that the useful lives and residual values of items of property, plant and equipment have changed since the most recent annual reporting date, they are reassessed. Any changes are accounted for prospectively as a change in accounting estimate.

Florida Road Urban Improvement Project NPC

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Annual Financial Statements for the year ended 30 June 2020

Accounting Policies

1.2 Property, plant and equipment (continued)

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

1.3 Financial instruments

Initial measurement

Financial instruments are initially measured at the transaction price. This included transaction costs, except for financial assets and liabilities that are measured at fair value through profit and loss.

Financial instruments at amortised cost

These include loans, trade receivables and trade payables. Those debt instruments which meet the criteria in section 11.8(b) of the standard, are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

Financial instruments at cost

The company assesses its financial assets measured at cost for impairment at each reporting date. In determining whether an impairment loss should be recorded in the statement of comprehensive income, the company makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

Financial instruments at fair value

All other financial instruments, including equity instruments that are publicly traded or whose fair value can otherwise be measured reliably, without undue cost or effort, are measured at fair value through profit and loss.

If a reliable measure of fair value is no longer available without undue cost or effort, then the fair value at the last date that such a reliable measure was available is treated as the cost of the instrument. The instrument is then measured at cost less impairment until management are able to measure fair value without undue cost or effort.

1.4 Impairment of assets

The company assesses at each reporting date whether there is any indication that property, plant and equipment may be impaired.

If there is any such indication, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

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.

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Annual Financial Statements for the year ended 30 June 2020

Accounting Policies

1.5 Government grants

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

Grants that impose specified future performance conditions are recognised in income only when the performance conditions are met.

Grants received before the revenue recognition criteria are satisfied are recognised as a liability.

Grants are measured at the fair value of the asset received or receivable.

1.6 Revenue

Revenue comprises grant income received from Ethekweni 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

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Annual Financial Statements for the year ended 30 June 2020

Notes to the Annual Financial Statements

Figures in Rand 2020 2019

2. Property, plant and equipment

	2020			2019		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Furniture and fixtures	20 080	(13 080)	7 000	20 080	(9 720)	10 360

Reconciliation of property, plant and equipment - 2020

	Opening balance	Depreciation	Closing balance
Furniture and fixtures	10 360	(3 360)	7 000

Reconciliation of property, plant and equipment - 2019

	Opening balance	Depreciation	Closing balance
Furniture and fixtures	14 321	(3 961)	10 360

3. Trade and other receivables

Trade receivables	644 594	559 102
VAT	64 054	-
	708 648	559 102

4. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	117 516	258 418
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The bank account is administered by Eris Property Group (Pty) Ltd in terms of section 32(1) of the Estate Agency Affairs Act of 1976.

5. Retained income

Accumulated surplus	652 054	366 447
Place making fund	143 267	105 536
	795 321	471 983

6. Trade and other payables

Trade payables	36 555	158 951
Amounts received in advance	1 288	-
	37 843	158 951

7. Revenue

Grant income in terms of Florida Road Special Rating Area	2 992 467	3 405 901
Voluntary contributions	302 350	377 186
	3 294 817	3 783 087

Florida Road Urban Improvement Project NPC

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Annual Financial Statements for the year ended 30 June 2020

Notes to the Annual Financial Statements

Figures in Rand	2020	2019
8. Operating profit		
Operating profit for the year is stated after accounting for the following:		
Depreciation on property, plant and equipment	3 360	3 961
9. Investment revenue		
Interest revenue		
Bank	9 110	11 220
10. Interest paid		
Interest paid on under-payment of prior period provisional taxes and late payment of prior period taxes	62 305	-
11. Directors' remuneration		
No emoluments were paid to the directors or any individuals holding a prescribed office during the year (2019: Nil).		
12. Auditor's remuneration		
Fees	26 124	21 854
13. Cash generated from operations		
Profit before taxation	262 165	348 291
Adjustments for:		
Depreciation	3 360	3 961
Interest received	(9 110)	(11 220)
Interest paid	62 305	-
Changes in working capital:		
Trade and other receivables	(149 546)	(309 040)
Trade and other payables	(121 108)	140 769
	48 066	172 761
14. Taxation		
Current taxation		
South African normal tax - prior period (over) under provision	(61 173)	196 946

No provision has been made for 2020 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.

15. Going concern

On 11 March 2020, the World Health Organisation declared the novel strain of coronavirus (COVID-19) a global pandemic and recommended containment and mitigation measures worldwide. This led the President of South Africa to impose a nation-wide lockdown which has caused the company to close its operations for an extended period from 27 March 2020. While the disruption is currently expected to be temporary, there is uncertainty around the duration as well as the recovery timeline.

Therefore, while the company expects this matter to negatively impact its cash flow, results of operations and financial position, the related financial impact cannot be reasonably estimated at this time.

Florida Road Urban Improvement Project NPC

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Annual Financial Statements for the year ended 30 June 2020

Detailed Income Statement

Figures in Rand	Note(s)	2020	2019
Revenue			
Grant income		2 992 467	3 405 901
Voluntary contributions		302 350	377 186
	7	3 294 817	3 783 087
Operating expenses			
Administration and management fees		970 138	917 252
Advertising		89 617	84 114
Audit fees	12	26 124	21 854
Bank charges		2 289	1 933
Cleaning		274 291	235 603
Depreciation, amortisation and impairments		3 360	3 961
Entertainment		7 635	8 527
Garden		25 691	19 817
IT and data costs		23 614	20 092
Input VAT not claimed		-	404 111
Insurance		8 546	9 236
Legal expenses		-	22 084
Licence cost		1 500	-
Printing and stationery		14 780	7 229
Public relations services		103 000	221 262
Repairs and maintenance		29 495	26 828
Secretarial fees		42 756	40 140
Security		1 256 125	1 338 503
Tax administration fees		35 910	-
Telephone		36 486	34 591
Tools		4 580	4 939
Website cost		23 520	23 940
		2 979 457	3 446 016
Operating profit	8	315 360	337 071
Interest received	10	9 110	11 220
Interest paid	10	(62 305)	-
		(53 195)	11 220
Profit before taxation		262 165	348 291
Taxation	14	61 173	(196 946)
Profit for the year		323 338	151 345