

SCHEDULE 3



EASTLAKE ISLAND CITY IMPROVEMENT DISTRICT (CID) NPC ANNUAL REPORT & ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2026



Our online report is available at www.eastlakeislandcid.co.za

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PART A: GENERAL INFORMATION

1. GENERAL INFORMATION

Registered name:	Eastlake Island CID NPC
Registration no:	2024/345924/08
Physical address:	39A Burgee Bend, Marina da Gama, 7945
Postal address:	39A Burgee Bend, Marina da Gama, 7945
Telephone number/s:	N/A
Email address:	info@eastlakeislandcid.co.za
Website address:	www.eastlakeislandcid.co.za
External auditors:	Swemmer MacInnes & Associates (Year1)
Banker's information	Capitec Business
Company Secretary:	Cheryl Philip

2. LIST OF ABBREVIATIONS/ACRONYMS

CCT	City of Cape Town
CID Branch	Oversight branch of the CCT
EICID or CID	Eastlake Island City Improvement District NPC
ACT	The Companies Act, No 71 of 2008
AFS	Audited Annual Financial Statements
AGM	Annual General Meeting
KING IV	King IV™ Report on Corporate Governance
MDGA	Marina da Gama Association
ExCom	Executive Committee (of MDGA)
MOI	Memorandum of Incorporation

3. A MESSAGE FROM THE CHAIRPERSON: OUR YEAR IN REVIEW

It is my pleasure to present the Chairperson's Report for the year ended 30 June 2026. This has been the CID's first year of settled operations after the establishment phase in FY'25, and the Board's focus has been on keeping the basics working well: safety, careful financial management, environmental improvement, useful communication and practical community support.

The CID remains financially sound. The AFS reflects a surplus for the year, positive accumulated reserves and cash resources available to support ongoing operations. This gives the Board a sound base from which to plan responsibly, while continuing to ensure that expenditure remains aligned with the approved business plan and the City of Cape Town's requirements.

Public safety remained the largest area of spend and the CID's most visible day-to-day priority. The existing camera network and watchman arrangements continued to support a stable safety environment, while the Board also considered future service options and the possible extension of technology where this is affordable, practical and supported by operational need.

A particular highlight of the year was the visible progress made in our public open spaces. Indigenous, water-wise planting was extended in selected areas, including the entrance and established flower beds, and the new children's play area has quickly become a valued community space. These improvements were possible because of cooperation between the City, councillors, residents and volunteers.

The waterways and surrounding natural environment remain central to life on Eastlake Island. While the CID does not manage the waterways directly, the Board continues to monitor developments and engage through appropriate community and City structures, particularly where water quality, invasive aquatic growth, stormwater and broader environmental conditions affect residents.

Social upliftment again reflected the generosity of our community. Member-supported initiatives assisted Sunrise Educare Centre, Loxion Mobile Library and the Peace Garden in practical ways, including food, books, toys, games, paint supplies and blankets. These projects show that even small contributions, when coordinated well, can make a meaningful difference beyond the Island.

Looking ahead, the Board will continue to focus on disciplined spending, practical service delivery and improved risk oversight. A first version of the risk matrix has been prepared and will be refined so that the Board can monitor key risks more regularly, including public safety, water quality, infrastructure, compliance, service provider performance and volunteer sustainability.

My sincere thanks go to my fellow directors, the management team, Councillors Izabel Sherry and Mandy Marr, our service providers, volunteers and residents. The CID works because people give their time, raise concerns constructively and help where they can. Together, we continue to maintain and develop a safe, attractive and welcoming community.

Cheryl Philip

Cheryl Philip

Chairperson, Board of Directors

4. TREASURER'S OVERVIEW

4.1 Financial overview

It is my pleasure to present the Treasurer's Overview for Eastlake Island CID NPC for the financial year ended 30 June 2026. The AFS, which form part of this report, set out the detailed results for FY'26. In summary, the CID remains in a sound financial position, ending the year with a surplus of R37,910 and cash resources of R53,073 to support ongoing operations.

Overall, expenditure was well controlled, core public safety services were fully funded, and additional investment was directed to environmental maintenance, gardens and public open spaces within the approved budget. This provides a sound base for the coming year's budget and service delivery priorities, including the planned extension of the CID's security camera network. The annual budget increase will remain at 8%, as reflected in the five-year business plan approved in 2023.

The AFS were prepared on a going concern basis, no material events after the reporting date were reported, and the Board has approved the AFS and recommends them to members for approval.

4.2 Supply chain management

Procurement during the year was conducted in line with the City of Cape Town's requirements and the CID's procurement policy. Quotes were obtained where required, existing contracts were reviewed, supplier performance remained satisfactory, and there were no unsolicited tender proposals.

4.3 Audit and going concern

The CID is subject to independent external audit. Swemmer MacInnes Inc. audited the AFS for the year ended 30 June 2026 and issued an unqualified audit opinion, confirming that the financial statements present fairly, in all

material respects, the financial position, financial performance and cash flows of the CID. The financial statements have been prepared on a going concern basis, and the Board is satisfied that the CID remains financially viable for the foreseeable future.

4.4 Breakdown of spend

Breakdown of spend	2026 actual	2025 actual	Comment
Public safety*	488,111	487,002	Core safety services remained the largest area of spend.
Environmental upgrading	14,660	10,548	Increased investment in public open spaces and greening initiatives.
Social upliftment	19,236	–	Audited spend related to indigenous fynbos for public open spaces; community upliftment activities were funded through member contributions.
Communications and marketing**	9,074	9,923	Advertising, marketing and related communication costs.
Administration***	8,782	9,778	Administrative expenditure remained controlled.
Repairs, signage and maintenance ****	9,080	6,337	Includes repairs and maintenance, with signage expenditure incurred in FY'26.
Total expenses	550,592	523,675	Total administrative and other expenses per the audited financial statements.

* Watchmen, camera monitoring and electricity | ** Website updates, domain etc. | *** Accounting, bank charges and meeting costs | **** Maintenance of watchman's house

Peter Kruyt

Peter Kruyt - Treasurer

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

We confirm that, to the best of our knowledge:

- All information and amounts disclosed in the annual report are consistent with the annual financial statements audited by Swemmer, MacInnes & Associates.
- The directors consider the annual report, taken as a whole, to be accurate, fair, balanced and free of material omissions.
- The Financial Statements, prepared in accordance with the IFRS for SME's Accounting Standard and the requirements of the Companies Act 71 of 2008 give a true and fair view of the assets, liabilities and financial position of the company.
- The external auditors have been engaged to express an independent opinion on the annual financial statements.

Approved by the board on 22 October 2026 and signed on behalf by:

Cheryl Philip

Cheryl Philip
Chairperson

Peter Kruyt

Peter Kruyt
Treasurer

6. DECLARATION BY THE COMPANY SECRETARY

In terms of section 88(2)(e) of the Companies Act 2008, as amended (the Act), I hereby certify that the company has filed the required returns and notices in terms of the Act in respect of the financial year ended 30 June 2026 and that, to the best of my knowledge and belief, all such returns and notices are true, correct and up to date.

Cheryl Philip

Cheryl Philip (FCG)

7. STRATEGIC OVERVIEW

7.1. Vision

The Eastlake Island CID NPC was established by local property owners in Eastlake Island, Marina da Gama to organize, fund, manage and facilitate supplementary services to that supplied by the CCT in the EICID for the entire community of Eastlake Island.

The EICID refers to a geographical area, designated as such by the City of Cape Town (CCT), in terms of the CID By-law and S22 of the Municipal Property Rates Act, on application by local property owners. The EICID NPC's activities are funded by local property owners through an additional rate levied on their properties.

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

7.2. Mission

There are four main objectives of the EICID, all of which will be delivered by working in conjunction with the CCT where possible, improving and enhancing existing neighbourhood initiatives where feasible, and implementing additional services where desirable.

The four key pillars: safety, maintenance and cleaning, greening and beautification, and social responsibility. The activities proposed to meet those objectives should all be seen as part of a system with a significant degree of interaction between relevant services required for all objectives to be met.

- Maintaining the current high levels of public safety and sustaining them by improved safety initiatives. The use of technology will also increase. Core principles include expansion of security resources;
- Environmental development, including, but not limited to:

- beautifying and upgrading public areas and facilities; and
 - Support for, and involvement in, broader civil society water quality initiatives; and
 - Social development initiatives; and
 - Regular and frequent communications between the CID board and the residents.
- Our strategy for promoting that vision is detailed in our Business Plan, available online at www.eastlakeislandcid.co.za*

7.3. Values

The core values of the Eastlake Island CID are transparency, accountability and community participation. To be achieved through:

- Transparent governance and effective communication;
- Ongoing communication to and with the Eastlake Island CID community;
- The submission of annual reports to the local community and the CID Branch;
- The encouragement of local community participation in board meetings and members meetings of the CID company; and
- The publication of relevant documentation online.

8. STATUTORY MANDATE

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

9. ORGANISATIONAL STRUCTURE

Our portfolio holders include members of the board and other members of the community.

Board of directors:

In accordance with King IV Principle 7, the Board of Directors comprises five non-executive directors, all of whom are responsible for providing independent oversight and strategic direction to the Company:

- Cheryl Philip – Chairperson and Company Secretary; incorporator, re-elected at the Annual General Meeting (“AGM”) held on 2 December 2025
- Peter Kruyt – Treasurer; incorporator, appointed at the AGM held on 4 December 2024, re-elected at the Annual General Meeting (“AGM”) held on 2 December 2025
- Peter Weir – Public Safety and Infrastructure; incorporator, re-elected at the AGM held on 4 December 2025
- Rudy Kindler – Environment; appointed at the AGM held on 4 December 2025
- Barrie Barnard – Administration and Community Upliftment; appointed by the Board on 20 January 2026

Community members/management team:

The CID is supported by a management team member who holds a portfolio-specific role and attends all Board meetings by invitation. While contributing to Board discussions and providing operational input, the management team member does not have voting rights and is not a director. Peter Kruger is the sole member of the management team and serves as portfolio holder for Parks and Gardens.

PART B: PERFORMANCE INFORMATION

1. SITUATIONAL ANALYSIS

1.1 Service Delivery Environment

During FY'26, the CID operated in a stable service delivery environment and delivered its planned services in line with the approved business plan. With the establishment phase completed, financial and operational processes are now embedded, allowing the Board to manage services with greater confidence while continuing to apply prudent financial discipline.

Key administrative and statutory requirements, including City of Cape Town vendor registration, tax compliance and tax-exempt status, were in place during the year and are now routine operational processes.

1.2 Organizational Structure and Changes:

The CID continues to operate with a lean governance and operational structure appropriate to its size and mandate. Governance is provided by the Board, supported by one management team member, as detailed in the Organisational Structure section of this report.

No material changes to the organisational structure occurred during the year. Portfolio responsibilities remained stable, although the communications portfolio remains vacant and is being overseen on an interim basis by the Chairperson, with support from Board and community members where required.

2. COMPLAINTS PROCESS

The EICID is guided by the complaints process, which is in line with the requirements of the CID Branch and has been uploaded to the company's website. No complaints were received for the period under review, so no remedial action was required.

3. STRATEGIC OBJECTIVES

Public safety and crime mitigation

Public safety remains the EICID's core focus. The CID continues to support a low-crime environment through contracted security services, CCTV monitoring and ongoing information sharing with relevant security partners and community structures.

Environmental upgrading and sustainability

Environmental upgrading remains a key strategic objective. During FY'26, the CID built on prior pilot projects by expanding indigenous fynbos planting in public open spaces, supporting biodiversity, visual improvement and more sustainable maintenance.

4. PERFORMANCE INFORMATION

4.1. PUBLIC SAFETY

Performance During FY'26

Public safety remained the Eastlake Island CID's primary priority during FY'26. The safety measures introduced in FY'25 continued to operate effectively, supported by 11 CCTV cameras monitoring key roads and public areas across the Island. The Board

maintained the established configuration to provide continuity, monitor performance and support cost stability.



- Managing access by bin pickers and other non-residents crossing onto the Island, particularly via the footbridge from Park Island, remained a focus area. The area is monitored, safety measures remain in place, and the CID continues to communicate with Park Island security on this concern.
- A security incident in July 2026 serves as a reminder to remain cautious. A resident's cell phone was stolen from her vehicle after she assisted a stranger seeking access to a toilet. Residents are encouraged not to allow strangers into their homes or vehicles and to direct them to public facilities where appropriate.

- The large parking area at the end of Eastlake Island Way has also increasingly been used as a “safe parking” area by non-residents. Residents are encouraged to report these vehicles as soon as possible so that appropriate steps can be taken.
- The CID has also focused on the removal of non-running or unroadworthy vehicles left on roadsides or pavements, as these affect both the appearance and accessibility of the neighbourhood. These matters will continue to be handled in a fair and practical way. Where reasonable warnings are not acted on, the Traffic Department will be contacted for assistance.



Looking ahead:

Public safety will remain the CID’s foremost priority. The Board will continue to monitor current arrangements and consider practical, affordable improvements where supported by operational need and community input.

Budget Performance:

- Public safety remained the CID’s largest area of expenditure during FY’26, with audited spend of R488,111 on watchmen, CCTV monitoring and electricity costs for the camera network.
- The combined spend was broadly in line with the prior year’s public safety expenditure, while maintaining the established safety arrangements across the Island.

Acknowledgments:



The Board thanks the CID’s service providers, community volunteers and residents whose support and vigilance continue to play an important role in maintaining public safety.

4.2 URBAN MANAGEMENT AND ENVIRONMENTAL

Public Open Spaces

Overview of the public open spaces:

The maintenance and enhancement of public open spaces on Eastlake Island is undertaken through a cooperative approach involving the City of Cape Town, the Marina da Gama Association, and the local community. These arrangements enable the CID to focus on targeted environmental improvements that supplement core municipal services.



Initiatives and Projects:

During the reporting period, the CID implemented a more structured and coordinated approach to the management of public open spaces. This included direct oversight of CID-managed areas, strengthened collaboration with the MDGA Executive Committee, and closer engagement with City Recreation services to ensure alignment of maintenance activities and environmental priorities.

Flowerbeds and Environmental Upgrading:

Environmental upgrading and sustainability remain key strategic objectives of the EICID. Building on the successful pilot projects implemented in the prior year, the CID expanded its greening initiatives during FY'26, establishing additional flower beds planted with indigenous fynbos species across public open spaces.

The selection of locally appropriate fynbos reflects the CID's commitment to environmental suitability, water-wise landscaping, and biodiversity enhancement. These plantings have proven resilient to local climatic conditions, including strong winds, and have benefited from favourable winter rainfall. The outcomes to date demonstrate improved aesthetic quality, increased ecological value, and reduced long-term maintenance requirements.



Looking ahead:

Future environmental initiatives will continue to be guided by the measured success of implemented projects, environmental appropriateness, and available budget. The CID intends to incrementally expand greening and beautification efforts where sustainable outcomes can be achieved, while ensuring that ongoing maintenance remains manageable and cost-effective.

Waterways

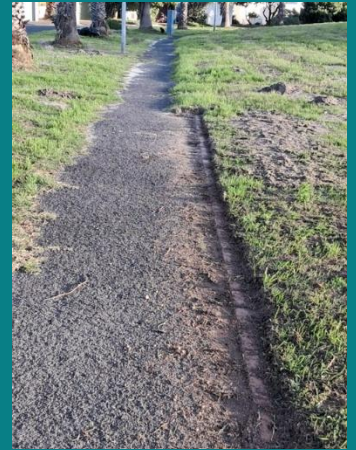
In line with the CID's approved business plan, the EICID does not undertake direct activities within the waterways, as these functions are addressed by various established organisations and City structures. While the CID supports the objectives of improved water quality and environmental stewardship, its role is limited to awareness, monitoring, and appropriate engagement where necessary. The appointment of Mr Rudy Kindler to the MDGA ExCom waterways portfolio in June 2025 provides an indirect point of connection and visibility into waterway matters but does not alter the CID's non-operational position in this area.



Infrastructure

The CID engaged with the City on traffic-calming measures for Eastlake Island, including a proposed 40 km/h speed zone and traffic circle. The City advised that a speed reduction would only be considered after a costly traffic survey, of which only four are undertaken each year; and the traffic circle has not been approved. Accordingly, the CID will not pursue either the 40 km/h zone or the traffic circle further, and will instead try for a speed hump, which may be considered through the Councillor's allocation.

One of the first requests made to the City following the incorporation of the CID was for the retarring of roads in and leading into our area, starting from Battleridge and Prince George Drive. We have now been advised that the majority of roads in our area are scheduled for resurfacing from October 2026. While Halyard Walk and its cul-de-sacs are currently excluded, we have requested that these roads also be considered. This remains a very positive development and an important step in improving the condition and appearance of the area.



The play area has quickly become a much-loved community space and is being enjoyed by many of our children. Appropriate monitoring and safety measures are in place, and we will continue to assess the area to ensure it remains welcoming and well-used. A special word of thanks goes to Councillor Isabel Sherry for assisting with equipment from the Muizenberg beachfront, and to the many local parents and contributors who helped make the play area a welcoming, enjoyable and safe space for the community.

Looking ahead, the CID will continue working with the City and residents to identify practical improvements to public spaces and road safety, while keeping Eastlake Island attractive, accessible and community-friendly.

Thanks and appreciation

The Board extends its thanks and appreciation to all members who contributed their time, effort, and commitment to making our community an even better place.

With shared energy and commitment, we continue to nurture and improve the open spaces of Eastlake Island, creating a greener, safer, and more welcoming environment that strengthens our sense of belonging and enhances the island's appeal as a wonderful place to live.

4.3 SOCIAL UPLIFTMENT:

Strategy and Process:

As a City Improvement District, the EICID is required to commit to social upliftment. During FY'26, the CID continued with a practical and community-led approach, focusing on support that could be delivered responsibly through member participation and targeted donations.

During FY'26, the CID continued to focus its social upliftment support on Loxion Mobile Library and Sunrise Educare Centre, building on the relationships established in the previous year and responding to practical needs identified by these organisations.

Budget Performance:

In line with the approved business plan, the CID did not use CID funds for direct social upliftment activities in the community during FY'26. The Mandela Day blanket project was funded through generous member contributions, while the expenditure reflected in the audited financial statements under social upliftment related to the purchase of indigenous fynbos from a Zandvlei NGO for use in the CID's public open spaces.

Member engagement and activity overview:

The following initiatives were successfully implemented during FY'26:



Loxion Library:

November 2025: Donation of books

Christmas 2025: Board games



Initiative	Date	Recipient	Result
Food drive	6–18 July 2025	Sunrise Educare Centre	Non-perishable food items were collected from members and delivered on Nelson Mandela Day to support the centre, which feeds 220 children daily.
Book delivery	28 November 2025	Loxion Mobile Library	Books and reading materials were delivered to support literacy and learning activities.
Christmas Box Drive	3 December 2025	Sunrise Educare Centre and Loxion Mobile Library	Fifty-three Christmas boxes and six boxes of toys were delivered to Sunrise Educare Centre; Loxion Mobile Library also received four boxes of board games and puzzles.
Paint and supplies	6 March 2026	Peace Garden, Vrygrond	Unused paint, brushes, trays and related supplies were donated for the Peace Garden's Paint and Pancake Day.
Magazine delivery	27 May 2026	Loxion Mobile Library	Old magazines were delivered for use in learning and creative activities.
Mandela Day blanket project	24 June 2026	Sunrise Educare Centre	Fifty-three blankets and a few additional items were delivered, helping to spread warmth to elderly members of the neighbouring community.

Sunrise Educare Centre:

Christmas 2025: Toys & Santa Boxes; Mandela Day blankets and donations games



The CID is grateful to all members who contributed goods, funds and time during the year. Their support allowed the social upliftment programme to remain practical, responsive and rooted in the generosity of the Eastlake Island community.

4.4 COMMUNICATIONS:

Communications remained an important part of the CID's work during FY'26, helping ensure that residents and stakeholders continued to receive timely, practical and relevant information. The communications portfolio remains vacant, and communications are therefore overseen on an interim basis by the Chairperson, with support from Board members and members of the community where required.

The CID continued to use a combination of communication channels, including the website, email circulars and WhatsApp messaging, to share notices, public safety updates, service delivery information, meeting notices and official CID documentation.

Performance during FY'26

During the year, communications focused on keeping members informed about CID activities, public safety matters, environmental and infrastructure updates, social upliftment initiatives and statutory processes. Formal notices continued to be circulated as required, and day-to-day communication remained practical and responsive.

Budget performance

Communications and marketing expenditure remained within the overall approved budget and related mainly to advertising, website, domain and other communication costs. Costs were managed carefully, while still ensuring that members received the information needed to remain informed and engaged.

Looking ahead

The Board continues to seek a member of the community to assist with the communications portfolio. This remains an important opportunity for a resident with an interest in clear, practical communication to make a visible contribution to the CID and the wider Eastlake Island community.

4.5 SPECIAL PROJECTS

During FY'26, the CID completed the planned signage project. Signage was installed at the entrance to Eastlake Island, one sign was installed at the bridge, and two further signs were installed within the CID's geographical area.

The project was completed for less than the approved R5,000 budget allocation, providing a practical and visible improvement to wayfinding and identification within the CID area.

PART C: CORPORATE GOVERNANCE

1. APPLICATION OF KING IV™

The EICID applies King IV where relevant to its nature, size and role as a non-profit City Improvement District entrusted with public funds. The Board applies the relevant principles in a practical and proportionate way, with emphasis on ethical leadership, transparency, responsible financial oversight, risk awareness and accountability to members, the City and the broader community.

2. GOVERNANCE STRUCTURE

2.1 *Board composition:*

The Board is responsible for ensuring that its composition enables it to discharge its governance duties and support the Company's strategy. At year-end, the Board comprised five non-executive directors, all classified as independent.

The attendance of the directors at the board meetings of the CID is noted on page 33 of this report.

2.2 *Appointment of the board*

Director nomination, election, and compensation

- Compensation: All board members are volunteers and serve without compensation
- Nomination and induction: All nominations are carried out by the board as a whole. New directors are inducted and guided by the full board and the company secretary on governing rules and regulations.
- The appointment of directors to the board of the company is governed by the MOI of the Company and in line with the Act.
- Election: Directors are elected by the members of the CID. One-third of the board is elected on a rotational basis. Directors appointed during the year must retire and stand for election at the AGM. Members are encouraged to submit nominations to the board for election at the AGM. A brief CV of each director standing for election or re-election will be included in the notice of the AGM.

2.3 Changes to the board

Name	Manner of Appointment	Date of appointment
Barrie Barnard	Appointed by the Board	20 January 2026

2.4 Overview of the board's responsibilities

The Board directs and oversees the affairs of the EICID in accordance with the Companies Act, King IV and the approved business plan. Its responsibilities include strategy, budget approval, financial reporting, internal controls, risk oversight, compliance and monitoring delivery against approved priorities.

2.5 Board committees

The Board has not appointed formal committees. Given the size of the CID, all strategic, operational and fiduciary matters are managed by the Board as a whole, with City-appointed Board observers attending meetings to support oversight.

2.6 Directors' independence

The Board comprises five non-executive directors, all classified as independent. The Board is satisfied that none of the directors has a material relationship with the Company that would compromise their independence.

Independent director in terms of King IV principle 7.30(c)					
Director	Cheryl Philip	Peter Kruyt	Peter Weir	Rudy Kindler	Barrie Barnard
Responsibilities	Chairperson & company secretary	Treasurer	Public Safety & infrastructure	Environment: waterways	Social upliftment & administration
Appointment to the board – principle 7.30(f)	Incorporator and re-elected at Members Meeting on 4/12/24	Incorporator and re-elected at Members Meeting on 4/12/24	Incorporator and re-elected at Members Meeting on 4/12/24	Elected at Members Meeting on 4 December 2024	Appointed by the Board on 20 January 2026
Committee membership	N/A	N/A	N/A	N/A	N/A
Skills and experience – principle 7.30(e)	Company secretary; previous chairperson of MDGA ExCom	Treasurer and member of ELISA	Member of ELISA; appointed to MDGA ExCom in June 2025	Appointed to MDGA ExCom in June 2025	Administration and community upliftment support

2.7 Board observer

In terms of the CID By-law, City councillors are appointed as Board observers by the Executive Mayor to support oversight of the CID's statutory mandate. Councillor Izabel Sherry serves as Board observer, with Councillor Mandy Marr as alternate.

Their attendance at Board meetings is reflected in the attendance table below.

2.8 Attendance at board meetings

Particulars of board meeting attendance are detailed in the table below:

	No. of meetings	02/07/24	22/08/24	10/10/24	28/11/24
Director					
Cheryl Philip	4/4	√	√	√	√
Peter Kruyt	4/4	√	√	√	√
Peter Weir	4/4	√	√	√	√
Barrie Barnard	4/4	√	√	√	√
Rudy Kindler	4/4	√	√	√	√
Board Observer					
Izabel Sherry	2/4				
Mandy Marr	2/4				
Management Team					
Peter Kruger		√	√	√	√

2.9 Appointment of company secretary

In accordance with section 86(1) of the Companies Act, the Company is required to appoint a company secretary. Ms Cheryl Philip serves in this role.

2.10 Board charter compliance with King IV for the reporting period 1 July 2025 – 30 June 2026

EICID has considered the King IV principles in the context of its role as a City Improvement District and applies the relevant practices in a practical and proportionate way. The Board is satisfied that its governance arrangements supported ethical conduct, responsible performance, appropriate control and stakeholder confidence during the reporting period.

PRINCIPLE 1: The governing body should lead ethically and effectively:

The Board met four times during the reporting period and operated in accordance with its governance mandate. It applied the Directors' Code of Conduct, managed conflicts of interest, and adopted a stakeholder-inclusive approach by inviting members to attend Board meetings and raise matters through the CID's communication channels.

PRINCIPLE 2: The governing body should govern the ethics of the organisation in a way that supports the establishment of an ethical culture:

The Board is satisfied that it governed organisational ethics appropriately during the reporting period. Supplier conduct was considered through procurement processes, no ethical breaches required sanctions or remedies, and procurement decisions were made in line with City requirements and Board oversight.

PRINCIPLE 3: The governing body should ensure that the organisation is and is seen to be a responsible corporate citizen.

The Board monitors the CID's activities to ensure that it remains a responsible corporate citizen. During the year, key focus areas included social upliftment, public open space improvements, environmental awareness and collaboration with relevant City and community structures. The Company has no employees, and workplace matters are therefore not applicable.

PRINCIPLE 4: The governing body should appreciate that the organisation's core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value creation process

The Board considers the CID's purpose, risks, opportunities, strategy and available resources when making decisions. While several infrastructure matters depend on City approval and budget processes, the Board continues to manage CID resources carefully and to prioritise projects that are practical, affordable and aligned with the approved business plan.

PRINCIPLE 5: The governing body should ensure that reports issued by the organisation enable stakeholders to make informed assessments of the organisation's performance, and its short, medium- and long-term prospects

The Board ensures that the CID's reporting framework complies with the Companies Act, City requirements and the MOI. The annual report and annual financial statements are reviewed by the Board, placed before members at the AGM, and made available on the CID's website to support transparent reporting.

PRINCIPLE 6: The governing body should serve as the focal point and custodian of corporate governance in the organisation

In accordance with section 66(1) of the Companies Act, the Board directs and oversees the affairs of the Company and serves as the focal point and custodian of corporate governance. Its role, responsibilities and procedures are set out in the Board Charter, which is available on the CID's website.

PRINCIPLE 7: The governing body should comprise the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively

At 30 June 2026, the Board comprised of five independent non-executive directors and was led by an independent Chairperson. The Board is satisfied that its members collectively have the skills and experience required to discharge their duties. Director appointments, independence, experience and changes during the year are addressed in the Governance Structure section of this report.

PRINCIPLE 8: The governing body should ensure that its arrangements for delegation within its own structures promote independent judgement, and assist with balance of power and the effective discharge of its duties

The Board has not appointed formal committees. Given the size of the CID, all strategic, operational and fiduciary matters are managed by the Board as a whole, with City-appointed Board observers attending meetings to support oversight.

PRINCIPLE 9: The governing body should ensure that the evaluation of its own performance and that of its committees, its chair and its individual members, support continued improvement in its performance and effectiveness:

The Board did not undertake a formal performance evaluation during the reporting period. Given the CID's size and stage of maturity, the Board will continue to consider proportionate ways to review its effectiveness and identify practical improvements.

PRINCIPLE 10: The governing body should ensure that the appointment of, and delegation to, management contribute to role clarity and the effective exercise of authority and responsibilities:

Ms Cheryl Philip serves as Company Secretary, following consideration by the Board and the CID Branch of the City of Cape Town. Her appointment was approved based on her governance and corporate secretarial expertise, with appropriate recusal from deliberations relating to her appointment. The management team supports the Board operationally but does not exercise Board authority.

PRINCIPLE 11: The governing body should govern risk in a way that supports the organisation in setting and achieving strategic objectives

The Board is responsible for risk oversight and considers risks that may affect the CID's ability to deliver its approved business plan, remain financially sustainable and meet its statutory obligations. Given the size of the CID, risk matters are managed by the Board as a whole and addressed through financial oversight, supplier monitoring, City engagement, service delivery review and compliance reporting.

PRINCIPLE 12: The governing body should govern technology and information in a way that supports the organisation setting and achieving its strategic objectives:

The Board oversees technology and information matters in a practical manner appropriate to the CID's scale. Privacy and information management processes are in place; Board members, management team members and volunteers who assist the Board have signed POPI declarations; the Chairperson serves as Information Officer; and the PAIA manual, including the Privacy Policy, is available on the CID website. No information breaches or stakeholder information requests, other than those from the CID Branch, were recorded during the reporting period.

PRINCIPLE 13: The governing body should govern compliance with applicable laws and adopted, non-binding rules, codes and standards in a way that supports the organisation being ethical and a good corporate citizen:

The Board oversees compliance with applicable laws, the Companies Act, the CID By-law, City requirements, the MOI and adopted governance standards. Compliance is managed by the Board

and Company Secretary through statutory filings, reporting to the CID Branch, review of governance documents and adherence to procurement and approval requirements. No material non-compliance was identified during the reporting period.

PRINCIPLE 14: The governing body should ensure that the organisation remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term:

Principle 14 is not applicable in the ordinary remuneration sense, as all Board members, management team members and volunteers serve without compensation. The CID therefore has no remuneration policy or paid executive structures to report on.

PRINCIPLE 15: The governing body should ensure that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision-making and of the organisation's external reports:

The Board relies on a proportionate assurance model appropriate to the CID's size. External assurance is provided through the independent audit of the annual financial statements, while the Company Secretary supports statutory and governance compliance. Internal controls are maintained through Board approval of decisions and payments, monthly financial reporting, documented minutes, budget oversight and regular reporting to the CID Branch. The Board is satisfied that these arrangements support an effective control environment and the integrity of internal and external reporting.

PRINCIPLE 16: In the execution of its governance role and responsibilities, the governing body should adopt a stakeholder-inclusive approach that balances the needs, interests and expectations of material stakeholders in the best interests of the organisation over time:

The Board applies a stakeholder-inclusive approach appropriate to the CID's role and scale. Material stakeholders include members, residents, the City of Cape Town, the CID Branch, service providers and the broader Eastlake Island community. Engagement takes place through member meetings, Board meetings open to members, statutory reporting, the CID website, email circulars, WhatsApp communication, service provider interaction, Board observer oversight and ongoing communication with the City and CID Branch. The Board considers stakeholder interests when making decisions and seeks to balance those interests with the CID's approved business plan, available resources and long-term sustainability.

3. ETHICAL LEADERSHIP

The directors are expected to act ethically, in good faith and in the best interests of the NPC. The NPC has adopted the Directors' Code of Conduct provided by the CID Branch, which sets out the expected standards of conduct and guides directors in the discharge of their duties.

The Code is available at www.eastlakeislandcid.co.za.

On appointment, directors must declare any private interests that could give rise to an actual or potential conflict. These declarations are recorded in a register maintained by the Chairperson and updated when required.

Directors must also disclose any conflict that relates to a matter before the Board. Where appropriate, the affected director recuses themselves from the discussion and decision on that matter.

This process helps ensure that decisions are made transparently and in the best interests of the NPC.

The board is satisfied that the directors have complied with their duties in terms of the code during the year under review.

4. BOARD OVERSIGHT OF RISK MANAGEMENT

4.1 Risk Management Policy

The NPC's risk approach is to identify and manage the key risks that could affect service delivery, financial sustainability, compliance and the protection of Company assets and funds.

4.2 Risk Management Oversight during the Year Under Review

During the year under review, risk oversight was managed by the Board as a whole through financial oversight, service provider monitoring, City engagement and portfolio reporting. After year-end, the Board considered a first version of a strategic risk matrix, covering public safety, water quality, invasive aquatic weeds, levy and budget sustainability, POPIA compliance, infrastructure failure and service provider performance.

Enhanced risk management going forward

During FY'27, the Board will refine the risk register so that risks are clearly described, consistently assessed and linked to practical actions. The process will remain proportionate to the CID's size while improving regular monitoring of recurring and emerging risks.

Rudy Kindler's appointment as risk officer provides a clear point of coordination for maintaining the register and supporting the Board's ongoing review of key risks, particularly those relating to public safety, compliance, financial sustainability, environmental conditions and delivery of the approved business plan.

4.3 Key business risks and opportunities

This section outlines the primary operational, financial, and environmental risks evaluated for the Eastlake Island City Improvement District (EICID), alongside strategic opportunities identified in the EICID Annual Report to guide operational planning and resource allocation.

Opportunities Identified in the EICID Annual Report

- *Public Safety Technology Expansion:* Build on the sound financial baseline (R37,910 surplus and R53,073 cash reserves) to execute the planned extension of the CCTV camera network and evaluate cost-effective security technology upgrades.
- *Environmental & Public Space Enhancements:* Expand sustainable, water-wise fynbos planting in remaining public open spaces and leverage the popularity of the new children's play area to further develop family-friendly community zones.
- *Infrastructure & City Collaboration:* Capitalise on the scheduled October 2026 road resurfacing by the City to advocate for the inclusion of Halyard Walk, while utilizing Ward Councillor budget allocations to secure traffic-calming measures such as speed humps.

- *Inter-Organizational Synergy:* Utilize dual-representation roles across the CID, MDGA, ZPAAC, and City structures to strengthen influence over broader environmental and water quality monitoring without expanding direct CID operational spend.
- *Community Engagement & Communications:* Recouple community engagement by filling the vacant Communications Portfolio to drive transparent resident outreach, formalize volunteer participation, and expand member-funded social upliftment projects.
- *Governance & Risk Framework Maturation:* Formalize the strategic risk matrix and develop a light-touch Delegated Authority Framework to enhance governance efficiency as operational maturity grows.

Key Business Risks

The matrix below evaluates key business risks based on their likelihood of occurrence and potential impact severity on EICID operations:

Likelihood / Impact	Minor impact	Moderate impact	Significant impact
Likely	Low to medium Volunteer Sustainability	Medium Water Quality & Waterways	High No current key risk identified
Possible	Low Infrastructure & Speed Approvals	Medium Public Safety	Elevated No current key risk identified
Unlikely	Low Governance & POPIA Compliance	Low to medium Service Provider Performance	Medium Levy & Budget Sustainability

Colour key: Green = low risk; amber = medium risk; orange = elevated risk; red = high risk.

Risk Category Profiles:

- *Water Quality & Waterways (Likely × Moderate):* Operational and environmental impacts stemming from localized spills, deteriorating water quality, and invasive aquatic weeds in the surrounding waterways.
- *Volunteer Sustainability (Likely × Minor):* Operational capacity constraints and potential burnout resulting from a continuous reliance on uncompensated board directors and community volunteers.

- *Public Safety (Possible × Moderate)*: Ongoing exposure to opportunistic crime, security incidents, and unmonitored non-resident access via the footbridge.
- *Infrastructure & Speed Approvals (Possible × Minor)*: Potential project delays in obtaining municipal approvals for traffic-calming measures or adhering to municipal road resurfacing schedules.
- *Levy & Budget Sustainability (Unlikely × Significant)*: Revenue constraints or budget limits impacting ongoing maintenance projects and the planned expansion of the security camera network.
- *Service Provider Performance (Unlikely × Moderate)*: Risk of sub-optimal operational execution or service failure by contracted security watchmen or CCTV monitoring service providers.
- *Governance & POPIA Compliance (Unlikely × Minor)*: Administrative and legal risks associated with statutory returns, data privacy declarations, and evolving regulatory compliance requirements.

5. ACCOUNTABILITY AND RESPONSIBILITY

5.1 Performance Reviews

No assessments were undertaken during the period under review.

5.2 Delegated limits of authority

Current practice: The Board retains overall responsibility for strategy and oversight, guided by the five-year business plan approved by members in 2023. Given the CID's size, all projects and new initiatives are presented to the Board for approval before implementation.

The Company has not adopted a formal Delegated Authority Framework. As a result, delegated limits of authority were not formally reviewed during the reporting period.

The Board acknowledges that a formal delegation framework would further support role clarity and periodic review, as contemplated by King IV Principle 10.

Board position: The Board considers the current approval process appropriate for the CID's present size and operating model. It will continue to monitor whether a more formal delegation framework becomes necessary as the organisation matures or its activities expand.

5.3 Supplier Code of Conduct

Supplier conduct is considered as part of the CID's procurement and contracting processes to ensure alignment with the NPC's ethical standards and business practices.

PART D: FINANCIAL INFORMATION

1. Report of the External Auditor

The audit report by the external auditor is attached as Appendix A

It is noted that the auditor gave an unqualified opinion.

2. Annual Financial Statements

The AFS are attached as Appendix B