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# MOSSEL BAY GOLF ESTATE HOME OWNERS ASSOCIATION

Association incorporated under section 21 of the Companies Act 1973 (as amended)

P.O. Box 567 • MOSSEL BAY 6500 • Western Cape • South Africa • Tel: 044 691 3054 • Fax: 044 691 1520  
E-Mail: [status2@status-mark.co.za](mailto:status2@status-mark.co.za) • Website: [www.mosselbaygolfestate.co.za](http://www.mosselbaygolfestate.co.za)

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19 NOVEMBER 2020

You are invited to attend the 23<sup>rd</sup> Annual General Meeting of the Home Owners Association

***Monday 21 December 2020 @ 10:00***

***At the Church Hall of the Moedergemeente Church, Corner of Church and Bland Street,  
Mossel Bay***

***Light refreshments will be served at the venue (if allowed)***

If you are unable to attend the meeting please complete the proxy/voting paper and

- 1 Hand it in at the offices of Status Mark, 11 Meyer Street, Mossel Bay; or
- 2 Post it to the MBGEHOA, P O Box 567, Mossel Bay, 6500; or
- 3 Send it by email to: [status2@status-mark.co.za](mailto:status2@status-mark.co.za); or
- 4 Fax it to 044 691 1520,

**to reach us before commencement of the meeting**

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U word uitgenooi na die 23ste Algemene Jaarvergadering van die Huiseienaarsvereniging

***Maandag 21 Desember 2020 om 10:00***

***In die Kerksaal van die Moedergemeente Kerk, Hoek van Kerk- en Blandstraat,  
Mosselbaai***

***Ligte verversings sal beskikbaar wees voor die vergadering (indien toegelaat)***

Indien dit nie vir u moontlik is om die vergadering by te woon nie, voltooi die volmag/stembrief en

- 1 Handig dit in by Status Mark, 11 Meyerstraat, Mosselbaai; of
- 2 Pos dit aan MBGEHOA, Posbus 567, Mosselbaai, 6500; of
- 3 Stuur dit per epos na: [status2@status-mark.co.za](mailto:status2@status-mark.co.za); of
- 4 Stuur dit per faks na 044 691 1520,

**om ons te bereik voor die aanvang van die vergadering.**



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## AGENDA/NOTICE

**MOSSEL BAY GOLF ESTATE HOME OWNERS ASSOCIATION (NPC)**  
**MOSSELBAAI GHOLFLANDGOED HUISEIENAARSVERENIGING (NWO)**  
**REGISTRATION NUMBER/REGISTRASIE NOMMER: 1999/001249/0**

Notice is hereby given of the 23<sup>rd</sup> Annual General Meeting of Mossel Bay Golf Estate Home Owners Association to be held at 10h00 on **MONDAY 21 December 2020** in the Church Hall of the **Moedergemeente Church, Corner of Church and Bland Street, Mossel Bay**

**Only registered members or their legal proxies are permitted to attend.**

Hiermee gee ons kennis van die 23<sup>STE</sup> Algemene Jaarvergadering van die Mosselbaai Gholflandgoed Huiseienaarsvereniging wat gehou sal word om 10h00 op **MAANDAG 21 Desember 2020** in die Kerkzaal van die **Moedergemeente Kerk, Hoek van Kerk- en Blandstraat, Mosselbaai**

**Slegs geregistreerde lede of hulle volmagte mag die vergadering bywoon.**

<b>1</b>	<b>Opening en Verwelkoming</b>	<b>Opening and Welcome</b>
<b>2</b>	<b>Teenwoordig, verskonings en volmagte</b>	<b>Attendance, apologies and proxies</b>
<b>3</b>	<b>Goedkeuring van vorige notule</b> <ul style="list-style-type: none"><li>• Notule van die Algemene Jaarvergadering van 20 Desember 2019</li></ul>	<b>Approval of the previous minutes -</b> <ul style="list-style-type: none"><li>• Minutes of the Annual General Meeting of 20 December 2019</li></ul>
<b>4</b>	<b>Verkiesing van Direkteure</b> <p>Die pos van twee (2) Direkteure moet gevul word volgens Artikel 16.1 van die Grondwet, gebaseer op die huidige portefeulje van 7 (sewe) direkteure.</p> <p><b>Gebruik asseblief die aangehegte nominasievorm om kandidate voor te stel en stuur die vorm na die kantore van Status Mark voor 10h00 op 13 Desember 2020 (11 Meyerstraat, Mosselbaai, 6500 of Posbus 567, Mosselbaai, 6500 of faks: 044 691 1520 of epos: <a href="mailto:status2@status-mark.co.za">status2@status-mark.co.za</a>)</b></p>	<b>Election of Directors –</b> <p>The post of two (2) Directors to be elected in terms of article 16.1 of the Articles of Association based on the current portfolio of 7 (seven) directors.</p> <p><b>Please nominate candidates on the attached nomination form – this must be received at the offices of Status Mark (11 Meyer Street, Mossel Bay, 6500 or P O Box 567, Mossel Bay, 6500 or fax: 044 691 1520 or email: <a href="mailto:status2@status-mark.co.za">status2@status-mark.co.za</a>) by not later than 10h00 on the 13<sup>th</sup> of December 2020.</b></p>

Datum van kennisgewing / Date of Notice: ...<sup>19</sup>... November 2020

<b>5</b>	<b>Voorsitter se verslag</b>	<b>Chairman's Report</b>
<b>6</b>	<b>Spesiale Resolusie</b>	<b>Special Resolution</b>
	<ul style="list-style-type: none"> <li>• <b>Spesiale Resolusie 1:</b> Artikel 31.2 van die MOI verhoog na R350 000.</li> <li>• <b>Spesiale Resolusie 2:</b> Artikel 40 verander</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Special Resolution 1:</b> Section 31.2 of the MOI increase to R350 000.</li> <li>• <b>Special Resolution 2:</b> Section 40 change</li> </ul>
<b>7</b>	<b>Gewone Resolusies van Lede</b>	<b>Ordinary Resolutions from Members</b>
	<ul style="list-style-type: none"> <li>• <b>Gewone Besluit 1:</b> Stigtig van Kapitale en onderhoudsbegroting</li> <li>• <b>Resolusie 2:</b> Limiet van kapitale fonds</li> <li>• <b>Resolusie 3:</b> Bele van fondse</li> <li>• <b>Resolusie 4:</b> Gebruik van fondse slegs per AJV/SJV resolusie</li> <li>• <b>Resolusie 5:</b> Verhoging in begroting met R304/erf totdat die kapitale fonds gelyk is aan een jaar se heffings.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Resolution 1:</b> Creation of capital and maintenance budget</li> <li>• <b>Resolution 2:</b> Limit of capital fund</li> <li>• <b>Resolution 3:</b> Investment of funds</li> <li>• <b>Resolution 4:</b> Use of funds only per AGM/SGM resolution</li> <li>• <b>Resolution 5:</b> Budget increase of R304/erf until capital fund equals one year of levies.</li> </ul>
<b>8</b>	<b>Finansies</b>	<b>Finance</b>
	<ul style="list-style-type: none"> <li>• Oorweging en goedkeuring van die aangehegte finansiële dokumente (insluitend die direksie goedkeuring, ouditeursverslag, balansstaat, inkomstestaat)</li> <li>• Finansiële state aangeheg</li> <li>• <b>Gewone Besluit 6</b></li> </ul>	<ul style="list-style-type: none"> <li>• Consideration and approval of the financial documents attached (including the directors approval, auditors' report, balance sheet, income statement )</li> <li>• Financials attached</li> <li>• <b>Ordinary Resolution 6</b></li> </ul>
	<ul style="list-style-type: none"> <li>• Goedkeuring van die begroting 2021/22, soos aangeheg – <b>Gewone besluit 7</b></li> </ul>	<ul style="list-style-type: none"> <li>• Approval of the budget for 2021/22, as attached – <b>Ordinary Resolution 7</b></li> </ul>
<b>9</b>	<b>Ouditeure</b>	<b>Auditors</b>
	<ul style="list-style-type: none"> <li>• Aanstelling van ouditeure (2020/2021) – <b>Gewone Besluit 8</b></li> <li>➤ <i>Voorstel RAIN Ouditeure</i></li> <li>• Goedkeuring van die vergoeding van die ouditeure (2019/20) – <b>Gewone Besluit 9</b></li> </ul>	<ul style="list-style-type: none"> <li>• Appointment of auditors (2020/2021) – <b>Ordinary Resolution 8</b></li> <li>➤ <i>Proposed RAIN Auditors</i></li> <li>• Approval of auditor's remuneration (2019/20) – <b>Ordinary Resolution 9</b></li> </ul>
<b>10</b>	<b>Sekuriteit</b>	<b>Security</b>
	<ul style="list-style-type: none"> <li>• Kameras teen die Natuurresewaat – <b>Gewone Resolusie 10</b></li> </ul>	<ul style="list-style-type: none"> <li>• Cameras on border of Nature Reserve – <b>Ordinary Resolution 10</b></li> </ul>

Datum van kennisgewing / Date of Notice: .....<sup>19</sup> November 2020

11 Algemeen	General
Enige punte vir oorweging onder Algemeen moet voor 13 Desember 2020 ingehandig word by Status Mark	Please note that any items to be considered under General must be handed in before 13 December 2020 at the office of Status Mark
Soos voorgeskryf deur Raad	By order of the Board
<p><b>Nota :</b></p> <ol style="list-style-type: none"> <li>1. Elke gemagtigde lid sal geregtig wees om persoonlik te stem of deur 'n volmag en sal slegs 1 (een) stem hê per wooneenheid of erf geregistreer in hul naam, soos omskryf in die Grondwet.</li> <li>2. Indien die eenheid of die erf in meer as 1(een) persoon se naam geregistreer is sal al die mede-eienaars gesamentlik slegs 1(een) stem hê.</li> <li>3. Volmagte moet ingehandig word voor die aanvang van die vergadering. Volmagte kan ingehandig word by Algemene Jaarvergadering of by Status Mark se kantore te 11 Meyerstraat, Mosselbaai of per Posbus 567, Mosselbaai, 6500 of faks: 044 691 1520 of epos: <a href="mailto:status2@status-mark.co.za">status2@status-mark.co.za</a></li> </ol>	<p><b>Note :</b></p> <ol style="list-style-type: none"> <li>1. Every authorised member shall be entitled to vote in person or by proxy and shall have 1 (one) vote for each unit or erf registered in his name, subject to the provisions of the Articles.</li> <li>2. If the unit or erf is registered in the name of more than 1 (one) person, then all such co-owners shall jointly have one vote.</li> <li>3. Proxies must be handed in before commencement of the Annual General Meeting. Proxies can be handed in at the meeting or at the offices of Status Mark at 11 Meyer Street, Mossel Bay or at P O Box 567, Mossel Bay, 6500 or fax: 044 691 1520 or email: <a href="mailto:status2@status-mark.co.za">status2@status-mark.co.za</a></li> </ol>
<p><u>Ligte verversings sal beskikbaar wees vanaf 09h30 voor die vergadering</u></p> <p><b>** Indien u 'n volmag ontvang het, word u vriendelik versoek om alreeds teen 09:00 in te teken.</b></p> <p><u>Alle lede wie die vergadering gaan bywoon word aangemoedig om van 09:00 in te teken.**</u></p>	<p><u>Light refreshments will, as from 09h30 on the date of the meeting, be served at the venue.</u></p> <p><b>** If you received a proxy, you are kindly requested to be at the venue at 09:00 to sign in.</b></p> <p><u>All members who will be attending the meeting are encouraged to start signing in from 09:00.**</u></p>
<p><b>** Enige punte vir bespreking onder Algemeen moet voor 13 Desember 2020 ingehandig word by Status Mark</b></p>	
<p><b><u>Please note that any items to be discussed under General must be handed in before 13 December 2020 at the office of Status Mark</u></b></p>	

Datum van kennisgewing / Date of Notice: .....<sup>19</sup>..... November 2020

**NOMINATION OF DIRECTORS**

**MOSEL BAY GOLF ESTATE HOME OWNERS ASSOCIATION (NPC)  
(Association incorporated under Section 21)  
Registration number 1999/001249/08**

I \_\_\_\_\_ of erf \_\_\_\_\_, being a member of the Mossel Bay Golf Estate Home Owners Association hereby nominate the following person/s as director for election at the Annual General Meeting of the Company to be held on 21 December 2020 at 10H00 :

Name (in block letters)	Address/Erf no in Mossel Bay Golf Estate	Acceptance of nomination (signature)
1.		
2.		
3.		
4.		
5.		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2020.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
(Name of signatory in block letters)

**NOTE: ARTICLES 15.2, 15.3 AND 15.4 OF THE MEMORANDUM OF INCORPORATION**

**15.2 : Every Director shall be an owner or the duly authorised representative of an owner which is a company, close corporation, trust, consortium or other suchlike entity. Every Director shall reside in the Development as his permanent residence or within the municipal district of Mossel Bay.**

**15.3 : Not later than seven (7) days before the date on which the annual general meeting is to take place, members must in writing nominate their proposed Directors for election at that annual general meeting.**

**15.4 : No person may be appointed as a Director if he or the principal referred to in Articles 15.2 is in arrear with his levy payments."**

**NB : Please take note that the members in general meeting may refuse to accept for election a nomination not accepted by the person so nominated.**

**THIS NOMINATION FORM MUST BE RECEIVED BY STATUS MARK BY NOT LATER THAN 10h00 ON 13 DECEMBER 2020 AT THE OFFICES OF STATUS MARK AT 11 MEYER STREET, MOSEL BAY OR AT P O BOX 567, MOSEL BAY, 6500, email: [status2@status-mark.co.za](mailto:status2@status-mark.co.za); fax: 044 691 1520**

**PROXY/VOTING PAPER**  
**MOSSEL BAY GOLF ESTATE HOME OWNERS ASSOCIATION**  
**(Association incorporated under Section 21)**  
**Registration number 1999/001249/08**

I \_\_\_\_\_ of erf \_\_\_\_\_, being a member of the Mossel Bay Golf Estate Home Owners Association hereby appoint -

\_\_\_\_\_ of \_\_\_\_\_, or failing him/her

\_\_\_\_\_ of \_\_\_\_\_, 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 Association to be held at 10h00 on the **21<sup>st</sup> day of December 2020** in the Church Hall of the Dutch Reformed Church Moedergemeente, Mossel Bay Central, C/o Bland and Church Street, Mossel Bay and any adjournment thereof as follows :

**Special Resolution No 1 (Material financial obligation)**

In favour :       Against :       Abstain :

**Special Resolution No 2 (Amendment of section 40)**

In favour :       Against :       Abstain :

**Ordinary Resolution No 1 (Creation of capital and maintenance budget)**

In favour :       Against :       Abstain :

**Ordinary Resolution No 2 (Limit of capital fund)**

In favour :       Against :       Abstain :

**Ordinary Resolution No 3 (Investment of funds)**

In favour :       Against :       Abstain :

**Ordinary Resolution No 4 (Use of funds only per AGM/SGM resolution)**

In favour :       Against :       Abstain :

**Ordinary Resolution No 5 (Budget increase of R304/erf until capital fund equals one year of levies.)**

In favour :       Against :       Abstain :

**Ordinary Resolution No 6 (Financial statements)**

In favour :       Against :       Abstain :

**Ordinary Resolution No 7 (Budget)**

In favour :       Against :       Abstain :

**Ordinary Resolution No 8 (Appointment of Auditor)**

In favour :       Against :       Abstain :

**Ordinary Resolution No 9 (Auditor remuneration)**

In favour :       Against :       Abstain :

**Ordinary Resolution No 10 (Security Cameras)**

In favour :       Against :       Abstain :

(indicate instruction to proxy by way of a X in the space provided above)

Unless otherwise instructed my proxy may vote as he thinks fit.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2020.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
(Name of signatory in block letters)

[NOTE : ARTICLE 27.1 OF THE ARTICLES OF ASSOCIATION  
27.1 : A member may be represented at a general meeting by a proxy, who need not be a member of the Association. The instrument appointing a proxy, whether for a specified meeting or otherwise, shall be in writing signed by the member concerned or his agent, duly authorised thereto in writing, and shall be in the form below or to the effect of the form below, or in such other form as the directors may approve, in either case under the heading of or referring to the Association's name.

THIS PROXY MUST BE RECEIVED BEFORE COMMENCEMENT OF THE MEETING. PROXIES CAN BE HANDED IN AT THE OFFICES OF STATUS MARK AT 11 MEYER STREET, MOSSEL BAY OR AT P O BOX 587, MOSSEL BAY, 6500, email: [status2@status-mark.co.za](mailto:status2@status-mark.co.za); fax: 044 691 1520



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**MINUTES OF THE 22nd ANNUAL GENERAL MEETING OF THE MOSSEL BAY GOLF ESTATE HOME OWNERS ASSOCIATION THAT WAS HELD ON THURSDAY, 20 DECEMBER 2019 AT 10H00 IN THE DUTCH REFORMED CHURCH HALL ("MOEDERGEMEENTE"), C/O BLAND AND CHURCH STREET, MOSSEL BAY**

<b>1</b>	<b>OPENING &amp; WELCOME:</b>	
	The chairman, Mr Willem Roux, opened the meeting and welcomed everyone present. A warm welcome is extended to new owners and swallows. The meeting was presented in English, and if any owners required a translation; Willem Prinsloo & Cleon Steyl were available to translate.	
<b>2.</b>	<b>ATTENDANCE PROXIES AND APOLOGIES:</b>	
	Members as per the attendance register: 74 Member Proxies received: 87	
	A legal Quorum was obtained.	
	Status Mark: Messrs WCE Prinsloo, S Koen & C Steyl	
	<b>Apolgies:</b> Mr. & Mrs Van Der Gryp Tobie Kock Stephan Olivier Barend Nortje JD Van Renen Jacques Cronje Patrick Family Trust Wouter Coetzee Jolandie Botha Anton Geldenhuys Elna Botha Steve and Sue Bourne Elfred & Charlene Fritz Jim Alexander Alf Heideman Gustav & Lizette Kruger Barend Meintjes Janette Haasbroek Michael Mentz Morf Family Teresa Olivier John Collins Charl Vorster Tiana van der Merwe Sabine Schultz Peet Bierman	
<b>3</b>	<b>APPROVAL OF THE PREVIOUS MINUTES &amp; MATTERS ARISING:</b>	
	The minutes of the AGM of 20 December 2018 were tabled and the members were asked to approve with or without amendments:  Point 5. Chairman's Report: Mr. Van Heerden stated that no special resolution was taken regarding legal fees.  Minutes are so approved: Proposer: Mr. J Gouws      Seconded: Mr. N Van Heerden	
<b>4</b>	<b>ELECTION OF DIRECTORS:</b>	



	<p>Current composition of the Board is 8 to coincide with the number of portfolios. Three (3) positions are vacant.</p> <p>Status Mark received 2 nominations for the positions, however no nomination was received from the floor.</p> <p>The Board will consider to co-opt a director if needed.</p> <p><b>Nominations received; and elected:</b>  Mr. P Bierman (Finance portfolio)  Ms. E Olivier (Rules and Regulations portfolio)</p> <p><b>The Board therefore consists of the following members:</b>  K Otto  P Venter  W Roux  Dr. N Van Noordwyk  Frans Gerber  P Bierman  E Olivier</p> <p>The Chairman thanked Mr. Kuun and Martin Smith for their years of service to the HOA on the Board.</p>	
5	<b>CHAIRMAN'S REPORT</b>	
	<p>The written report was circulated prior to the meeting and updated and approved at the Annual General meeting.</p> <p>The Chairman mentions that Mr. Blythe-Wood was omitted in the report as co-opted board member.</p> <p>The following matters were highlighted:</p> <p><b>Finance:</b> Mr P Bierman is the current Chairman (co-opted) of the Financial Portfolio.</p> <ul style="list-style-type: none"> <li>➤ Mr. Van Heerden asked whether in terms of the MOI, any amount to be spent above R150 000 (in this case Status Mark) must be approved via special resolution as per article 31(1)(2) of the MOI; and did the board go out to tender.</li> <li>➤ The Chairman stated that it was the decision of the Board not to go out to tender based on the previous years of performance by Status Mark. There is also no indication in the MOI that this decision must be a special resolution, simply an ordinary resolution with a 60%+1 majority. Therefore, the budget will be decided on those terms.</li> <li>➤ Mr. Van Heerden disagrees.</li> </ul> <p><b>Golf Club: Dr. Nick van Noordwyk (Chairman)</b></p> <ul style="list-style-type: none"> <li>➤ The meeting wanted to know what the current position is regarding the negotiations with the Club.</li> <li>➤ The Chairman pointed out that there is a resolution non the table to extend the current agreement with 5 years (amended).</li> <li>➤ If no agreement could be reached, the current agreement runs out mid-2020 and the only document in force would be the notarial agreement of lease.</li> <li>➤ This document makes no mentions of payment to the Club, however does grant certain rights to the HOA and duties to the Club.</li> <li>➤ These duties and rights are enforceable by the Municipality upon written request by either party of breach of said rights/duties.</li> <li>➤ In case where the Club goes under financially, the HOA will take over the lease on the</li> </ul>	

same terms, therefore cost to the HOA would probably be the same as currently plus increased costs.

- Mr. Van Heerden asked whether the condition of the course was taken up with anyone and what was done.
- Dr. Van Noordwyk stated that this was taken up with the Club, as well as with the Municipality with various letters and meetings.
- It must also be said that the greenkeeper left during this period, which was a blessing in disguise.
- Some of the activities done to rectify the problem were:
  - Rolled grass was bought
  - Interseeding and new fertiliser applied
- The drought also had an impact on the condition of the course. Borehole water is now being used to water the course.
- Mr. Van Heerden wanted to know whether the greenkeeper was disciplined at all?
- The Chairman stated this would be with the Club. He also left their employ subsequently.
- The members asked if anyone was receiving free golf rounds, and if so, who approved this?
- The Chairman stated this is a question for the Club, not the HOA AGM.

**Security:** Pieter Venter (Chairman)

- The Chairman thanks Pieter and his team for the excellent work done in 2019.
- Mr. Dieter Schulze asked how the new "internal line system" is to be implemented?
- The Chairman stated that two cell phones will be bought for the gates, the members will then submit 2 numbers to Status Mark who will programme those numbers into the cell phones to communicate with members. The numbers of the cell phones will be communicated to members during late January 2020.

**Rules & Regulations:** Carel Kuun (outgoing Chairman), assisted by Mr T Leonard is the Chairman of the Rules and Regulations Portfolio.

- Mr. Kuun is thanked for his work during his tenure as director.

**ARB:** Dr. Nick van Noordwyk (Chairman)

- Mr. Moll questioned why the two vacant erven at San Bartolomeo, which belong to the HOA, is not attracting OTB penalties.
- Mr. G Smith stated there were in fact zoned public open space, therefore cannot attract penalties.
- Mr. Moll objected stating he has differing information from the Municipality.
- The Board will investigate.
  
- A member questioned why he was told to remove his fence when complying with regulations.
- Dr. Van Noordwyk stated he will investigate and will have a sit down with the member if needed.
  
- Mr. Van Rensburg stated that he was not allowed to continue with construction during the holiday season, yet another member continued to lay pavement.
- Dr. Van Noordwyk stated that emergencies are allowed, however he will investigate the matter.

	<p>Nature and Environment: Frans Gerber (Chairman)</p> <ul style="list-style-type: none"> <li>➤ Mr. Ehrenperger stated that no one can do a study on butterflies in one day only. It must be over a period of days or weeks.</li> <li>➤ The Chairman stated that the Lepidopterist society was contacted who recommended this specialist.</li> <li>➤ On that specialist's advice, the Board approved the study to be done.</li> <li>➤ The time and date were given by the specialist, seeing that October was just after breeding.</li> </ul>	
<b>6</b>	<b>Ordinary resolution 1: Changes to the Rules to make provision for a pet levy</b>	
6.1	<p>Members were asked to vote whether to charge pet owners an additional levy for their pets.</p> <p>Such levy will be used for among other things, to install several stations along the golf estate and course with "poo bags".</p> <ul style="list-style-type: none"> <li>➤ The proposer stated his case as motivation for the resolution.</li> <li>➤ Mrs. Fouracres questioned why more rules needed to be made instead of just applying current rules and managing it more effectively?</li> <li>➤ Andre Jonker stated that the HOA must be careful of putting up more rules.</li> <li>➤ Piet Ackerman stated that if people are going to be levied, they will lose all accountability and will not pick up behind their dogs since someone else will now do it.</li> <li>➤ Mr. De Jager requests that the resolution be withdrawn.</li> </ul>	
	<b>Proposer: D Schultz</b>	<b>Seconded: I Janse Van Rensburg</b>
	<b>In favour: 40 (26.85%)</b>	<b>Against: 109</b>
		<b>Abstain: 1</b>
	ORDINARY RESOLUTION 1 MUST BE ACCEPTED BY A MAJORITY VOTE, THEREFORE ORDINARY RESOLUTION 1 WAS NOT ACCEPTED	
	<b>Ordinary Resolution No2: Registration of golf carts at Status Mark and the display of the erf number on the golf cart</b>	
6.2	<p>Members were asked to vote on whether to change the rules to make provision for clearly marked golf carts which are also to be registered at Status Mark.</p> <ul style="list-style-type: none"> <li>➤ Proposer stated his case for motivation.</li> <li>➤ Danie le Roux asked what is going to be done with all this information?</li> <li>➤ Francois Oliver stated that there should be a rule that kids are not allowed to drive golf carts.</li> </ul>	
	<b>Proposer: D Schultz</b>	<b>Seconded: I Janse Van Rensburg</b>
	<b>In favour: 72 (50.7%)</b>	<b>Against: 70</b>
		<b>Abstain: 4</b>
	ORDINARY RESOLUTION 2 MUST BE ACCEPTED BY A MAJORITY VOTE, THEREFORE ORDINARY RESOLUTION 2 WAS NOT ACCEPTED	
	<b>Ordinary Resolution 3 - The conversion of the "Allan Gray road fund" to a Legal fund or capital maintenance fund</b>	
6.3	ORDINARY RESOLUTION 3 WAS WITHDRAWN AND THEREFORE NOT VOTED ON.	
	<b>Ordinary Resolution 4 - That the Conduct rules be changed that no new cats will be allowed as pets on the Estate; and all cats currently on the Estate must be registered with Status Mark</b>	
6.4	<p>The proposer stated his case for motivation of the resolution.</p>	
	<b>Proposer: D Schultz</b>	<b>Seconded: I Janse Van Rensburg</b>
	<b>In favour: 95 (66.9%)</b>	<b>Against: 47</b>
		<b>Abstain: 9</b>

	ORDINARY RESOLUTION 4 MUST BE ACCEPTED BY A MAJORITY VOTE, THEREFORE ORDINARY RESOLUTION 4 WAS ACCEPTED		
	<b>Ordinary Resolution 5 - Instruction to the Board to consider the levy apportionment based on usage or size of property</b>		
6.5	ORDINARY RESOLUTION 5 WAS WITHDRAWN AND THEREFORE NOT VOTED ON.		
	<b>Ordinary Resolution 6 - Area 7 (Erf 15228) clarity and study (+R30 000)</b>		
6.6	<ul style="list-style-type: none"> <li>➤ Nick van Noordwyk gave background for resolution.</li> <li>➤ Danie Nel asked whether this study was just to ascertain as to whether property is to be erected, or any development.</li> <li>➤ Nick van Noordwyk stated they will be looking at any development, including doing nothing.</li> </ul> <p style="text-align: center;"><b>Proposer: W. Roux      Seconded: Dr. N Van Noordwyk</b></p>		
	<b>In favour: 74 (51.75%)</b>	<b>Against: 69</b>	<b>Abstain: 4</b>
	ORDINARY RESOLUTION 6 MUST BE ACCEPTED BY A MAJORITY VOTE, THEREFORE ORDINARY RESOLUTION 6 WAS ACCEPTED		
	<b>Ordinary Resolution 7 – Golf Club Relationship (AMENDED TO ONLY A 5 YR TERM)</b>		
6.7	<ul style="list-style-type: none"> <li>➤ The chairman stated the resolution has been amended to only a 5 year term, and not the remaining term of the Notarial Lease.</li> <li>➤ Mr. S Jacobs stated that only a minority of members actually play golf. The rest are subsidies.</li> <li>➤ Mr. S Jacobs further states that the HOA must look at what's best of the members at large. This would probably include something like a social membership which everyone can enjoy.</li> <li>➤ Mr. C Kuun states that while he does not play golf, he understands the advantages of a golf club membership, especially when marketing his property.</li>   <li>➤ A member states that everyone must be a social member.</li> <li>➤ Mr. Fryer suggests that membership must be divorced from the contribution.</li>   <li>➤ Mr. Martin Smith (President of the Golf Club) gave background leading up to and including the negotiations; as well as their proposal which was not tabled by the Board.</li> <li>➤ In that the Club proposes a R100-150/month contribution to the Club by the HOA which will be used exclusively for capital projects. No escalation will be linked to this amount for 5-years.</li> <li>➤ This could then be managed by the HOA Club representative.</li> <li>➤ There are at least 6 months left until the current agreement's term expires, therefore it is requested that the two board renegotiate.</li>   <li>➤ Mr. H Boning suggested a number of amendments to the current resolution, the majority of which are security and noise focused.</li> <li>➤ The Chairman and Vice Chairman agree this completely changes the resolution and goes far beyond a mere amendment.</li>   <li>➤ Mr. Dieter Schulze state that it is not plausible to stop payment. Furthermore, according to Dieter Schulze, the meeting wants membership and the contributions separate.</li> <li>➤</li> <li>➤ Mr. M Smith states that it seems that the meeting has given a mandate to the HOA board to go back to the Club's board and renegotiate with 6 months to go, taking into account these terms.</li> <li>➤ Mr. E Van Rensburg states that this seems to be a question of wording – the "discount" is in fact a credit due to the fact the member has paid that amount via his/her HOA levy.</li> </ul> <p style="text-align: center;"><b>Proposer:                      Seconded:</b></p>		
	<b>In favour: 43 (30.07%)</b>	<b>Against: 100</b>	<b>Abstain: 4</b>
	ORDINARY RESOLUTION 7 MUST BE ACCEPTED BY A 60% MAJORITY VOTE, THEREFORE ORDINARY RESOLUTION 7 WAS NOT ACCEPTED		
<b>7</b>	<b>Ordinary Resolution No 8 (Financial Statements)</b>		

<b>7.1</b>	<p>Consideration and Approval of Financial Statements as presented: The financial statements were audited by independent auditors.</p> <ul style="list-style-type: none"> <li>➤ Mr. Van Heerden questioned whether the auditors were made aware of the OTB/Special levies and court case.</li> <li>➤ The Chairman states they were.</li> <li>➤ Mr. Moll stated that this resolution is not valid as it was not property proposed or seconded.</li> <li>➤ It was subsequently proposed by Mr. Van Rensburg and seconded by Mr. G Smith.</li> <li>➤ The Chairman stated that these items must be included on the agenda according to the Companies Act and the HOA MOI, therefore it does not need to be proposed or seconded. The legislature and MOI compel the company to include these items on the agenda for each AGM.</li> </ul> <p style="text-align: center;"><i>Proposer: Ian Janse Van Rensburg      Seconded: Gabriel Smith</i></p>		
	<b>In Favour: 131 (98.5%)</b>	<b>Against: 2</b>	<b>Abstain: 12</b>
<i>ORDINARY RESOLUTION 8 MUST BE ACCEPTED BY A MAJORITY VOTE, THEREFORE ORDINARY RESOLUTION 8 WAS ACCEPTED.</i>			
<b>Ordinary Resolution No 9 ( Budget)</b>			
<b>7.2</b>	<p>The budget for 2020/21 was tabled.</p> <p>The budget estimates for the ensuing financial year were circulated prior to the Annual General Meeting.</p> <ul style="list-style-type: none"> <li>➤ Some members had various questions regarding some items on the budget, such as the increased maintenance amount.</li> <li>➤ This increased amount is due to the planned increase in maintenance activities. This increase is offset by not renewing the internal line contract with TELKOM.</li> <li>➤ Members are welcome to have details to the line items.</li> </ul> <p>The budget was approved by the meeting.</p> <p>The new levy from 1 July 2020 will be R1350/month.</p>		
	<b>In favour: 126 (94.03%)</b>	<b>Against: 8</b>	<b>Abstain: 13</b>
<i>ORDINARY RESOLUTION 9 MUST BE ACCEPTED BY A 60% MAJORITY VOTE, THEREFORE ORDINARY RESOLUTION 9 WAS ACCEPTED</i>			
<b>8. Ordinary Resolution No 10 (Appointment of Auditors)</b>			
<b>8.1</b>	<p>Jean Pretorius was appointed as Auditor for the ensuing year.</p> <p>The Chairman pointed out that, unlike a regular for-profit company, a non-profit company does not have to rotate auditors every 5 years. However, the auditors are getting clarity on the matter and will be informed during 2020.</p>		
	<b>In Favour: 138 (100%)</b>	<b>Against: 0</b>	<b>Abstain: 6</b>
<i>ORDINARY RESOLUTION 4 MUST BE ACCEPTED BY A MAJORITY VOTE, THEREFORE ORDINARY RESOLUTION 5 WAS ACCEPTED</i>			
<b>Ordinary Resolution No 11 (Auditor's Remuneration)</b>			
<b>8.2</b>	<p>The meeting approved the auditor's remuneration.</p>		
	<b>In Favour: 138 (100%)</b>	<b>Against: 0</b>	<b>Abstain: 4</b>
<i>ORDINARY RESOLUTION 6 MUST BE ACCEPTED BY A MAJORITY VOTE, THEREFORE ORDINARY RESOLUTION 6 WAS ACCEPTED</i>			

<b>9</b>	<b>MATTERS OF WHICH PRIOR WRITTEN NOTICE HAS BEEN RECEIVED BY THE 13<sup>TH</sup> DECEMBER 2019 NO LATER THAN 10H00</b>		
<b>9.1</b>	<b>ALARMS - NUISANCE</b>		
	<ul style="list-style-type: none"> <li>➤ Mrs. Fouracres stated that they were woken up on several occasion by a house's alarm which kept going off while the residents were not there.</li> <li>➤ The request is that the board look at instructing residents with alarms, who are non resident during the year; to put their alarms on silent mode. This still goes off at the security office, but does not disturb the rest of the estate.</li> <li>➤ The Chairmain states that the board will definately consider this.</li> </ul>		
<b>11</b>	<b>GENERAL</b>		
	<b>none</b>		
<b>12</b>	<b>CONCLUSION</b>		
	<p>Mr. Elize van Niekerk thanked the board for their work.</p> <p>In conclusion Mr Roux thanked his fellow board members, especially Mr. Kuun and Mr. M Smith who have served the Board with distinction.</p> <p>All members and their families are wished a joyous festive season.</p> <p>The meeting adjourned at 13H25</p> <p>Distribution: Minutes book All owners</p>		



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# **MOSSSEL BAY GOLF ESTATE HOME OWNERS ASSOCIATION**

Association incorporated under section 21 of the Companies Act 1973 (as amended)

P.O. Box 567 • MOSSSEL BAY 6500 • Western Cape • South Africa • Tel: 044 691 3054 • Fax: 04-4 691 1520  
E-Mail: [status2@status-mark.co.za](mailto:status2@status-mark.co.za) • Website: [www.mosselbaygolfestate.co.za](http://www.mosselbaygolfestate.co.za)

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## **CHAIRPERSON'S REPORT: DECEMBER 2020**

### **OPENING STATEMENT**

On behalf of the Board of Directors of the Mossel Bay Golf Estate Home Owners Association (HOA) I am pleased to present the Chairperson's report for 2020.

Events during this year dramatically impacted all of our lives. In addition, a number of multifaceted matters required the attention of the Board. As a result, the HOA Board were burdened with much more than they had anticipated. To this end my appreciation to everyone of the directors who have devoted time and effort in preserving the Mossel Bay Golf Estate as a pristine and popular residential complex.

During the year John Blythe-Wood and Gabriel Smith, as co-opted Board members, completed the matter in which they assisted the Board. Unfortunately, Frans Gerber who headed up the Environmental Portfolio resigned. Our gratitude to these individuals for the value they added.

Status Mark as Management Agent for the HOA accentuated the importance of corporate memory in the numerous matters attended to by the HOA. Exceptional service delivery, which is part of the culture of Status Mark, is acknowledged with much gratitude.

### **DIRECTOR PORTFOLIO'S**

Willem Roux:	Chairperson and Communication
Nick van Noordwyk:	Vice-Chairperson, ARB and Golf Club
Pieter Venter:	Security
Kosie Otto:	Maintenance
Engela Olivier:	Rules & Regulations
Peet Bierman:	Finance
Frans Gerber:	Environment (resigned October 2020)

### **FINANCE**

The HOA has once again received an unqualified audit in respect of its 2019/20 financials. Invested cash reserves over the past three years are up from R1,8m to a current R3,2m.

Operational cash flows, both income and expenses, of the Estate are attentively controlled, and forecasted. A risk profile and appropriate mitigating measures (tolerate, transfer, terminate and treat) in respect of identified risks has been compiled for the Estate. At the same time a 5-year capital investment programme was drafted to ensure adequate planning and funding is available for the execution of the plan.

It is with a sense of relief that the chapter on the Obligation to Build (OTB) penalties matter has been amicably resolved and brought to closure. The total amount received in respect of the settlement was invested in cash reserves. While this payment vastly improved the debtor's book all members in arrears are receiving attention.

With this in mind, a heartfelt appreciation to every HOA member who pay their Levy diligently and on time every month.

Based on the proposed budget for 2021/2022, the Board proposes an increase of 3.7% year-on-year in operating expenses which equates to a levy of R1 400/month per member. Taking into account economic factors and indicators, the increase is considered reasonable and amounts to an effective R50/month increase in levies, which includes the CSOS contribution.

Projected total cash on hand at 30 June 2021 is R 3,529,234 and the projected profit at the end of June 2021 is estimated to be around R 222,272.

### **COMMUNICATION**

While the Covid-19 regulations and restrictions put paid to any organised socializing events, home owners and residents were kept abreast of developments via newsflashes.

One of the questions on the minds of many owners is progress with the Co-operation Agreement being negotiated with the Mossel Bay Golf Club. Although negotiations were hamstrung and delayed by the inability of having meetings, good progress have been made in concluding an agreement. The involvement of the Executive of the Municipality, and in particular the Deputy Mayor, Dirk Kotze, who's assistance in respect of the aforesaid and a number of other matters relating to the Notarial Agreement of Lease, was requested by the HOA. These efforts are highly appreciated as it resulted in the Municipality establishing a Joint Operations Centre, in a portion of the incomplete buildings at the Golf Club Driving Range, in accordance with the Notarial Agreement.

The Mossel Bay Squash Club have requested permission to construct a 4<sup>th</sup> squash court adjacent to the current courts. Whereas, this matter has already been taken up with the Municipality and the Golf Club, it will be dealt with as directed by the Notarial Agreement of Lease. The HOA nevertheless supports the greater objective of the Municipality to grow the image of the town as an attractive sporting destination.

Being mindful of the increased use of electronic media, the upgrading and modernising of the Mossel Bay Golf Estate webpage is currently receiving attention.

### **SECURITY**

Security services continue to be provided on a 24/7 basis. Security systems and technology (such as CCTV, mobile Video-Fi sensors) are regularly reviewed and upgraded to deliver efficient and effective services. These have to date ensured no criminal incident on the Estate for the past 5 years, which is both comforting and a benefit to owners and residents. 145 Properties are currently linked to the Suiderkruis Control Room and the on-site Response Vehicle.

A word of thanks goes to Thorburn Security, Suiderkruis Security, the Estate Manager and staff delivering quality service during the past year.



The cell-to-gate system for tenants and visitors is resourceful in that, as with the e-tag system, provides a record of entry and exists. Likewise, the electric fence system has proven to be effective with 20 zones being monitored by the service provider.

A Police Clearance Certificate (service provided from the Estate Manager's Office) are required to clear anyone (contractors, domestic workers and gardeners) when access cards are applied for to do any work on the Estate

Continuous liaison with the Golf Club, SAPS, Community Policing Forum and Neighbourhood Watch ensures that all role-players have real-time information pertaining to potential criminal activity.

Planning during 2021/22 include the installation of security cameras on the southern side (bordering the St Blaze Nature Reserve) of the Estate.

Owners and residents are thanked for the co-operation they provide and for contributing to make the Estate a safe and secure living environment.

## **RULES AND REGULATIONS**

Recent High Court judgements emphasised the importance of remaining abreast of developments concerning estate living. A recent legal opinion also provided the Board with clarity in respect of the interpretation of some of the conduct rules and articles of the Memorandum of Incorporation (MOI). The relevance of the aforesaid being that the relationship between home owners and the home owners associations are contractual, whereby home owners agree to be bound by the rules and MOI of the association.

The following amendments to the Conduct Rules were brought about based on the results of the AGM held on 20 December 2019 with the introduction of the following new rules:

### **"1. ANIMALS, REPTILES AND BIRDS**

1.2.12 No new cats will be allowed on the Estate from 20 December 2019. Any resident who currently has a cat(s) on the Estate, approved or not, must register their cat(s) at Status Mark before 30 March 2020.

### **8. VEHICLES**

8.14 Residents and/or occupiers shall register their golf carts with Status Mark.

8.15 The golf carts mentioned in 8.14 above will clearly display the ERF/STREET NUMBER on the golf cart; and such ERF/STREET NUMBER shall at all times be visible from the outside."

Despite the aforementioned additions, the remainder of the Conduct Rules remains unchanged.

Although all home owners undertake to comply with the rules of the HOA, problems are still experienced with residents having more than one dog on their properties. Residents are reminded that the Board is not at liberty to make exceptions to the rules with regards to pets and therefore compliance by all residents with regards to the keeping of one dog per erf is again requested.

Complaints of speeding, noise and disagreements with neighbours have reduced and therefore the Board wants to thank the overwhelming majority of residents for adhering to the Conduct Rules and MOI of the Estate.

## **ENVIRONMENT**

An audit, was performed by Environmental Management Practitioners, of the Mossel Bay Golf Estate Environmental Management Plan (EMP). It was found that the current EMP is outdated and need to be amended.

Other areas of the audit included Invasive Alien Plant Control, Fire Management, Vegetation Management, Monitoring of Wild Life, Access to Natural Areas and Soil Erosion Management.

The audit found that much of the effort of the HOA was placed on the control of invasive species and fire management. It was also found that items such as the mapping and monitoring of Vegetation and Rare Plant populations, Fauna species list have not been attended to.

While the HOA was commended for a high level of legal compliance in respect of fire management (fire breaks and fuel loads) there are a number of matters which require attention.

The Environmental Management Practitioners provided the HOA with a plan to address aspects of non-compliance. This will be done in stages during the next 18 – 24 months.

## **MAINTENANCE**

With the appointment of Bow Tie, as contractor to provide garden maintenance and refuse collection service, there has been a significant improvement in the appearance of gardens and lawns of the estate. As the HOA has large open spaces and gardens, which has a major impact on the look and feel of the Estate, enhancements to these areas are set to continue.

Our gratitude to the exemplary work done by Bow Tie. Their work ethics and commitment has made a notable difference to the gardens and private open spaces.

Some works, to improve safety of pedestrians at the entrances/exits to the estate, as well as the throughway across the 8<sup>th</sup> hole have been completed. Major upgrades to the entrances/exits of the estate has created a sensational moment and positively impact the prestige of the estate.

Unscheduled/scheduled maintenance and repairs to street lighting, fencing, signage, clearance of storm water channels, swimming pools, and irrigation systems are performed throughout the year to ensure that common user assets perform as required.

Some major maintenance works to roads and to speed calming humps are being planned.

## **ARCHITECTURAL REVIEW BOARD (ARB)**

The ARB continued to improve their working relationship with the reviewing architect. At the same time the ARB also worked closely with the Municipality to ensure that they are aligned and in compliance with municipal requirements and bylaws.

Two new houses were completed during the year and another two is in the process of completion. Plans for two new houses to be build next year are being reviewed.

Many requests for alterations, extensions and upgrades have been received. Owners are reminded that regular maintenance to properties is essential to uphold the high standards required by the HOA. Several letters have been send to owners requesting them to correct maintenance related issues.

There are currently 16 vacant stands of which the owners are paying Obligation to Build (OTB) penalties.

A desk-top study in respect of the development potential of Erf 15228 (Area 7) is still awaited. Once more information is available it will be shared with owners.

### **CLOSING**

In closing, the Mossel Bay Golf Estate Home Owners Association Board will continue to grow the image and reputation of the estate as a leading safe, sought after and luxury living environment.

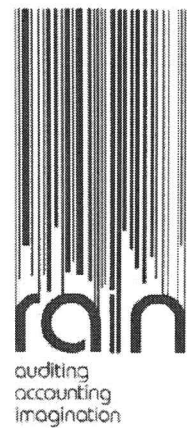
I wish you and your families all the best during the festive season and a peaceful, healthy and prosperous 2021.

Willem Roux  
Chairperson  
Mossel Bay Golf Estate Home Owners Association



**MOSSEL BAY GOLF ESTATE HOME OWNERS ASSOCIATION  
NPC**

**(Company Registration Number 1999/001249/08)  
Annual Financial Statements  
for the year ended 30 June 2020**



# MOSSEL BAY GOLF ESTATE HOME OWNERS ASSOCIATION NPC

(Company Registration Number 1999/001249/08)

Annual Financial Statements for the year ended 30 June 2020

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The reports and statements set out below comprise the annual financial statements presented by the Trustees to the section owners:

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# MOSSEL BAY GOLF ESTATE HOME OWNERS ASSOCIATION NPC

(Company Registration Number 1999/001249/08)

Annual Financial Statements for the year ended 30 June 2020

## General Information

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<b>Country of Incorporation and Domicile</b>	South Africa
<b>Nature of Business and Principal Activities</b>	Administration of the estate's assets and futherance of the owner's interest therein
<b>Directors</b>	W.J. Roux J.D.T. Otto P.J. Venter Dr. N. van Noordwyk P. Bierman E.C. Olivier W.C.E. Prinsloo
<b>Registered Office</b>	10 Church Street Mossel Bay 6500
<b>Business Address</b>	10 Church Street Mossel Bay 6500
<b>Bankers</b>	ABSA
<b>Independent Auditors</b>	RAiN Chartered Accountants Incorporated La Casa 8 219 Flora Road Dana Bay 6510
<b>Managing Agents</b>	Status Mark 11 Meyer Street Mossel Bay 6500
<b>Income Tax Registration Number</b>	9137074648
<b>Value Added Tax Registration Number</b>	4180182927
<b>PAYE Registration Number</b>	7240760837

## Independent Auditor's Report



To the Owners of Mossel Bay Golf Estate Home Owners Association NPC

### Opinion

We have audited the financial statements of Mossel Bay Golf Estate Home Owners Association NPC set out on pages 8 to 17, which comprise the statement of financial position as at 30 June 2020, and the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the 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 Mossel Bay Golf Estate Home Owners Association 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 (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the home owners association in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Mossel Bay Golf Estate Home Owners Association NPC Annual Financial Statements for the year ended 30 June 2020", which includes the Report of the Trustees as required by the Companies Act of South Africa, and the supplementary information set out on pages 18 to 21. The other information does not include the financial statements and our auditor's report thereon.

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

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

RAIN Chartered Accountants Inc.  
Director: Ian Pierce  
Registration number : 2000/023955/21  
P O Box 1006 Saxonwold 2132 Johannesburg South Africa  
34 Fricker Road Illovo 2196 Johannesburg South Africa  
Tel (+27) 011 243 5030 www.rain.org.za info@rain.org.za

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

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

In preparing the financial statements, the directors are responsible for assessing the home owners association'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 home owners association or to cease operations, or have no realistic alternative but to do so.

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the home owners association'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 home owners association'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 home owners association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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**RAIN Chartered Accountants Incorporated**  
**Registered Auditor**  
**Per: I.E. Pierce CA(SA)**  
**Director / Partner**  
**Johannesburg**



## **Report of the Compiler**

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### **To the Trustees and Section Owners of Mossel Bay Golf Estate Home Owners Association NPC**

I have compiled the accompanying financial statements of Mossel Bay Golf Estate Home Owners Association NPC based on information you have provided. These financial statements comprise the statement of financial position of Mossel Bay Golf Estate Home Owners Association NPC as at 30 June 2020, the statement of comprehensive income, the statement of changes in funds and reserves and the statement of cash flows for the year then ended, a summary of significant accounting policies and other explanatory information.

I performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

I have applied my expertise in accounting and financial reporting to assist you in the preparation and presentation of these financial statements in accordance with International Financial Reporting Standards for Small- and Medium-sized Entities (IFRS for SMEs). I have complied with relevant ethical requirements, including principles of integrity, objectivity, professional competence and due care.

These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, I am not required to verify the accuracy or completeness of the information you provided to me to compile these financial statements. Accordingly, I do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with IFRS for SMEs.

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**J.J. Human AGA (SA)**  
**Associate General Accountant**

# MOSSEL BAY GOLF ESTATE HOME OWNERS ASSOCIATION NPC

(Sectional Scheme Number 1999/001249/08)

Annual Financial Statements for the year ended 30 June 2020

## **Trustees' Responsibilities and Approval**

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The trustees are required 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 satisfy the financial reporting standards as to form and content and present fairly the statement of financial position, results of operations of the home owners association, and explain the transactions and financial position of the business of the home owners association at the end of the financial year. The annual financial statements are based upon appropriate accounting policies consistently applied throughout the home owners association and supported by reasonable and prudent judgements and estimates.

The trustees acknowledge that they are ultimately responsible for the system of internal financial control established by the home owners association and place considerable importance on maintaining a strong control environment. To enable the trustees to meet these responsibilities, the board 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 home owners association and all employees are required to maintain the highest ethical standards in ensuring the home owners associations business is conducted in a manner that in all reasonable circumstances is above reproach.

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

The trustees 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 going-concern basis has been adopted in preparing the financial statements. Based on forecasts and available cash resources the trustees have no reason to believe that the home owners association will not be a going concern in the foreseeable future. The financial statements support the viability of the home owners association.

The financial statements have been audited by the independent auditing firm, RAIN Chartered Accountants Incorporated, who have been given unrestricted access to all financial records and related data. The trustees believe that all representations made to the independent auditor during the audit were valid and appropriate. The external auditors' unqualified audit report is presented on page 2 to 3.

# MOSSEL BAY GOLF ESTATE HOME OWNERS ASSOCIATION NPC

(Sectional Scheme Number 1999/001249/08)

Annual Financial Statements for the year ended 30 June 2020

## **Trustees' Responsibilities and Approval**

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The annual financial statements as set out on pages 8 to 17 were approved by the board on 31 October 2020 and were signed on its behalf by:

\_\_\_\_\_  
W.J. Roux

\_\_\_\_\_  
J.D.T. Otto

\_\_\_\_\_  
P.J. Venter

\_\_\_\_\_  
Dr. N. van Noordwyk

\_\_\_\_\_  
P. Bierman

\_\_\_\_\_  
E.C. Olivier

\_\_\_\_\_  
W.C.E. Prinsloo

# MOSSEL BAY GOLF ESTATE HOME OWNERS ASSOCIATION NPC

(Sectional Scheme Number 1999/001249/08)

Annual Financial Statements for the year ended 30 June 2020

## Trustees' Report

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The Trustees present their report for the year ended 30 June 2020.

### 1. Review of activities

#### Main business and operations

The principal activity of the home owners association is administration of the estate's assets and furtherance of the owner's interest therein and there were no major changes herein during the year.

The operating results and statement of financial position of the home owners association are fully set out in the attached financial statements and do not in our opinion require any further comment.

### 2. Going concern

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

### 3. Events after reporting date

The trustees are not aware of any matter or circumstance arising since the end of the financial year to the date of this report that could have a material effect on the financial position of the home owners association.

### 4. Directors

The directors of the home owners association during the year and to the date of this report are as follows:

W.J. Roux  
J.D.T. Otto  
P.J. Venter  
Dr. N. van Noordwyk  
P. Bierman  
E.C. Olivier  
W.C.E. Prinsloo

### 5. Managing Agents

The home owners association's designated managing agent is Status Mark.

### 6. Independent Auditors

RAiN Chartered Accountants Incorporated were the independent auditors for the year under review and their re-appointment depends on a resolution taken to that effect by section owners at the forthcoming annual general meeting.

# MOSSEL BAY GOLF ESTATE HOME OWNERS ASSOCIATION NPC

(Company Registration Number 1999/001249/08)

Financial Statements for the year ended 30 June 2020

## Statement of Financial Position

Figures in R	Notes	2020	2019
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	3	217,453	276,569
<b>Current Assets</b>			
Levies in arrears	4	1,230,081	428,462
Inventory	5	7,880	25,118
Trade and other receivables	6	22,176	21,675
Cash and cash equivalents	7	2,194,778	1,858,117
		<b>3,454,915</b>	<b>2,333,372</b>
<b>Total Assets</b>		<b>3,672,368</b>	<b>2,609,941</b>
<b>Reserves and Liabilities</b>			
<b>Reserves and Funds</b>			
Road Fund Reserve		995,796	-
Retained income		2,062,077	1,989,067
		<b>3,057,873</b>	<b>1,989,067</b>
<b>Current Liabilities</b>			
Trade and other payables	8	37,418	46,102
Current tax liability	9	71,640	76,678
Owners deposits	10	209,032	220,394
Levies in advance	11	296,405	277,700
		<b>614,495</b>	<b>620,874</b>
<b>Total Funds and Liabilities</b>		<b>3,672,368</b>	<b>2,609,941</b>

# MOSSEL BAY GOLF ESTATE HOME OWNERS ASSOCIATION NPC

(Company Registration Number 1999/001249/08)

Financial Statements for the year ended 30 June 2020

## Statement of Comprehensive Income

Figures in R	Note	2020	2019
<b>Levy income</b>		6,135,020	5,718,776
Other income		946,146	357,795
Operating costs		(6,067,648)	(6,502,081)
<b>Operating surplus / (deficit)</b>		<b>1,013,518</b>	<b>(425,510)</b>
Finance income		126,928	117,954
<b>Surplus / (deficit) before tax</b>		<b>1,140,446</b>	<b>(307,556)</b>
Tax expense	12	(71,640)	(35,638)
<b>Surplus / (deficit) for the year</b>		<b>1,068,806</b>	<b>(343,194)</b>

# MOSSEL BAY GOLF ESTATE HOME OWNERS ASSOCIATION NPC

(Company Registration Number 1999/001249/08)

Financial Statements for the year ended 30 June 2020

## Statement of Changes in Funds and Reserves

Figures in R	Road Fund Reserve	Retained income	Total
<b>Balance at 1 July 2018 as previously reported</b>	-	2,176,261	2,176,261
Adjustment due to error (note 16)		156,000	156,000
<b>Balance at 1 July 2018 as adjusted</b>	-	<u>2,332,261</u>	<u>2,332,261</u>
<b>Total comprehensive income for the year</b>			
Deficit for the year		(343,194)	(343,194)
<b>Total comprehensive income for the year</b>	-	<u>(343,194)</u>	<u>(343,194)</u>
<b>Balance at 30 June 2019</b>	-	<u>1,989,067</u>	<u>1,989,067</u>
<b>Balance at 1 July 2019</b>	-	1,989,067	1,989,067
<b>Total comprehensive income for the year</b>			
Surplus for the year		1,068,806	1,068,806
<b>Total comprehensive income for the year</b>	-	<u>1,068,806</u>	<u>1,068,806</u>
Transfer	995,796	(995,796)	-
<b>Balance at 30 June 2020</b>	<u>995,796</u>	<u>2,062,077</u>	<u>3,057,873</u>

# MOSSEL BAY GOLF ESTATE HOME OWNERS ASSOCIATION NPC

(Company Registration Number 1999/001249/08)

Financial Statements for the year ended 30 June 2020

## Statement of Cash Flows

Figures in R	Note	2020	2019
<b>Cash flows from operating activities</b>			
Surplus / (deficit) for the year		1,068,806	(343,194)
<i>Adjustments for:</i>			
Income tax		71,640	35,638
Depreciation of property, plant and equipment		57,504	71,274
Impairment of property, plant and equipment		22,242	-
Investment income		(126,928)	(117,954)
<b>Operating cash flow before working capital changes</b>		<b>1,093,264</b>	<b>(354,236)</b>
<i>Working capital changes</i>			
Decrease / (increase) in financial assets		17,238	(25,118)
(Increase) / decrease in levies receivable		(782,914)	489,853
Increase in trade and other receivables		(501)	(9,033)
Decrease in trade and other payables		(20,048)	(202,583)
<b>Net cash flows from / (used in) operations</b>		<b>307,039</b>	<b>(101,117)</b>
Investment income		126,928	117,954
Tax paid		(76,678)	-
<b>Net cash flows from operating activities</b>		<b>357,289</b>	<b>16,837</b>
<b>Cash flows (used in) / from investing activities</b>			
Property, plant and equipment acquired	3	(55,059)	(42)
Proceeds on disposals of property, plant and equipment		34,431	116,561
<b>Net cash flows (used in) / from investing activities</b>		<b>(20,628)</b>	<b>116,519</b>
Net increase in cash and cash equivalents		336,661	133,356
Cash and cash equivalents at beginning of the year		1,858,117	1,724,761
<b>Cash and cash equivalents at end of the year</b>	7	<b>2,194,778</b>	<b>1,858,117</b>



## **Accounting Policies**

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### **1. General information**

Mossel Bay Golf Estate Home Owners Association NPC is a home owners association in South Africa. The principal activities are the administration of the estate's assets and furtherance of the owner's interest therein.

### **2. Summary of significant accounting policies**

These annual financial statements have been prepared in accordance with the International Financial Reporting Standards for Small and Medium-sized Entities issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa. The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

These financial statements have been prepared under the historical cost convention and are presented in South African Rands.

#### **2.1 Revenue recognition**

The ordinary levies receivable are accounted for on a straight-line basis over the financial year and decided amongst the trustees on a participation quota basis. The annual ordinary levies are agreed and approved by the trustees at the home owners association's annual general meeting. Interest is recognised, in surplus or deficit, using the effective interest rate method.

##### **2.1.1 Sales of goods – retail**

Sales of goods are recognised when an entity sells a product to the customer as control passes to the customer on the day the transaction takes place. Retail sales are usually in cash or by EFT transfer.

##### **2.1.2 Interest income**

Interest income is recognised using the effective interest rate method.

#### **2.2 Income taxes**

Provisions for tax are made at the corporation rate on net investment income earned by the home owners association, less allowable expenses applicable to bodies corporate. The home owners association is taxed in terms of Section 10(1)(e) of the Income Tax Act and Interpretation Note 64.

#### **2.3 Property, plant and equipment**

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Costs include 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.

## **Accounting Policies**

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### *Summary of significant accounting policies continued...*

Depreciation is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The following rates are used for the depreciation of property, plant and equipment:

Land and buildings	Indefinite
Motor vehicles	25.00%
Fencing, roads and infrastructure	10.00%
Office equipment	16.67%
Electronic equipment	33.33%

### **2.4 Trade and other receivables**

Trade receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest rate method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the home owners association will not be able to collect all amounts due according to the original terms of the receivables.

### **2.5 Cash and cash equivalents**

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

### **2.6 Trade payables**

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

### **2.7 Inventories**

Inventories are stated at the lower of cost and selling price less costs to complete and sell. Cost is calculated using the weighted average cost method.

# MOSSEL BAY GOLF ESTATE HOME OWNERS ASSOCIATION NPC

(Company Registration Number 1999/001249/08)

Financial Statements for the year ended 30 June 2020

## Notes to the Annual Financial Statements

Figures in R 2020 2019

### 3. Property, plant and equipment

	Cost	Accumulated depreciation	2020 Carrying value	Cost	Accumulated depreciation	2019 Carrying value
<i>Owned assets</i>						
Land and buildings	46	-	46	46	-	46
Motor vehicles	72,800	(69,361)	3,439	72,800	(55,612)	17,188
Fencing, roads and infrastructure	293,029	(81,958)	211,071	361,541	(116,672)	244,869
Office equipment	4,986	(2,839)	2,147	4,986	(2,009)	2,977
Electronic equipment	80,129	(79,379)	750	80,129	(68,640)	11,489
	450,990	(233,537)	217,453	519,502	(242,933)	276,569

The carrying amounts of property, plant and equipment can be reconciled as follows:

	Carrying value at beginning of year	Additions	Disposals	Depreciation and impairment	2020 Carrying value at end of year
<i>Owned assets</i>					
Land and buildings	46	-	-	-	46
Motor vehicles	17,188	-	-	(13,749)	3,439
Fencing, roads and infrastructure	244,869	55,059	(34,431)	(54,426)	211,071
Office equipment	2,977	-	-	(830)	2,147
Electronic equipment	11,489	-	-	(10,739)	750
	276,569	55,059	(34,431)	(79,744)	217,453

# MOSSEL BAY GOLF ESTATE HOME OWNERS ASSOCIATION NPC

(Company Registration Number 1999/001249/08)  
Financial Statements for the year ended 30 June 2020

## Notes to the Annual Financial Statements

Figures in R 2020 2019

### Property, plant and equipment continued...

	Carrying value at beginning of year	Additions	Disposals	Depreciati on	2019 Carrying value at end of year
<b>Owned assets</b>					
Land and buildings	4	42	-	-	46
Motor vehicles	30,938	-	-	(13,750)	17,188
Fencing, roads and infrastructure	397,577	-	(116,554)	(36,154)	244,869
Office equipment	3,808	-	-	(831)	2,977
Electronic equipment	32,035	-	(7)	(20,539)	11,489
	<u>464,362</u>	<u>42</u>	<u>(116,561)</u>	<u>(71,274)</u>	<u>276,569</u>

### Land and buildings

Even in the Municipality and Division of Mossel Bay,  
Western Cape:

Erf 14968; Erf 14918; Erf 15181; Erf 14944; Erf 14939; Erf  
14964; Erf 15063; Erf 15075; Erf 15061; Erf 15027; Erf  
15008; Erf 14983; Erf 14942; Erf 15219; Erf 15208; Erf  
15228; Erf 15238; Erf 15191; Erf 16154; Erf 15172; Erf  
16098; Erf 16116; Erf 16106; Erf 15726; Erf 15745; Erf  
15755; Erf 15767; Erf 15727; Erf 16382; Erf 16405; Erf  
16395; Erf 16359; Erf 16354; Erf 16510; Erf 16511; Erf  
16467; Erf 16490; Erf 16163; Erf 15185; Erf 15180; Erf  
16467; Erf 14967; Erf 15091; Erf 15093; Erf 14970; Erf  
19595

46 46

46 46

### 4. Levies in arrears

	90 Days+	60 Days	30 Days	Current	Total	Prior year
Levies in arrears	471,827	26,029	685,455	46,769	1,230,081	428,462
	<u>471,827</u>	<u>26,029</u>	<u>685,455</u>	<u>46,769</u>	<u>1,230,081</u>	<u>428,462</u>

### 5. Inventory

E-tag stock	<u>7,880</u>	<u>25,118</u>
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### 6. Trade and other receivables

Trade debtors	-	1,660
Prepaid expenses	17,496	15,335
Deposits	4,680	4,680
	<u>22,176</u>	<u>21,675</u>

# MOSSEL BAY GOLF ESTATE HOME OWNERS ASSOCIATION NPC

(Company Registration Number 1999/001249/08)  
Financial Statements for the year ended 30 June 2020

## Notes to the Annual Financial Statements

Figures in R	2020	2019
<i>Trade and other receivables continued...</i>		
<b>Items included in trade and other receivables not classified as financial instruments</b>		
Prepaid expenses	17,496	15,335
Mossel Bay Municipality (deposit)	4,680	4,680
Funseekers (Cell2Gate)	-	1,660
	<u>22,176</u>	<u>21,675</u>
<b>Trade and other receivables net of non-financial instruments</b>	<u>-</u>	<u>-</u>
<b>7. Cash and cash equivalents</b>		
<b>Favourable cash balances</b>		
Cash on hand	3,000	3,000
ABSA - Rentals deposits (9312841078)	49,619	42,690
ABSA - Current Account	96,540	92,082
ABSA - Road Fund (9280404992)	22,058	26,360
Allan Grey - Road Fund	973,738	905,823
ABSA - Depositor Plus (9289381490)	382,813	152,867
Allan Grey - Depositor Plus	572,791	532,841
ABSA - Builders Deposit (9100023927)	73,810	82,201
ABSA - Contractors Deposit (9323008754)	20,409	20,253
	<u>2,194,778</u>	<u>1,858,117</u>
<b>8. Trade and other payables</b>		
Trade creditors	37,418	46,016
Value Added Tax	-	86
	<u>37,418</u>	<u>46,102</u>
<b>9. Income tax in the statement of financial position</b>		
Current tax in the Statement of Financial Position represents:		
Provision for tax for the year	71,640	35,638
Over provision in prior year	-	-
Payments during the year	(76,678)	
	<u>-5,038</u>	<u>35,638</u>
Provision for tax relating to previous years	76,678	41,040
	<u>71,640</u>	<u>76,678</u>
<b>10. Owners deposits</b>		
Owners deposits	<u>209,032</u>	<u>220,394</u>

# MOSSEL BAY GOLF ESTATE HOME OWNERS ASSOCIATION NPC

(Company Registration Number 1999/001249/08)  
Financial Statements for the year ended 30 June 2020

## Notes to the Annual Financial Statements

Figures in R 2020 2019

### 11. Levies in advance

	90 Days+	60 Days	30 Days	Current	Total	Prior year
Levies in advance	5,239	3,730	8,643	278,793	296,405	277,700
	5,239	3,730	8,643	278,793	296,405	277,700

### 12. Income tax expense

Current tax	71,640	35,638
Income tax for the year	71,640	35,638

### 13. Garden and pool maintenance

Garden maintenance	574,454	524,114
Pool maintenance	142,183	153,286
	716,637	677,400

### 14. Site office expenses

Site office - Operating expenses	96,123	88,534
Site office - Salaries	614,957	583,855
	711,080	672,389

### 15. Repairs and maintenance

R&M: Maintenance general	255,264	247,425
R&M: Assest reclassified as maintenance	-	263,913
	255,264	511,338

### 16. Prior period correction

Road fund income was not recognised in the 2018 financial year. Road fund income is earned on receipt of the builders deposit. R1 000 is deducted from the builders deposit and allocated to the road fund reserve.

#### Statement of financial position

Decrease in Trade and other payables	-	(156,000)
Increase in Accumulated reserves	-	156,000
	-	-

# MOSSEL BAY GOLF ESTATE HOME OWNERS ASSOCIATION NPC

(Company Registration Number 1999/001249/08)

Financial Statements for the year ended 30 June 2020

## Detailed Income Statement - Normal Operations

Figures in R	Notes	2020	2019
<b>Levy Income</b>			
Levy - Road Fund		-	3,000
Levy - Special		209,000	246,000
Ordinary levies		5,926,020	5,469,776
		<u>6,135,020</u>	<u>5,718,776</u>
<b>Other Income</b>			
Cell to gate income		7,520	14,260
Clearance fees income		53,300	40,190
Insurance claims received		9,000	3,030
Interest from members		79,753	65,056
Investment income		126,928	117,954
Legal fees recovered		640,213	4,234
Penalty levy		21,210	22,460
Remote control sales		18,300	57,510
Sundry income		3,610	2,015
		<u>959,834</u>	<u>326,709</u>

# MOSSEL BAY GOLF ESTATE HOME OWNERS ASSOCIATION NPC

(Company Registration Number 1999/001249/08)

Financial Statements for the year ended 30 June 2020

## Detailed Income Statement - Normal Operations

Figures in R	Notes	2020	2019
		<b>7,094,854</b>	<b>6,045,485</b>
<b>Expenditure</b>			
Accounting fees		2,475	14,450
Auditors' remuneration		25,740	14,950
Bad debts		-	395,755
Bank charges		27,305	27,715
Cell to gate expense		10,206	16,800
Clearance fees expense		22,795	33,204
Communication		250,920	372,436
Consulting fees		-	18,250
Cost of remote control sales		17,238	54,673
Depreciation - Tangible assets		57,504	71,274
Donations		68,750	4,000
Entertainment		-	894
Garden and pool maintenance	13	716,637	677,400
General expenses		26,523	30,177
Golf club fees		857,260	817,098
Impairment - Land & Buildings		22,242	-
Insurance		50,512	46,448
Insurance claims expense		9,000	3,030
Legal expense		171,294	116,487
Management fees		442,728	417,668
Motor vehicle expense		3,147	1,449
Municipal expenses		158,640	198,087
Nature Reserve		70,916	35,142
Postage		11,869	10,443
Rental expenses		417	1,025
Repairs and maintenance	15	255,264	511,338
Security		1,942,004	1,777,968
Site office expenses	14	711,080	672,389
Subscriptions		3,120	2,990
		<b>5,935,586</b>	<b>6,343,540</b>
<b>Operating Surplus / (Deficit)</b>		<b>1,159,268</b>	<b>(298,055)</b>
Taxation		(71,640)	(35,638)
<b>Surplus / (Deficit) After Taxation</b>		<b>1,087,628</b>	<b>(333,693)</b>



# MOSSEL BAY GOLF ESTATE HOME OWNERS ASSOCIATION NPC

(Company Registration Number 1999/001249/08)  
Financial Statements for the year ended 30 June 2020

## Detailed Income Statement - Golf Days

Figures in R	2020	2019
<b>Other Income</b>		
Auction income	14,300	27,600
Entry fees	21,540	25,160
Raffle income	1,600	2,180
Sponsorships received	75,800	94,100
	<u>113,240</u>	<u>149,040</u>
	<b>113,240</b>	<b>149,040</b>
Donations	92,250	115,000
Meals	20,400	31,200
Other expenses	19,412	7,341
Prizes	-	5,000
	<u>132,062</u>	<u>158,541</u>
<b>Operating Deficit</b>	<b>(18,822)</b>	<b>(9,501)</b>

# MOSSEL BAY GOLF ESTATE HOME OWNERS ASSOCIATION NPC

(Company Registration Number 1999/001249/08)  
Financial Statements for the year ended 30 June 2020

## Income Tax Computation

Figures in R		2020	2019
<b>Income - receipts and accruals</b>			
Levy income		6,135,020	5,718,776
Other income		866,393	357,795
Finance income		206,681	117,954
<b>Total income</b>		<u>7,208,094</u>	<u>6,194,525</u>
Less: Levies - exempt under S 10(1)(e) exemption		(6,135,020)	(5,718,776)
Less: Bad debts written off related to interest and penalties		-	(127,533)
Less: Section 18A Donation allowed (limited to 10% of taxable income)		(28,650)	(14,274)
Less: Expenses related to other income		(736,578)	(155,481)
Total receipts and accruals subject to income tax		<u>307,846</u>	<u>178,461</u>
Less: Basic exemption S 10(1)(e)(ii)		(50,000)	(50,000)
<b>Income subject to income tax</b>		<u>257,846</u>	<u>128,461</u>
<b>Allowable expenditure</b>			
Accounting fees		2,475	14,450
Independent auditors' fees		25,740	14,950
Bank charges		27,305	27,717
<b>Total allowable expenditure</b>		<u>55,520</u>	<u>57,117</u>
<b>TAX CALCULATION</b>			
<b>Income subject to income tax</b>	X	<b>Allowable expenditure</b>	
<u>Total income</u>		<u>1</u>	
<b>Allowance deduction:</b>			
257,846	X	55,520	1,986
<u>7,208,094</u>		<u>1</u>	<u>1,184</u>
<b>Calculation of taxable income and income tax payable</b>			
Income subject to income tax		257,846	128,461
Less: Allowable deduction		(1,986)	(1,184)
<b>Taxable income</b>		<u>255,860</u>	<u>127,277</u>
<b>Income tax payable at 28 % - 2020 (28 % - 2019).</b>		<u>71,640</u>	<u>35,638</u>

**Mossel Bay Golf Estate Home Owners Association (HOA): Annual General Meeting (AGM):  
21 December 2020**

Special Resolution (>75% majority voting rights exercised at an AGM): It is proposed that Article 11.5 of the HOA MOI be amended to exclude it from the provisions of article 31.

Article 31 be amended to provide that it relates to expenditure incurred other than in the ordinary and normal course of the Association's business.

The amount of R150 000 referred to in article 31.2 be increased to R350 000 and reviewed every 5-years to make provision for the effect of inflation.

**Background**

1. During the HOA AGM held on 20 December 2019 the interpretation of Article 31 of the MOI was discussed.
2. In a legal opinion dated 3 February 2020 obtained by the HOA, Prof W W van Breda, Raubenheimer Attorneys, advised as follows with regard to the interpretation of Article 31.
3. "According to the documentation on file with us, the Articles of Association of the Company dated 30th March 2007 already contains the article 31 referred to in your letter under reply. We unfortunately do not have any particulars that can shed light on the origin of article 31. Our advice is therefore based on an interpretation of the relevant provisions contained in the memorandum of incorporation of the Company as it is.
4. Article 31 must be read with articles 4.1.8, 4.3 and 11.5.
5. Article 4.1.8 empowers the Association to enter into agreements with suppliers of services in connection with the development. The clause is unqualified.
6. Although article 4.3 provides that "the powers of the Company are not subject to restriction, limitation or qualification", this article must be read with article 31.
7. Article 11.5 clearly sets out the provisions relating to the budget of the Company and the approval thereof. It also clearly specifies the items to be provided for in terms of the budget. This article contains no reference to article 31 and is not made subject to the provisions of article 31.
8. The restriction referred to in article 31 does not specify whether or not it relates to capital expenditure or operational expenditure. It can therefore not be said that article 31 pertains only to capital expenditure. However, this is not the end of the enquiry. Article 31 is clearly meant to introduce a restriction which is not covered by any of articles 4.1.8, 4.3 and 11.5 (with reference in particular to article 11.5).
9. Should article 31 be interpreted to apply to expenses incurred or to be incurred by the Association in the ordinary and normal course of business, it would make nonsense of the entire budget process. For example, if the salary of any manager is in excess of



R150 000-00 per annum (i.e. R12 500-00 / month) it would imply that the services agreement of such manager will be subject to compliance with article 31. The same applies to security services, ordinary maintenance services, etc. Taking into account the very specific arrangements set out in article 31 (entirely removed from article 11.5) it is clear that it cannot be interpreted to apply to each and every agreement involving an amount of R12 500-00 / month. The only plausible interpretation is that article 31 relates to expenditure other than that incurred in the ordinary and normal course of the Association's business.

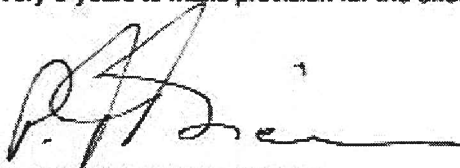
10. We therefore advise that article 31 is not restricted to capital expenditure but also applies to operational expenditure. The qualification, however, is that it does not relate to expenditure incurred in the ordinary and normal course of the business of the Association – in particular not to operational expenditure so incurred or to be incurred.
  
11. In order to avoid any uncertainty as regards the interpretation of article 31, it may be advisable to amend article 11.5 to clearly exclude it from the provisions of article 31 and to amend article 31 to clearly provide that it relates to expenditure incurred other than in the ordinary and normal course of the Association's business. It may even be questioned whether article 31 serves any purpose because the annual budget is in any event subject to the approval by members in general meeting – which implies approval of all expenditure.

#### Recommendation

Noting the advice by prof Van Breda it is recommended that Article 11.5 of the HOA MOI be amended to exclude it from the provisions of article 31.


Article 31 be amended to provide that it relates to expenditure incurred other than in the ordinary and normal course of the Association's business.

The amount of R150 000 referred to in article 31.2 be increased to R350 000 and reviewed every 5-years to make provision for the effect of inflation.



Recommended: Peet Bierman

Date: 29 October 2020



Seconded: Willem Roux

Date: 29 October 2020

To whom it may concern,

We, Barend en Lizette Kotzé, 145 Pardew Drive, Mosselbaai Golf Estate, submit the following for discussion at the AGM in 2020.

Rule 40 imposition of penalties is inaccurate and open for interpretation - vote that the penalty clauses needs to be corrected before implemented

Seconded:

Name and surname: J.J.J. van Wyk



Address: 146 Pardew Drive  
Mosselbay Golf Estate  
Mosselbay

Contact number: 0834849826

Sincerely,



Barend en Lizette Kotzé

18/11/2020

Date:

**Annual General Meeting xx December 2020**

**ORDINARY RESOLUTIONS REGARDING RESERVES**

**Background:**

The Sectional Title Acts states that:

1. Reserves for a HOA should exceed 25% of Annual Levies.
2. The HOA association should maintain a Maintenance and Admin Reserve which is specifically dedicated for this purpose

Even though the Sectional Title Act does not apply to the HOA, the rules it prescribes are based on good financial management principles for any Estate.

Over the 2017/18 and 2018/19 financial years the reserves of the HOA has been depleted by R581 517. As at the 2018/19 Financial Year our Reserves were at the level of 31%

Should this situation be repeated for 1 more year the HOA will be at the level of 25%.

**Current Situation:**

The HOA does not have a dedicated Reserve Fund for Maintenance and Admin and only maintains a General Reserve as Retained Income. The Balance Sheet does however indicate the intention of a specific Road Fund or Reserve (Allan Gray and ABSA investments) to the value of R 932 188, but this has never been formally voted on by the AGM or reflected on the Balance Sheet. Given the recent developments the proposers believe this is a good time to establish a dedicated Maintenance Reserve to ensure that the HOA builds sufficient reserves for any future eventualities.

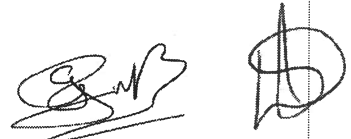
**Proposal:**

The proposal contains 5 separate resolutions which should be voted on independently to formalise what seems to have been the intention of the Board in the past. The proposers believe that the HOA should target a capital reserve fund that is equal to 1 year of levy income (as proposed by the Sectional Title Act) to provide a sound financial basis for the HOA going forward:

**ORDINARY RESOLUTION 1:**

**Proposed:**

The HOA should create a dedicated Capital and Maintenance Reserve Fund separate from the General Reserves and reflect this clearly on the Annual Financial Statements



**ORDINARY RESOLUTION 2:**

**Proposed:**

The Initial Capital and Maintenance Reserve Fund should be set at R 1 600 000. (This is slightly higher than 25% of Annual Levies)

**ORDINARY RESOLUTION 3:**

**Proposed:**

- The Capital and Maintenance Reserve Funds should be invested in specific identifiable Investments (as seems to be the intention with the road fund currently invested with Affian Gray and ABSA).
- All earnings on these funds should be allocated to increase the Capital Reserve Fund (and NOT be used to balance the annual budget)

**ORDINARY RESOLUTION 4:**

**Proposed:**

- Any usage of the Capital and Maintenance Reserve Fund will be subject to a specific vote at the AGM (or SGM).

**ORDINARY RESOLUTION 5:**

**Proposed:**

The annual budget should provide for a cash increase of R120 000 (This is R304 per unit per year or R 25 per month) for the Capital and Maintenance Reserve Fund every year until such time as this Reserve Fund reaches a level of 1 year of Annual Levies (It is estimated that at this rate it will take the HOA 5 years to rebuild the total reserves to a level where it was at the end of 2017/18 financial year and another 30 years to achieve that target of 1 year of Annual levies)



Dieter Schulze



Ian van Rensburg

**Mossel Bay Golf Estate Home Owners Association (HOA): Annual General Meeting:  
21 December 2020**

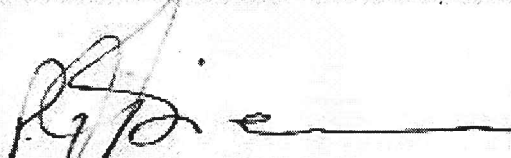
**Ordinary Resolution (50%+1 majority votes): Approval of the Financial Statements for the financial year ending June 2020**

**Background**

1. The HOA, as a registered company (non-profit), again obtained an unqualified audit in respect of its financial statements for the 2019/20 financial year.
2. The audit was performed by Rain Auditing in compliance with the Companies Act, 2008.
3. This unqualified audit was made possible through the application of effective corporate governance and sound management principles which, inter alia, include:
  - Risk Management (short, medium and long term): Identification of risks and mitigating (treat, tolerate, terminate or transfer) these;
  - Capital Planning: Compile and prioritise a capital plan which include new, improvements and refurbishments (to extend economic life) of fixed and moveable HOA assets, and
  - Financial Management: Holding adequate financial reserves, minimising income tax exposure and having monthly income and expenses forecast statements for the financial year.

**Recommendation**

In accordance with Article 25.1.4 of the Memorandum of Incorporation (MOI) of the HOA the Financial Statements for the financial year ending June 2020 is presented for approval.

  
Recommended: Peet Bierman

Date: 29 October 2020

  
Seconded: Willem Roux

Date: 29 October 2020



**Mossal Bay Golf Estate Home Owners Association (HOA): Annual General Meeting:  
21 December 2020**

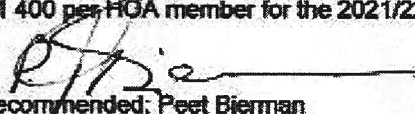
**Ordinary Resolution (>60% votes of approval): Approval of the HOA Budget for the year ending June 2022**

**Background**

1. The HOA Expenditure Budget as approved for the year 2020/21 is R6 423 683, which equate to a levy of R1 350 per month per HOA member.
2. The proposed 2021/22 Expenditure Budget for the HOA amounts to R6 695 568 and a levy of R1 400 per month per home owner.
3. This represents an increase of 3.7% in the levy charged to HOA members for the 2021/22 financial year.
4. The aforesaid increase is considered a fair reflection of the effective financial management of the HOA's finances.
5. Estimated cash reserves for the 2020/21 financial year will be R3 182 698.

**Recommendation**

In accordance with Article 11.6 of the Memorandum of Incorporation (MOI) of the HOA it is recommended that the expenditure budget of R6 423 683, equating to a monthly levy of R1 400 per HOA member for the 2021/22 financial year be approved.

  
Recommended: Peet Bierman

Date: 29 October 2020

  
Seconded: Willem Roux

Date: 29 October 2020

Mossel Bay Golf Estate Home Owners Association (HOA): Annual General Meeting:  
21 December 2020

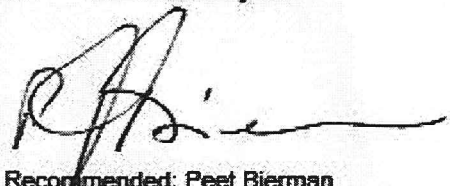
Ordinary Resolution (50%+1 votes of approval): Secure approval for the appointment and remuneration of Auditors for the financial year ending June 2021

**Background**

1. The HOA, as a registered company (non-profit), is required in terms of the Companies Act, 2008 and its MOI Article 25.1.6 to appoint and remunerate auditors to audit its financials for the 2021/22 financial year.
2. In terms of legislative developments which closer align the period of employing the same auditors for non-profit and for-profit companies, it is necessary for the HOA to not appoint the same auditors for a period exceeding five (5) years.
3. During the previous 5 (five) years, the HOA's financials were audited by Pretorius Auditors, Mossel Bay.
4. The use and support of a local auditing company is a vital consideration. In this regard Rain Chartered Accountants have been identified as an independent service provider with experience of home owners associations finances.
5. Auditor remuneration of R15 000 for 2021/22 are aligned to previous HOA auditing costs and is considered fair and reasonable.

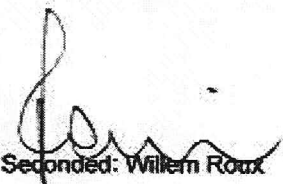
**Recommendation**

In accordance with Article 25.1.6 of the Memorandum of Incorporation (MOI) of the HOA it is recommended that Rain Chartered Accountants be appointed and remunerated R15 000 for the 2021/22 financial year.



Recommended: Peet Bierman

Date: 29 October 2020



Seconded: Willem Roux

Date: 29 October 2020

**Annual General Meeting 21 December 2020**

**ORDINARY RESOLUTION 10: SECURITY**

**Background:**

The Estate is situated in such a position that it borders a nature reserve to the South, while in multiple areas dotted across the Estate are green areas.

Whilst the Estate's security measures and protocols have proved successful in deterring any criminal ingress from the outside, the areas bordering the ocean on the Nature Reserve still remain a risk area to be managed.

**Current Situation:**

The Northern, Western, and Eastern boundaries of the Estate is protected by either Schoeman Street, Village on Sea, or Church Street.

There are also additional personnel at these areas which make ingress from the outside rather difficult. Security cameras add to this Iron Curtain.

Only the area to the coast is open to the public via the St. Blaize trail. Whilst the Municipality and Mosselbaai Bo-Dorp patrol the area, it is not a complete, risk free or viable long term solution.

**Proposed:**

It is therefore proposed that in order to promote and maintain the unique security standards already in place, a complete Iron Curtain be installed on the Nature Reserve border.

This will consist of cameras and/or videofi equipment installed along the border of the Estate at predetermined points.

This equipment will enable early detection of any person in a specific demarcated area; and will be monitored to enable response to be sent out to the area.

The Board therefore requests that a capital amount of R500 000 be approved for the sourcing and installation of the equipment as proposed.

**PROPOSER:**

**SECONDED:**

A large, stylized handwritten signature in black ink, appearing to be a cursive monogram or initials, positioned to the right of the 'PROPOSER:' and 'SECONDED:' labels.

STATUS MARK MANAGEMENT SERVICES PO BOX 567, MOSSEL BAY		Budget 2021-20222		BUDGET			
A		B	C	E	F	G	H
MOSSEL BAY GOLF ESTATE		PREVIOUS BUDGET	FINANCIAL STATEMENTS		PROPOSED	% VARIANCE ON BUDGET	DIFFERENCES BUDGETS
		2020-2021	2019/2020 ANNUAL		2021-2022		2020-2021 / 2021-2022
	DESCRIPTION						
1	AUDIT FEES	R 15,225.00			R 15,000	-1%	Separation of accountant and auditors
2	BANK CHARGES	R 30,000.00			R 30,383	1%	5% increase on current actual
3	GOLF CLUB AWARD	R 891,198.04			R 614,640	-31%	As per Mandate option 1 and negotiations
4	ESTATE MANAGEMENT						
5	AGENT	R 470,680.28			R 497,108	6%	6% increase on actual
6	OFFICE RENTAL						
7	SITE OFFICE	R 720,884.90			R 740,537	3%	5% increase on actual
8	ACCOUNTANT	R 9,733.50			R 9,000	-8%	Separation of accountant and auditors
9	ESTATE PROPERTY						
10	GARDENS & Refuse	R 619,341.66			R 663,558	7%	6% increase on current actual + Mun increase
11	POOL MAINTENANCE (incl water & electricity)	R 186,496.06			R 196,049	5%	6% increase on current actual. Water saving measures
12	LEGAL & PROF. FEES	R 100,000.00			R 50,000	-50%	Legal opinions
13	INSURANCE	R 50,336.41			R 53,428	6%	10% on current actual
14	MAINTENANCE						
15	ROADS						
16	FENCES & OPEN AREAS	R 603,500.00			R 458,500	-24%	Based on forecast and adjustments
17	NATURE RESERVE & REPORTS	R 155,000.00			R 184,400	19%	Based on sub committee forecast
18	MUNICIPALITY						
19	WATER & LIGHTS & RATES	R 189,759.67			R 162,044	-5%	Based on current actuals and historic usage
20	RATES	R 44,376.25			R 53,170	20%	Current actual + Municipal increases
21	SECURITY	R 2,131,867.64			R 2,800,000	31%	7% increase on actual plus club security+ unforeseen + monitor
22	STATIONARY & POSTAGE	R 11,017.47			R 10,000	-9%	10% on current actual
23	PR & MARKETING	R 38,000.00			R 41,400	9%	HOA Socials
24	SUNDRIES	R 28,062.55			R 27,849	-1%	Based on current actuals and historic usage
25	TELEPHONE INTERNAL SYSTEM	R 50,000.00			R -	-100%	No more internal line system, replaced by cell phones
26	RENT - NATURE RESERVE	R 1,281.25			R 1,303	2%	Current actual + Municipal increases
27	SECURITY- CELL TO GATE	R 2,108.40			R 2,200	4%	Based on current actuals and historic usage, offset by income
28	POLICE CLEARANCE EXP	R 34,863.84			R -	-100%	Offset against police clearance income
29	REMOTES / ETAG EXP	R 60,000.00			R 55,000	-8%	As per budget from sub committee
30	TAX PROVISION ON OTHER INCOME	R -			R 30,000		
31	DEPRECIATION	R -			R -		Investments
32	INTEREST ON INVESTMENT	R 6,423,682.92			R 6,695,568		
33	TOTAL	R 1,330.73			R 1,381		Rounded
34	per unit	R 16.61			R 18		New as per CSOS Act
35	OMBUDESMAN FEES	R 1,350.00			R 1,400	4%	Rounded
36	TOTAL PROPOSED LEVY VAT INCL	R 1,350.00			R 1,400	4%	Rounded
					Total Annual Levy Rounded: R 16,800.00		
					Monthly Levy 1,400.00		