



JACKALBERRY RIDGE SHARE BLOCK LIMITED

MINUTES OF THE ANNUAL GENERAL MEETING HELD AT BRYANSTON COUNTRY CLUB, BRYANSTON ON WEDNESDAY, 16 AUGUST 2016 AT 14H00

PRESENT

R W. Dickson	(Director)	Chairman
D.I. Gordon	(Director)	
N Wilkens	(Director & representing Wilkens Trust)	
B.S. Dickson	(Director)	
N. Agenbag		
D.V. Killassy		

IN ATTENDANCE

Representing Leisure Options:

L. Verhoog
S. Angel
A. Lawrence
D. Cooper
C. Keevy
N. Zaphiropoulos

WELCOME

The Chairman welcomed everyone to the meeting and, as due notice had been given and a quorum was present the meeting was duly constituted. Proxies that were received were noted and recorded.

MINUTES OF THE PREVIOUS ANNUAL GENERAL MEETING

The Minutes had been circulated prior to the meeting. As no queries were raised, these Minutes were approved as a true reflection of the Meeting.

CHAIRMANS REPORT

The Chairman highlighted points from the Chairman's report:

- Repairs to Units' thatch Lapa's, replacement of wood paths in front of the Units' kitchen doors and pool renovations continue with 2 or 3 pools left to complete.
- The Lapa chairs have been replaced and the dam project is complete.
- The Viewing Deck has also been completed.
- Bedding and linen has been replaced in line with the latest hospitality trends and guest requirements.
- Leonie Verhoog has replaced Peet and Rachelle Steyn as the new General Manager for Jackalberry Ridge. Peet and Rachelle Steyn have transferred to our Nibela and Sobhengu Lodges in Kwa Zulu Natal and wish them all the best. A special thanks to them for their hard work on Jackalberry Ridge.

Campsite Update



The piece of land we purchased some 10 years ago to prevent a potential buyer from building high-rise buildings in the area behind the resort, has been developed into a camping site and is now an upmarket Camping site with its own kitchen facilities, ablutions and plunge pool.

The campsite is managed and staffed by the Jackalberry team with minimal overheads and an extra levy contribution.

The Chairman reported that initially the take up has been slow, but via word of mouth this has changed; in July 2016 a 60% occupancy was reported for the campsite.

Levies

Levies are payable regardless of bookings. For the first time we have experienced an operational loss because owners have not been paying their levies. We have made provision for the non-recovery of R136,904. Every effort is being made to sell the weeks to be replaced with levy-paying owners. A provision for R122,666 has been made that has not been budgeted for with an overspend of R111,515 in respect of repairs and maintenance.

Eskom account

The Chairman reported that the bill for ± R700,000 from Eskom last year was negotiated down and all amounts settled. We have since employed the services of an energy expert, Energy Resource Optimisers, who assist with how and where we will save energy on the resort.

Municipality

The rates and taxes issue we experienced last year with the Nkomazi Municipality where they re-evaluated us as a business entity instead of a residential entity has been resolved with the bill being brought down considerably and settled. We also managed to get them to change our status back to a residential entity.

Levy Collection

This is an ongoing problem. We have now introduced a system where we invoice out at the beginning of the year and a follow up system implemented to find out if people are using their weeks has been introduced with both having a positive outcome. Exchanges with a small fee are also helping.

ANNUAL FINANCIAL STATEMENTS

The Chairman reported that the Annual Financial Statements were circulated with the notice. The new budget is due to be set mid October 2016. Every effort is made to keep expenses down as well as provide the services the owners require. As there were no challenges, the statements were seconded and approved.

APPOINTMENT OF AUDITORS

L G Edwards have been conducting the audit for a number of years and perform their duties well, and although there has been an increase from them this year, their audit fee is reasonable compared to what would be charged if one of the larger firms was used. Management Accounts are sent out to the Directors on a monthly basis which helps to identify any queries and resolve them timeously.

The reappointment of L G Edwards and approval of their audit fee was accepted.

ELECTION OF DIRECTORS

The current directors are R W Dickson, D I Gordon, N Wilkens and B S Dickson and as no other nominations had been received, they were unanimously re-elected for the ensuing year.

INSURANCE

Insured values are:

Tents - R20m; Buildings – offices, house, toilets & laundry – R3m; Pump house - R170,000; Business interruption – R3.2m; Public Liability – R20m; Contents – R138,000/unit.

Insurance is placed through Factory & Industry.



GENERAL

Mr N. Agenbag enquired about the planned conversion of the tents on Jackalberry Ridge and requested an update from the Directors. The Directors informed him that the plan is to have one proto-type ready by December 2016 to get an idea of the costing involved, observe the reaction of the owners and to see how the tent would aesthetically fit in with Jackalberry Ridge. BD mentioned that the conversions are basically planned to take place as and when the tents require the general wear and tear maintenance and that there is still much planning and investigation to be done on the project.

There being no further business, the meeting was closed at 15:00hrs.

Read and confirmed this day of 20

Chairman