



MINUTES OF ANNUAL GENERAL MEETING OF SANEC	Actions
<p>1. Welcome by Gordon Mowatt 26th April 2022</p> <p>2. Opening and Welcome by Graham Reid.</p> <p>3. Apologies</p> <p>As per KPC – Attendance register attached.</p> <p>4. Confirmation of Voting Delegates and Quorum</p> <p>Have not reached the 75% quorum to propose MOI wording change resolutions. To be carried over to next AGM or SGM.</p> <p>5. Approval of Minutes of combined KPC SGM and SANEC AGM on 28th April 2021</p> <p>Minutes distributed and approved. Proposed by Anne-Marie Esslinger Seconded by Gordon Mowat.</p> <p>AE asked regarding approval of changes to MOI with regard to number of directors (75%). GR said there were currently 6 directors on the Board of SANEC. AE said the percentage does not fully represent KPC. It should be 3 from KPC and the rest from SANEC.</p> <p>Subject was debated by the members and board. The number of Directors was changed and approved at the SANEC AGM during 2016. This was minuted and has been updated in the MOI wording and is due to be re-submitted to CIPC by Thort Accountants as our auditors.</p> <p>6. Chairman’s Report</p> <p>Gordon Mowat welcomed all and congratulated the members of the Board and staff in refurbishing the Lipizzaner centre and other work</p>	



carried out at GHS.

- Revenue shows a R60k loss which is work in progress, and mainly due to all the historically outstanding maintenance.
- All available properties leased out with a lease agreement with the exception of KPC.
- Revenue R200,000 per month from leaseholders (12 in total).
- Income of between R15 – R20,000 from catering, a 10% cut on gross turnover.
- Running costs iro R137,500, now in a position to show a profit.
- Now have a sustainable business model but still work in progress.
- Encouraged by the ideas on the blueprint. A large indoor school would be an asset.
- Audit is end of July 2022. Propose requesting Thort to carry out the audit.

Vote to retain Thort as auditors:

Proposed by Kevin Wessels

Seconded by Grant Langley

Some challenges regarding sales of the remainder of shares which Board are seeking advice on how to market these. Possibly advertise shares for sale on social media and in newsletters to KPC members.

7. Financial Report

Graham Reid presented the Financial Report.

- Property, plant & Equipment R7.7 million including expenses to date;
- Some expenses deferred - R226,000;
- Expenses to Lipizzaner centre to be written off over the lease period of 5 years – another 4 years of these costs.

Share Capital -

- Loan to KPC currently at end July 2021 was R76,000 which varies



from month to month;

- Revenue of R 70 000 from Equestrian Affair rental. Does not include Baker McVeigh as this started after this period;
- Investment interest R500,000 on shareholding capital;
- Value of assets added against losses – Generator R260,000;
- New entrance and roadworks over R1.5 million, Entrance pillars and walls and extras are additional expenditure
- Clubhouse changes R100,000.
- Expenses amounted to R1 million of improvements;
- Added value – R365,000;
- Plant & Machinery – R24,000;
- Others – R10,000;

Others :

- Discount from Beaulieu on a monthly basis;
- Advertising on Oracle social media;
- Consulting/professional fees;
- Employee costs;
- Security costs;
- Additional costs of COVID tests for staff.

Confirmation and Adoption of Audited Financial statements for year ending 31st July 2021.

Proposed by James Curtin
Seconded by Mindy Hunt

8. Appointment of Auditors for ensuing year

Approved as above

9. KPC Lease Agreement

As per previous KPC discussion.

10. Approval of Resolutions for changes to the MOI

Graham Reid explained the Resolutions:



- Unclear on MOI which directors rotate & which do not. This needs to be clarified.
- Shares – what happens to shares belonging to members no longer in South Africa etc.
- After 90 days if shares are not sold the Board will decide what is to be done.

Discussion amongst members regarding the wording of the MOI.

Graham Reid indicated the website where the share details can be viewed.

11. General

No further matters.

12. Close the meeting.

Graham Reid declared the meeting closed.