



REPORT IN RESPECT OF THE AFFAIRS OF THE CARE PROVIDER FOR THE PERIOD 1 MARCH 2020 TO 28 FEBRUARY 2021

This report is prepared for the information of members in terms of Clause 33(2)(k) of the Constitution.

Clause 51(2) of the Constitution prescribes that directors of the Care Provider (OWOBV (Pty) Ltd) should be trustees of the Management Association. The following trustees, are at the date of this report, serving as directors of the Company for an indefinite period in terms of Section 68(1) of the Companies Act, (Act No. 71 of 2008):

Mr. Hennie Hurter
Dr. André Dreyer
Mr. Bruno Wehrle
Mr. Ferdie van der Merwe
Mr. Frits Vleggaar

The Directors meet monthly, prior to the meetings of the Board of Trustees. Copies of the latest minutes, income statements and balance sheets are tabled at the trustee meetings.

The period under review was the fourth full year of operation under the management of ms. Ina Prevedello, assisted by her well trained staff complement.

The multi-disciplinary team consists of:

- Matron Ina Prevedello – Nursing Manager
- Dr. Theresa Swart – Medical practioner with post graduate training in palliative care.
- Dr. Mariaan Kühn – Medical Practioner
- Ms. Edna Lamprechts – Social Worker
- Ms. Lindie Uys – Occupational Therapist
- Senior Registered Nurses at the Care Centre

The team has regular meetings and discussions on Wednesdays and almost on a daily basis, either in person or by way of their Whatsapp group.

The audited financial statements for the period under review will be circulated to members for consideration at the Annual General Meeting of the Association.

We wish, however, to highlight the following:

The Covid-19 pandemic hit the Village in the second month of the new financial year, with a devastating effect on the finances of the Care Centre due to the downward slide of the bed occupancy.

Although Management has done everything humanly possible to increase the number of residents and succeeded to some extent, it remained below the figures used for the budget.

Results for the year to 28 February 2021

1. **Income:** Amounted to R7 214 262 for the year, 21.3% under budget. Occupation levels were disappointing, mainly as a result of the Covid-19 pandemic.
2. **Expenses:** Totalled R8 223 725 for the year, 10.2% less than budget.
 - 2.1 Salaries: More than double the amount budgeted for was spent on contract nursing but the overall nett saving to budget was 8.3%.
 - 2.2 Covid expenses: Unforeseen, required expenditure on this aspect amounted to R271 327 for the year under review.
 - 2.3 All other expenses: No material cost overruns were recorded and expenses on average recorded positive variances to budget, mainly due to lower bed occupation.
3. **Nett deficit:** The nett deficit for the year amounted to R999 739.
4. **Funds:** The loan from Oude Westhof Management Association increased to a balance at year end of R5 286 213.

Budget 2021/2022

During the early part of the financial year under discussion, the Board of Trustees, after careful consideration of the pros and cons, decided to remove the Nursing Staff serving the Village from the Care Centre and to incorporate them as part of the Association's staff.

Therefore, the full complement of staff is 28 at the Care Centre and this number has been used in preparing the budget. Due to the ongoing effect of the Covid-19 pandemic, the bed occupancy is still below a breakeven point and a gradual increase in the predicted residents from March onwards had been used.

As will be noticed from the attached budget, unless the bed occupancy can drastically be increased, another deficit at year end will be inevitable.

The Social Worker and Occupational Therapist respectively, are both still employed on an hourly basis. They are not only rendering services to our residents, but are also involved in the training of staff on an ongoing basis.

In conclusion I wish to convey the thanks and appreciation of the Directors to the Nursing Manager and her staff for their loyalty and dedication they all displayed in the execution of their duties. The Covid-19 pandemic has been haunting us since March last year and we are well aware of the sacrifices they are making daily. To Mr. Gerhard van der Merwe, the Company Secretary, our sincere thanks for the way in which he executes his duties towards the Village and the Care Centre.

HW HURTER
CHAIRMAN: BOARD OF DIRECTORS
28 MAY 2021