

REPORT IN RESPECT OF THE AFFAIRS OF THE CARE PROVIDER FOR THE PERIOD 1 MARCH 2023 TO 29 FEBRUARY 2024

This report is prepared for the information of members of the Management Association in terms of Clause 33(1)(k) of the Constitution.

Clause 48(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
Mr. Chris Heyns
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, balance sheets and debtors' reports are tabled at the trustee meetings.

The period under review was the seventh 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 practitioner with post-graduate training in palliative care.
- Dr. Marilize Vlok – Medical Practitioner
- Dr. Mariaan Kühn – Medical Practitioner
- Ms. Edna Lampbrechts – Social Worker
- Ms. Lindie Uys – Occupational Therapist
- Senior Registered Nurses at the Care Centre

The team has regular meetings and discussions, either in person or through 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 Management Association.

Results for the year to 29 February 2024

- 1. Income:** Amounted to R7 856 220 for the year, 2,69% over budget. Occupation levels were satisfactory.
- 2. Expenses:** Totalled R8 635 655 for the year, 1,03% over budget.

Salaries: Contract nursing costs more than the budgeted amount, but the overall nett was within the budget.
- 3. Net Operating deficit:** The net operating deficit for the year amounted to R779 435.
- 4. Funds:** The loan from Oude Westhof Management Association decreased to a balance at year end of R1 373 548.

BUDGET 2024-2025

Although the income budgeted for will increase by R853 824 compared to the previous financial year, a net loss of R1 819 077 will be inevitable. This is due to the fact that R944 244 has been included under maintenance in the budget for the upgrading of the bathrooms, as explained hereunder.

Seven (7) assisted living flats have been completed. Five (5) have been sold as reported in the 2023-2024 financials. The remaining two (2) units were not sold and are currently being used as additional accommodation in the Care Centre. However, the Board of Directors feel strongly that twenty two (22) bathrooms need to be renovated and upgraded as a matter of urgency after use thereof for twenty four (24) years without any upgrading being done to it.

Funds have been generated by selling one (1) of the assisted living flats at an all inclusive price of R1 850 000 as to finance the bathroom project, creating a positive balance of R1 397 152 after paying an entrance levy of R185 000 to the Management Association, VAT and estate agent's commission.

GENERAL

The Social Worker and Occupational Therapist, are both still employed on contract at an hourly rate. 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 displayed in the execution of their duties.

To Mr. Gerhard van der Merwe, the Company Secretary, our sincere thanks for the manner in which he is always willing to assist and execute his duties, towards the Care Centre.

HW HURTER
CHAIRMAN: BOARD OF DIRECTORS
12 JUNE 2024