



BEACH ROAD, P.O. BOX 684, STRAND 7139, WESTERN CAPE • KUSWEG, POSBUS 684, STRAND 7139, WES-KAAP
TEL: 021 - 853 2725 • FAX: 021 - 853 2752

INDEX TO THE ANNUAL REPORT

For your information we enclose the following documents:

1. Notice for the Annual General Meeting
2. Agenda for the Annual General Meeting
3. Minutes of the Annual General Meeting held on 2 August 2017
4. Nomination form for Directorship
5. Form of Proxy

Please note that the Audited Financial Statements for the year ended 31 December 2017 is available on our website www.strandpavilion.co.za



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12 June 2018

NOTICE TO SHAREHOLDERS

ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN OF THE ANNUAL GENERAL MEETING OF THE STRAND PAVILION SHARE BLOCK LIMITED THAT WILL TAKE PLACE ON :

DATE: THURSDAY 2 AUGUST 2018

VENUE: STRAND PAVILION RESORT
BEACH ROAD
STRAND

TIME: 11H00

B A BAILEY
COMPANY SECRETARY
STRAND PAVILION SHARE BLOCK LIMITED



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NOTICE is hereby given that an **Annual General Meeting** of the Shareholders of **Strand Pavilion Share Block Limited** will be held at the Strand Pavilion Resort on **Thursday 2 August 2018 at 11h00**.

AGENDA
FOR THE ANNUAL GENERAL MEETING

1. Welcome
2. Proxies/Apologies
3. To establish a Quorum
4. To accept the Minutes of the Annual General Meeting held on 17 August 2017
5. To accept, consider and adopt the Annual Financial Statements, together with the Reports of the directors and Independent Auditors in respect of the year ended 31 December 2017
6. To approve the remuneration of the auditors for the past year and to appoint auditors and approve the budgeted auditors remuneration for the ensuing year (on recommendation of the current Audit committee)
7. To accept, consider and adopt the schedule of replacement values for insurance purposes
8. Election of Directors
In terms of the MOI, one half of the 6 appointed directors will retire at the Annual General Meeting.
The following directors are retiring and are eligible for re-election:
 - DM van Schoor
 - G Pillay
 - MN Ridl
9. To appoint the Audit Committee for the ensuing year in terms of Section 94(2) of the Companies Act
10. General


.....
BY ORDER OF THE BOARD
B A Bailey
Company Secretary

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend, speak and vote in his stead. A proxy need not be a Member of the Company.
2. Proxy forms, duly completed, should be returned so as to reach the registered office of the Company not less than **48 (forty-eight)** hours before the appointed time of the meeting.



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**MINUTES OF THE 26th ANNUAL GENERAL MEETING OF THE
SHAREHOLDERS OF STRAND PAVILION SHARE BLOCK LTD
(REG No. 1989/006466/06) HELD AT STRAND PAVILION ON
17 AUGUST 2017 at 11h00.**

Chairman: Nicole de Jager
Present: As per the attendance register
Proxies: As tabled

1. Welcome

Mr de Jager opened the meeting, welcomed all and explained to the Board that he had resigned and that Nicole de Jager was elected as the new chairman.

Nicole thanked Pierre de Jager for his dedication and leadership as chairman for over 20 years. She welcomed the shareholders, directors and Jo-Anne Swart of Baker Tilly Greenwoods.

The Chairman informed the shareholders of the tragic passing of 2 directors, Rynier Brandt and Morgan Chetty during 2016. She conveyed the board's sympathy to their friends and families and asked for a moment of silence to commemorate their lives.

Mark Ridl is now also a director and Danny Pillay a full director.

2. Apologies

Apologies were received from the following shareholders:

- Mr Ridl
- Mr Schultz
- Mr Faure
- Mr de Villiers
- Mr Hawksley
- Mr Brand
- Mr & Mrs van der Vyfer

3. Quorum

The Chairman established that the requisite quorum was present.

4. Minutes of 2016 AGM

The Minutes of the AGM 16 August 2016 were unanimously accepted as an accurate record of the proceedings of those meetings. These minutes are available on the Pavilion's website.

5. Annual Financial Statements December 2016

- The Chairman referred the meeting to the detailed income statement on page 31 of the Annual Financial Statements and pointed out that the income (before taxation) of R700,000 was R100,000 higher than the budgeted amount, mainly because of savings in costs and higher interest received than budgeted for.
- The Chairman reminded the shareholders that the directors authorised the use of R1million from the Maintenance Reserve, to finance the upgrade of the units (consisting of mostly two bedroom units)
- The total amount spent on Repairs and Maintenance for the 2016 year, was R2,6million and was made up of the following main items:

-Vinyl wood flooring in the 1 bedroom units	R125,000
-TV system upgrade including boosters	R150,000
-Upgrading of units	R1,300,000
-Replacements	R 300,000
-Deposit for Nu-line lift	R316,000
-Balance was for normal day to day maintenance	
- Total debtors outstanding at year end was R8,000, the lowest it has ever been. The Chairman thanked Brett and Lucinda for assisting with the collection of levies.
- On the recommendation of the audit committee the directors signed the Annual Financial Statements and the Shareholders unanimously approved the 2016 Financial Statements and reports.

6. Remuneration and appointment of auditors

- The Chairman mentioned that the audit partner, Jo-Anne Swart of Baker Tilly Greenwoods had explained to the Board the substantial increase in the audit fee. The increase in costs were as a result of the fact that Strand Pavilion Share Block falls under the definition of a Public Interest Entity and therefore there are additional safeguards to ensure the independency of auditors which include:

- the rotation of audit partners
- an independent compiler for the Annual Financial Statements
- an additional independent audit partner to review the audit

This all resulted in an increased audit fee for the current year as well as an increase in the budgeted audit fee for 2018.

- The audit committee proposed that we re-appoint and accept the fees of Baker Tilly Greenwoods as our auditors for the ensuing year. The Shareholders unanimously approved the proposal.

7. Insurance schedule

The Chairman proposed that the schedule of replacement values as per the insurance schedule included in the Financial Statements, be accepted, considered and adopted. The shareholders unanimously approved the proposal.

8. Directorate

In terms of the MOI, one half of the 6 appointed directors will retire at the Annual General Meeting and make themselves available for re-election.

Danie van Schoor chaired the meeting as Nicole de Jager, Clive Bundy and Tony Ridl retired and were eligible for re-election and were unanimously re-elected by the shareholders.

9. Audit committee

The members of the committee are Mr. van Schoor (Chairman), Mr. Bundy and Mr. Pillay. The audit committee report is included in the Financial Statements. The committee must be re-appointed by the AGM. The members were re-elected and it was unanimously accepted by the meeting.

10. Social and Ethics committee

Their report is also included in AFS and the members are Nicole de Jager, Brett Bailey, Pierre de Jager and Clive Bundy.

They meet once a year and also draft the report to be included in the Financial Statements. The committee will meet in November 2017 again.

11. Budget 2017

- The budget has been approved by the Board of directors.
- The budget was prepared by management before the Directors meeting and was based on a 7% increase in levies.
- Salaries were increased by 8% on average.
- The directors were satisfied with the increases in rates, electricity and water. The increase in rates was limited to 4%, electricity increased by 12% and water increased by 15%.
- The Repairs and Maintenance budget increased by 8%
- The third floor passage and steps have been replaced with beautiful vinyl flooring, and the 1st and 2nd floor passage replacement has been approved by the directors and will be completed by year end.
- The Pavilion's levies still compares very favourably to other similar seaside resorts.

12. General matters

Lift and Pavilion precinct

- A new, modern and quiet lift has been installed. The total cost was R470 000 of which R316 000 was already expensed in 2016 as a deposit. It is in essence a brand new lift, with only the frame of the outer box and the counter weights from the old lift still being used.
- The public parking area refurbishment by the municipality is now finished, but with less parking than before, so Brett foresees some problems in December.
- The lift replacement and parking area upgrade put immense additional pressure on Brett, Lucinda and the rest of the staff, and they are all specially thanked for all their hard work during this time.

RCI Awards

- The Strand Pavilion Resort received the Gold Crown Award once again for the 25th year in a row,
- The reception staff were the ultimate winners of the Best Check- in Award and the Strand Pavilion Resort was in the top 5 for Medium Resorts.
- The Chairman congratulated Brett, Lucinda and the staff for this tremendous achievement.

Gratitude

- The Chairman especially thanked the previous Chairman, Mr Pierre de Jager, stating that he has been and is an inspiration to us all and that his knowledge and leadership will still be relied upon for many years to come.

- Brett conveyed the staff and owners' gratitude to Mr de Jager for all the leadership over the years. He mentioned that Mr de Jager's involvement in the Pavilion for just over 25 years and the fact that the Pavilion has received the Gold Crown Award for the past 25 consecutive years was testament to his great leadership and commitment.
- The Chairman conveyed her thanks to the management, staff, board of directors and auditors for their service during the year.

The meeting was adjourned at 11h50.

Contents confirmed by the Board and signed as correct.

.....

Chairman

Will be signed at the 2018 AGM

**STRAND PAVILION
SHARE BLOCK LIMITED**
Registration No: 1989/06466/06

NOMINATION FORM FOR DIRECTORSHIP

I/We the undersigned.....
The owner/s of week in unit..... Duly authorised thereto as a shareholder of the above company, nominate herewith the following persons as Directors at the Annual General Meeting of the Company and their signatures signify acceptance.

NAMES OF PROPOSED DIRECTORS

SIGNATURES OF PROPOSED DIRECTORS

.....
.....
.....

.....
.....
.....

Current directors are:

D M van Schoor
C V Bundy
A N Ridl
G Pillay
M N Ridl
N de Jager

Signed at this day of 2018.

SHAREHOLDER'S SIGNATURE:

NOTE:

- 1) This form must be received at the registered offices of the Company not later than 48 hours before the meeting.
- 2) Nomination must be accompanied by the written consent of the person nominated.

REGISTERED ADDRESS:

Strand Pavilion
Beach road
Strand
7140

POSTAL ADDRESS:

P O Box 684
Strand
7139
email: brett@strandpavilion.co.za

**STRAND PAVILION
SHARE BLOCK LIMITED
Registration No: 1989/06466/06**

FORM OF PROXY

I / We _____
(Name in block capitals)
of Unit No. _____ Week No. _____ being a member / members of
Strand Pavilion Share Block Limited and entitled to _____ votes, hereby appoint
_____ of _____
or failing him/her, _____ of _____

or failing him, the Chairman of the meeting, as my proxy to attend and vote on my / our behalf at the
General Meeting of the Company to be held on **2 August 2018**, or at any adjournment thereof, as follows :

Agenda Item	For	Against	Abstain
4			
5			
6			
6			
7			
8			
8			
8			
9			

(Indicate instruction to proxy by way of cross in space provided above).
Unless otherwise instructed, my proxy may vote as he thinks fit.

Signed this _____ day of _____ **2018**

Signature

NOTE:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend, speak and vote in his stead. A proxy need not be a member of the Company.
2. Proxies must be delivered, faxed or e-mailed to the offices of the Company not less than **48 (forty-eight) hours** before the appointed time of the meeting.

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