

Sibaya Precinct Master Association (RF) Non-Profit Company

Registration No. 2016/193545/08



Annual Report

For the year ended 31 March 2024



Sibaya Precinct Master Management Association (RF) Non-Profit Company

Registration No. 2016/193545/08

("the Company")

Notice of the Annual General Meeting

Notice is hereby given that the Annual General Meeting of the Members of the Sibaya Precinct Master Management Association (SPMMA) NPC will be held at UrbanMGT Office Boardroom as well as via Microsoft Teams Meeting on 26 September 2024 at 10h30 for the following purposes:

1. To receive the Chairman's Report.
2. To receive and adopt the Audited Annual Financial Statements for the year ended 31 March 2024, which incorporates the Independent Auditors Report.
3. To appoint the independent auditors of the Company.
4. To elect directors in terms of Article 5 of the Memorandum of Incorporation.
During the Development Period the Board shall comprise a maximum of seven directors, four of whom shall be nominees of the Developer, and a minimum of three directors, of which all three shall be nominees of the Developer.

It would facilitate secretarial procedures if nominations for the appointment of Directors could be emailed to cherrie@urbanmgt.co.za by no later than 13 September 2024. Nominations must be in writing with the name of the proposer and seconder, the acceptance of such nomination by the nominee, and should be accompanied by the curriculum vitae of such nominee. A nomination form is enclosed for this purpose.

5. To transact such other business as may be transacted at an Annual General Meeting.

NOTE:

Any member entitled to attend and vote is entitled to appoint a proxy to attend, vote and speak in his/her stead, and such proxy need not also be a member of the Company. A proxy form is enclosed for this purpose.

Items for discussion under any agenda item should be advised to the Chair of the Sibaya Precinct Master Management Association and emailed to cherrie@urbanmgt.co.za by no later than the 13 September 2024. Please note that such notification must be in writing.

In terms of clause 14.13 of the Memorandum of Incorporation, any member who is 60 (sixty) days or more in arrears in the payment of any levies due to the Association in terms of the MOI, shall not be allowed to vote at the meeting, either in person or by proxy

By order of the Board



Sibaya Precinct Master Management Association (RF) Non-Profit Company

Registration No. 2016/193545/08

Agenda

1. Welcome

2. Apologies

3. Notice of meeting and quorum

A quorum required for the Annual General Meeting is Members holding between them, in aggregate, not less than 20% of the rights (bulk ownership) entitled to vote, personally present, or by its duly authorized representative (subject to 2 (two) Members personally present), provided that for the Development Period, 1 (one) of such Members is the Developer.

4. To adopt the Minutes of the Annual General Meeting held on 28 September 2023 and the Special General Meeting of Member held on 25 April 2024.

5. Matters arising from the previous Annual General Meeting minutes

6. To receive the Chairman's Report

7. Resolution 1: To receive and adopt the annual financial statements for the year ended 31 March 2024 which incorporates the report of the independent auditors.

8. Resolution 2: To appoint the independent auditor of the Company.

9. Resolution 3: To elect Directors for the ensuing year. Current directors who will resign include Graeme Phillips, Stuart Meyer, Paul Fay, James Timcke, Neil Slatter, Rajan Naidoo and Wicus Jacobs.

10. General

11. Close of Meeting

By order of the Board



**Sibaya Precinct Master Management Association (RF) Non-Profit
Company**

Registration No. 2016/193545/08

Directors Nomination Form for the Annual General Meeting of 26 September 2024

I, the undersigned:.....

duly authorised representative of:.....

being a fully paid up member of the Association and registered owner of Ptn:.....

in the area known as **Sibaya Precinct Master Management Association**, hereby nominate for appointment as
Director of the Association:

.....

Proposer's signature

Nominee's signature

NOTE:

Directors Nomination Form should be emailed to Cherrie@urbanmgt.co.za for the attention the Chair of
the **Sibaya Precinct Master Management Association by 13 September 2024.**



**Sibaya Precinct Master Management Association (RF) Non-Profit
Company**

Registration No. 2016/193545/08

Form of Proxy

I, the undersigned.....

duly authorised as representative of.....

being a fully paid up member of the Association and registered owner of Ptn No:.....

in the area known as **Sibaya Precinct Master Management Association**, hereby appoint:

..... (Name of Proxy)

Or, failing him/her, the Chairman of the meeting, as my proxy to vote for me and on my behalf at the Annual General Meeting of the Association to be held on 26 September 2024.

I record that my proxy will vote as he/she thinks fit.

Signed at:..... this.....day of.....2024.

Signature:.....

FOR AND BEHALF OF:.....

NOTE:

Proxy forms should be emailed to Cherrie@urbanmgt.co.za for the attention the Chair **Sibaya Precinct Master Management Association by 13 September 2024.**



Sibaya Precinct Master Association (RF) Non-Profit Company

Registration No. 2016/193545/08

Minutes of the 7th Annual General Meeting held at the Management Offices, Sibaya and via Microsoft Teams Meeting on 28 September 2023 at 10h00

Directors:

Name	Initial	Representing	Present	Apologies
Graeme Phillips	GP	Garlicke & Bousfield		Apologies (Proxy)
Hlalelo Makwabe	HMak	Tongaat Hulett Properties (THP)	In attendance	
Bheki Shongwe	BS	Tongaat Hulett Properties (THP)	In attendance	
Stuart Meyer	SMey	DEVMCO	In attendance	
Rajan Naidoo	RN	The Ocean Club Trust	In attendance	
Neil Slatter	NS	Jentry Investments (Balize)	In attendance	
Wicus Jacobs	WJ	Voltas Trading	In attendance	

By Invitation:

Name	Initial	Representing	Present	Apologies
Ajit Valjee	AV	Coral Point Body Corporate	In attendance	
Brian Wright	BW	Sibaya Management Association	In attendance	
Jarrold Evans	JE	Sibaya Management Association	In attendance	
Justin Van Rensburg	JvR	Sibaya Management Association	In attendance	
Maxine Schilz	MS	Sibaya Management Association	In attendance	
Joanne Barnard	JB	Sibaya Management Association	In attendance	
Cherrie Francis	CF	Sibaya Management Association	In attendance	
Jade Harding	JH	Sibaya Management Association	In attendance	
Jan Cronje	JC	RobertsChaplinKrona	In attendance	

AGM 1/23	Welcome and Introductions	Action
	Due to apologies received from the Chair, Stuart Meyer (SMey) welcomed all to the 7th Annual General Meeting of the Members' of the Sibaya Precinct Master Management Association (RF) NPC ('the Master Association'). SMey introduced the Board of Directors of the Master Association to the meeting, as follows: • Graeme Phillips - Garlicke & Bousfield Inc. (in absentia) • Hlalelo Makwabe - Tongaat Hulett Properties • Bheki Shongwe - Tongaat Hulett Properties • Stuart Meyer - DEVMCO • Neil Slatter - Balize • Rajan Naidoo - The Ocean Club Trust (Saxony) • Wicus Jacobs - Shoreline Residential Development Sibaya Sub Association 1D as follows: • Hlalelo Makwabe - Tongaat Hulett Properties • Graeme Phillips - Garlicke & Bousfield Inc. (in absentia) • Wicus Jacobs - Shoreline Residential Development Sibaya Sub Association 1B as follows: • Hlalelo Makwabe - Tongaat Hulett Properties • Graeme Phillips - Garlicke & Bousfield Inc. (in absentia) • Ajit Valjee - Coral Point Body Corporate SMey explained that AGMs of the Sub Associations 1B & 1D ran concurrently with the SPMMA wherever possible and that the agenda will follow that of the Master Management Association, followed by the specific items of each Sub Association. SMey further introduced the Management Team to the meeting, as follows: • Brian Wright – Head of Strategy • Justin Van Rensburg – Precinct Manager / Head of Development Control • Jarrod Evans – Head of Operations North • Joanne Barnard – Head of Corporate Governance & Company Secretariat • Maxine Schilz – Head of Finance • Cherrie Francis – Company Secretariat support • Jade Harding – Communications It was noted that Jan Cronje, of the Auditors RobertsChaplinKrona was in attendance and would respond to any questions pertaining to the Annual Financial Statements.	
AGM 2/23	Apologies	
a.)	Apologies were recorded as listed above.	
b.)	Proxies were recorded as listed above.	
AGM 3/23	Quorum	
	Attendees confirmed receipt of due notice of the meeting.	

	The quorum required for the Annual General Meeting was members holding between them, in aggregate, not less than 20% of the rights (bulk ownership) entitled to vote, personally present, or by its duly authorized representative (subject to 2 (two) members personally present), provided that for the Development Period, 1 (one) of such members was the Developer. Joanne Barnard (JB) confirmed that a quorum was present.	
AGM 4/23	To adopt the minutes of the previous meeting	
	The Minutes of the Annual General Meeting held on <u>22 September 2022</u> had been circulated to attendees before the meeting. It was noted that there were no changes to the minutes and they <u>were proposed for approval by Hlalelo Makwabe (HMak) and seconded by SMey. The minutes were therefore approved and adopted.</u>	
AGM 5/23	Matters arising from the previous meeting	
	The meeting noted no actions from the previous meeting..	
AGM 6/23	Chairman's Report to Be Presented	
	The meeting noted the Chairman's Report, as circulated ahead of the meeting, which was taken as read and by exception.	
AGM 7/23	Resolution 1: To receive and adopt the annual financial statements for the year ended 31 March 2023, which incorporates the Chairman's report to members, and the report of the independent auditors.	
	The meeting noted that the Annual Financial Statements for the period ended 31 March 2023, which included the Chair's Review and the Report of the Independent Auditors, as circulated ahead of the meeting. There being no comments, the <u>AFS was proposed by Wicus Jacobs (WJ) and seconded by SMey. The motion was put to the meeting and unanimously carried.</u>	
AGM 8/23	Resolution 2: To appoint RobertsChaplinKrona as the Auditors of the Company.	
	SMey moved to appoint RobertsChaplinKrona as the Auditors of the Company. The motion was put to the meeting and <u>was unanimously carried.</u>	
AGM 9/23	Resolution 3: To elect directors for the ensuing year	
	JB explained that all Directors would retire at this Annual General Meeting and that the following Directors would be automatically re-appointed to the Board as they were representatives of THP. • Hlalelo Makwabe - Tongaat Hulett Properties • Bheki Shongwe - Tongaat Hulett Properties • Graeme Phillips - Garlicke & Bousfield Inc. • Stuart Meyer - DEVMCO	

	In addition, the following non-THP nominated directors were available for election: • Rajan Naidoo - The Ocean Club Trust (Saxony) • Neil Slatter - Jentry Investments (Balize) • Wicus Jacobs - Voltas Trading (Shoreline) The meeting noted that the members of the SPMMA were the Sub Associations, and that each member was entitled to one vote, subject to the Primary Developer having the veto right during the Development Period. It was also noted that any Sub Association which was in more than sixty days arrears on their levy statement, would not be entitled to vote. The meeting noted the Companies Act of 2008 required that Directors be individually elected, and as such JB called for nominations of directors: • Hlalelo Makwabe as nominated and appointed by Tongaat Hulett Properties. • Bheki Shongwe as nominated and appointed by Tongaat Hulett Properties. • Graeme Phillips as nominated and appointed by Tongaat Hulett Properties. • Stuart Meyer as nominated and appointed by Tongaat Hulett Properties. • Rajan Naidoo nominated by Sub Association 5, seconded by SMey. • Neil Slatter nominated by Sub Association 5, seconded by SMey. • Wicus Jacobs nominated by Sub Association 1D, seconded by SMey. There being no objections to the nominations, JB moved that the nominees be elected to the Board until the next Annual General Meeting. <u>The motion was unanimously carried.</u>	
AGM 10/23	General	
	None.	
AGM 11/23	Meeting Closure	
	There being no further business SMey thanked the meeting for their attendance and declared the meeting closed at 10h13.	
	Read and confirmed this _____ day of _____ 2023. _____ Chair	

Sibaya Precinct Master Association (RF) Non-Profit Company

Registration No. 2016/193545/08

Minutes of the Special General Meeting of Members held at the Garlicke & Bousfield, 7 Torsvale Crescent, La Lucia Ridge on 25 April 2024 at 10h00

Directors:

Name	Initial	Representing	Present	Apologies
Graeme Phillips	GP	Garlicke & Bousfield	In attendance	
Stuart Meyer	SMey	DEVMCO	In attendance	
James Timcke	JT	DEVMCO	In attendance	
Paul Fay	PF	DEVMCO		Apologies
Rajan Naidoo	RN	The Ocean Club Trust	In attendance	
Neil Slatter	NS	Jentry Investments (Balize)		Apologies (proxy)
Wicus Jacobs	WJ	Voltas Trading		Apologies (Proxy)

By Invitation:

Name	Initial	Representing	Present	Apologies
Wesley Smith	WS	Balize	In attendance	
Brian Wright	BW	Sibaya Management Association	In attendance	
Justin Van Rensburg	JvR	Sibaya Management Association	In attendance	
Joanne Barnard	JB	Sibaya Management Association	In attendance	
Cherrie Francis	CF	Sibaya Management Association	In attendance	
Maxine Schilz	MS	Sibaya Management Association	In attendance	

SGM 1/23	Welcome and Introductions	
	The Chair, Graeme Phillips (GP) welcomed all to the Special General Meeting of the Members' of the Sibaya Precinct Master Management Association (RF) NPC ("SPMMA"). The Chair explained the purpose of the meeting was to amend the Memorandum of Incorporation to allow that the levy payable to the Association in respect of Erf 21 Sibaya (commonly referred to as the "School Site"), which is situated in Sub-Precinct 5 and is owned by New Cruise Investments (Pty) Ltd (which along with the Developer, is a DEVMCO company), be suspended. It was noted that the members of the SPMMA are the Sibaya Precinct Sub Associations, and as such two representatives from each Sibaya Sub Precinct had been invited to attend the meeting and vote on behalf of that Sub Precinct.	

	The meeting noted that the following representatives were in attendance on behalf of each Sub Precinct: • Sibaya 1B Sub Precinct Management Association NPC – Graeme Phillips • Sibaya 1D Sub Precinct Management Association NPC – Graeme Phillips • Sibaya 5 Sub Precinct Management Association NPC – Neil Slatter and Rajan Naidoo • Ocean Dune Management Association NPC – Stuart Meyer • Pebble Beach Management Association NPC – Stuart Meyer • Signature Management Association NPC – According to the SPMMA Mol Clause 13.13, a member who is more than 60 days in arrears with levy payments may not speak or vote at any general meeting of members. It was noted that Signature Management Association was more than 60 days in arrears in levies to the SPMMA and therefore not entitled to cast a vote.	
SGM 2/23	Apologies	
a.)	Apologies were recorded as listed above.	
b.)	Proxies were recorded as listed above.	
SGM 3/23	Quorum	
	Attendees confirmed receipt of due notice of the meeting and Joanne Barnard (JB) confirmed that a quorum was present.	
SGM 4/23	Special Resolution 1: To amend the Association's Memorandum of Incorporation	
	The Chair moved that the Memorandum of Incorporation of the Association be amended by the inclusion of Article 13.15 as follows, namely: <i>"13.15 Notwithstanding the provisions of this Article 13 or any other provision of this memorandum of incorporation or elsewhere, New Cruise Investments (Pty) Ltd, in its capacity as the owner of Erf 21 Sibaya, shall not be required to pay levies in respect of the aforesaid property to the Association, until such time as:</i> <i>13.15.1 the Property has been developed and an occupation certificate has been issued by the relevant local authority in respect of such development; or</i> <i>13.15.2 the Property is transferred from New Cruise Investments (Pty) Ltd.</i> <i>The aforesaid resolution is passed on condition that the Developer undertakes to pay the shortfall from levies collected from other members for the 2024/2025 financial year (estimated to be in the amount of R 473,876.00) as per the proposed budget attached to the notice and marked Annexure "B"."</i> <u>The motion was then put to the meeting and unanimously carried.</u>	GP
SGM 5/23	Meeting Closure	

	There being no further business the Chair thanked the meeting for their attendance and declared the meeting closed at 10h15.	
	Read and confirmed this _____ day of _____ 2024. _____ Chair	

Sibaya Precinct Master Association (RF) Non-Profit Company

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Chairman's Annual Review - 2024

The Chair's Annual Review covers the financial year ending 31 March 2024 and the period to date.

I am pleased to be reporting on the eighth year of the Sibaya Precinct Master Management Association (SPMMA) ("the Association") at the Annual General Meeting.

The purpose of the Management Association is to advance the collective interests of the Association's members and to protect property investments. This function is achieved by the SPMMA Management Team under direction of the Board of Directors. The SPMMA management team carries out the day-to-day administration of the Sibaya Precinct, including the Association's governance requirements, financial management, co-ordination of the Design Review Panel and compliance with SPMMA's Rules, design code requirements, and development control. Further to this, the SPMMA management team, on behalf of SPMMA and as approved by the board, manages the appointment process of service providers including safeguarding, landscaping, and general maintenance once the public infrastructure has been completed – it is also responsible for performance management of the appointed contractors. It also lobbies authorities and stakeholders on behalf of owners, businesses, and users of the Sibaya Precinct for, amongst other things, policing and municipal provided services.

I would like to thank the management team and all our service providers for their hard work and commitment to the Precinct.



Photo above: Landscaping at the entrance into Heleza Blvd from the M4 in great condition.

1. Current sitting Board of Directors of the SPMMA

Name	Representing	Replaced (Previous PD)
Paul Fay	DEVCMO (Primary Developer)	Hlalelo Makwabe (THP)
James Timcke	DEVCMO (Primary Developer)	Bheki Shongwe (THP)
Graeme Phillips	Garlicke & Bousfield (Chairman)	-
Neil Slatter	Balize	-
Rajan Naidoo	Saxony	-
Wicus Jacobs	Shoreline Sibaya	-
Stuart Meyer	Ocean Dune+DEVCMO (Primary Developer)	-

The Memorandum of Incorporation (MoI) allows for a total of seven directors during the Development Period and a minimum of three, four of whom shall be nominees of the Primary Developer (Nodes 1 & 5 Propriety Limited).

On the Primary Developer side, James Timcke has been appointed to the position of Development Manager for daily on the ground development matters as well as the coordination of various Primary Developer infrastructure projects along with Stuart Meyer as the Development Director. The SPMMA engages directly with the Primary Developer and their team to better secure the interests of all members and ensure ongoing development in line with the standard expected of the Sibaya Coastal Precinct.

I would encourage all members to get to know the Board of Directors who represent the collective interests of all in the running of the Association. The current Board has been committed and diligent in the execution of their fiduciary duties and I would like to thank them for their considerable time and efforts this past year.

2. Sub Committees

There has been no establishment of any new sub committees in the reporting period and the only current Subcommittee appointed by the board to deal with specific aspects of the Association's activities is, namely:

Design Review Panel:

Erky Wood, (Chair)

Joy Brasler

Ivor Daniel

Assisted by Justin van Rensburg

3. Primary Developer summary update

Since the last reporting period, THP have sold their rights to Nodes 1 & 5 Proprietary limited operating as node 1 Proprietary Limited from a Primary Developer position as per the MOI. Outstanding and incomplete infrastructure matters are now being concluded by the new Primary Developer, with some of these items still being jointly addressed with THP where insurance matters require or there is legal obligation.

Updated reporting of previously Damaged Infrastructure items due to Storm Events:

Main Sewer Line	Sewer line in node 5 was repaired and completed – This asset was handed over to ETM along with the Node 5 Pumpstation.
Node 5 attenuation Pond	Handed over to new PD and works have restarted to complete the project.
Heleza Blvd, Fauna and Flora Road	Pending approval of redesign that is to be tied into M27 upgrade project.

Sibaya Coastal Forest updates from last report

Managed area Below Node 1	Major scour on M4 south, still ongoing. DAFF issued directive to DOT but no progress has been made. The new Primary developer has noted they will be assisting with communication through to EDTEA.  230727 M4 Storm water Erosion SCFT. Click link to report
Node 5 Forest area	Following the Damage to the landfill site, operations have restarted above it in the node 5 buffer zone – the Alien invasive teams have begun a 3 month project of clearing and mitigation on the buffer zone – once final solution is in place they will move back down into the forest section.

We would like to thank the THP and the DEVMCO teams for their efforts to attend to these issues and other matters that effect Sibaya and its surrounding communities.

4. Strategic Engagement

4.1. Greater uMhlanga Sewer Catchment

During a critical meeting held On Friday 23 February 2024 and facilitated by the Durban Chamber of Commerce and the KZN Growth Coalition, business leaders from Durban presented concerns directly to President Ramaphosa and accompanying ministers about the significant impact of deteriorating infrastructure on the region's growth and stability. Key issues highlighted included failing water and sanitation services, safety and security, tourism, and investment promotion.

Presidential Intervention:

In response to the dire situation, President Ramaphosa established the Presidential eThekweni Working Group, aimed at addressing these pressing issues through collaborative efforts between government and business leaders – the timeframe given to this Presidential Working Group is 24 months commencing April 2023 Workstream 2 deals with Water and Sanitation of which a member of the SPMMA management team, Brian Wright, representing the KZN Growth Coalition plays a very active role, The Water and Sanitation workstream has been particularly intense with a focus on establishing KPIs to track the municipal performance in implementing the municipal approved Water and Sanitation Turnaround Strategy whose drafting was driven by National Treasury – the Turnaround Strategy is a comprehensive and very well thought out plan – it now requires implementation which is at the heart of resolving the significant challenges of effective water and sanitation service delivery. .

Recent Developments:

Brian, in his capacity as a liaison for the managed precincts, has been actively involved in these discussions, emphasizing the non-commercial, supportive role that managed precincts can play in addressing the municipality's challenges. In his latest correspondence with national and local water and sanitation officials, Brian detailed the significant contributions and support provided by commercial and tourism precincts in the region. These precincts, which represent a substantial portion of the city's economic assets, have pledged to

support the city's Turnaround Strategy without pursuing any commercial benefits from the water and sanitation infrastructure projects.

Critical Issues and Requests for Action:

Specific issues were highlighted affecting key areas, such as the Sibaya Coastal Precinct and uMhlanga Rocks. These issues include severe water losses, sanitation challenges, and infrastructure failures that have not only impacted public health but also the region's reputation as a tourist destination. He has put forward a respectful request for urgent action on these matters, suggesting specific interventions such as the installation of backup generators at pump stations and the restoration of wastewater treatment works to meet Green Drop standards.

Looking Ahead:

The Management Team will continue its close monitoring of these initiatives while providing strategic support to ensure that these critical issues are addressed effectively. The ongoing collaboration with the Presidential Working Group signifies a robust effort to overcome longstanding challenges and improve the quality of life for residents and the business environment in eThekweni.

5. Auditors

The appointed Auditors for the Association are Roberts-Chaplin-Krona as appointed by the board following the proposal made by the management team at the annual finance meeting held earlier in the year.

6. Primary Development (DEVMCO) - Infrastructure Update

The below is the latest information we have been formally provided with and is subject to change with respect to approvals, project timelines and other considerations.

6.1. Heleza Boulevard

6.1.1. Heleza Boulevard privatisation:

- 6.1.1.1. Heleza Blvd completion and linking to the M27, the new PD has secured approval for the M27 upgrade, this project will likely break ground early 2025. While this is ongoing the redesign and approvals of the remainder of Heleza Blvd are to be completed and the aim is to begin works on Heleza in order to tie the two projects in.
- 6.1.1.2. DEVMCO made request to the board to consider retaining ownership of Heleza Blvd as an asset affording the association greater control over the public space and its upkeep in future.
- 6.1.1.3. The Board deliberated on the proposal and supported it, formally voting to retain ownership of the road once it was completed and, in a position to be handed over to the association. To this the board provided a supporting letter for ETM submission purposes on changing from public to private ownership.
- 6.1.1.4. DEVMCO with the decision to retain the road as private made the allowance for special projects to be implemented in respect of landscaping thereon. To date, and additional 3 circles have been landscaped through funding of various Sub association LSF schemes.
- 6.1.1.5. Streetlights: with authorisation from THP and DEVMCO, the association when required makes repair to the asset while it awaits formal handover to ETM.

6.2. Node 5 Stormwater:

- 6.2.1. Attenuation Pond 2 works have been handed over to the new PD and this month works to fix damage and complete the project have begun.
- 6.2.2. Attenuation Pond 1 is complete but may require modification with the downstream landfill site matter.

6.2.3. Remediation to Scours on the node 5 buffer zone were addressed jointly by the PD and the Association to avoid further damage with January rains.

6.3. The Landfill site:

6.3.1. this item is being Jointly dealt with between THP and the new PD with input from ETM on a long term fix and solution – at this time the final decision is still being considered but ETM have allocated limited funding with THP also having limited funding through insurance claim on the original structure.

DEVMCO have noted their open-door policy with respect to infrastructure and other queries, they will provide any information they can at all times in relation to these items with Justin van Rensburg frequently engaging with James Timcke regarding infrastructure and developer related matters.



Photo above: Circle 4 During the implementation of the Landscaping Special projects being completed.



Photos above: Annual buffer zone Burn operations underway

7. Design Review and development matters

The Design Review Committee continues to hold review sessions via Microsoft Teams at the request of developers. The table below is a summary of development progress to date:

Completed buildings	• Ocean Dune. • Pebble Beach • Coral Point • Shoreline • Gold Coast ○ Parc Completed ○ Club House Completed • Signature ○ Twelve houses complete • Balize (Node 5): ○ Phase 1 and 2 complete ○ Phase 3 Practically complete awaiting as built approvals.
Under construction	• Signature Estate: ○ Various houses under construction. • Gold Coast ○ Various houses under construction • Saxony ○ Phase 1 under construction
Planning approval – plans in the DRP process	• Stirling (Node 1): ○ In Progress – Awaiting DFA approval and site handover – likely early New year • Dexaphase (Sibaya Sands) (Node 1): ○ In Progress – Real rights agreement matter resolved. Await revised plans. • Saxony (Node 5): ○ Phase 2 Pending submission for review



Photo Left:
Members of the
precinct Landscaping
team with their SALI
Gold award.

8. Operations - Common space and Conservation Trust Area

8.1. General:

All respective CGM and Security teams continue to be fully operational and have done a great job over the past year with the upkeep, maintenance, Safety and by law enforcement of the Sibaya Precinct and the Coastal Forest.

Guided walks continue to be offered by the Sibaya Operations and Forest supervisor Mazwi to anyone who would like to learn more about this beautiful stretch of coastal forest. The Annual buffer Zone for the Southern block of the buffer went ahead smoothly and was very effective. We look forward to the natural regrowth in this area.

8.2. Alien Invasive Control:

8.2.1. Clearing Team continues to treat and maintain the forest and common property areas to restrict return of IIA's. The program is proving successful within the area of operations, and the node 1 forest block is in great condition. We encourage all members to visit the Forest Trails which are in great condition, a truly unique asset for the precinct.

8.2.2. The team has expanded its operations into phase 1 of the Node 5 buffer zone below Gold Coast and Balize, the initial clearing of aliens and establishment is a 3 month project and once under control will then fall part of the routine maintenance cycle.

8.3. Landscaping:

8.3.1. Special projects: Through agreement with the new Primary Developer, the Board of the SPMMA and Various Sub Association Boards, special projects for the planting of Circles 4, 7, 8 and 8.1 have been completed adding greatly to the perception and beauty of this unique Coastal Precinct.

8.3.2. Idube Landscaping: the dedicated greening team of the Association was honoured with the prestigious SALI Gold Award at the SALI Awards of Excellence 2024. This accolade recognises their outstanding achievements in the category of Landscape Design & Construction over the past year. This award underpins the level of work and care provided by not just our landscaping team but all services providers to the association, who work tirelessly to continue improving this unique and vibrant Precinct for all to enjoy.

8.3.3. Of note, is that in the last year, the maintenance teams have removed over 2600 bags of refuse on the Sibaya Beach and Conservation areas alone, a massive feat for our small but highly efficient teams.

8.4. Security:

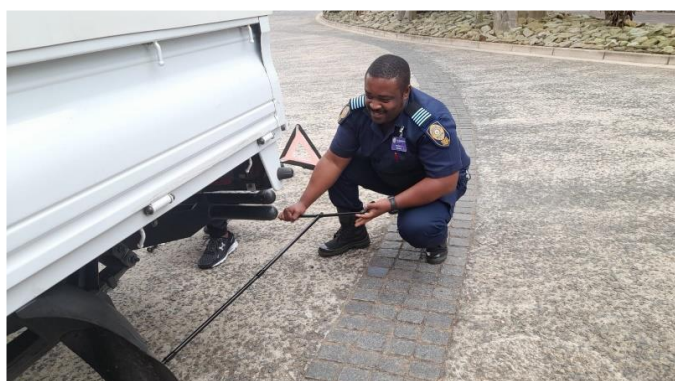
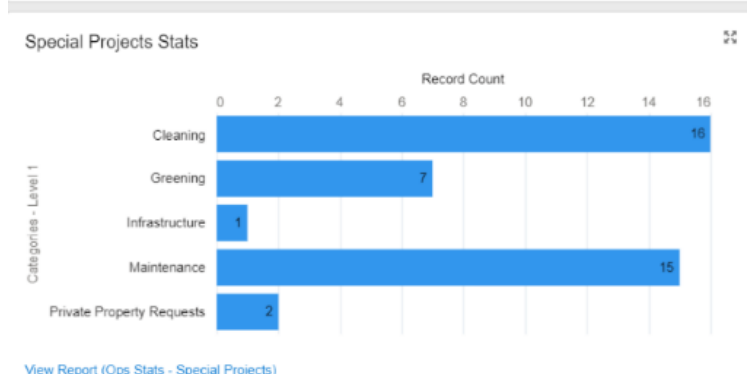
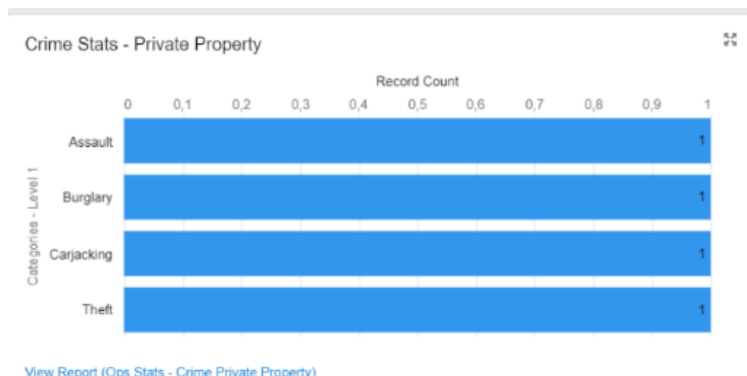
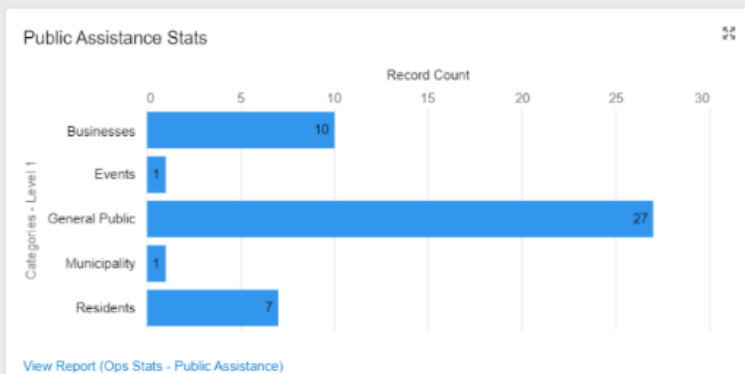
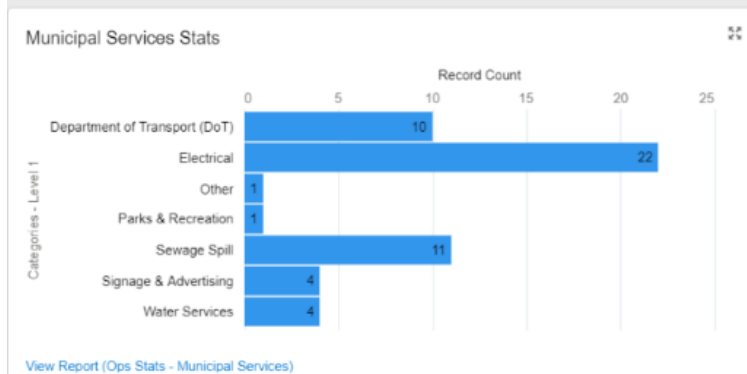
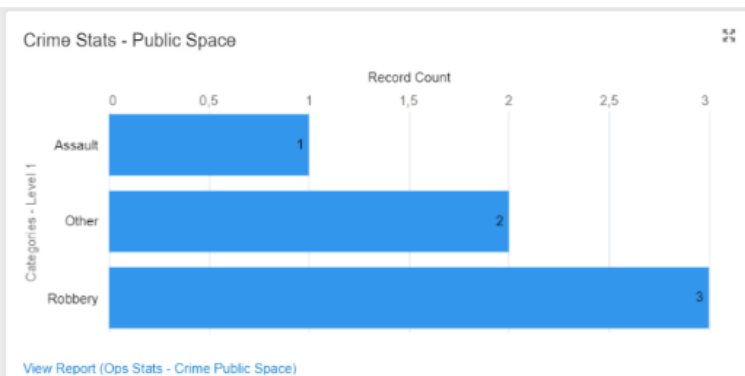
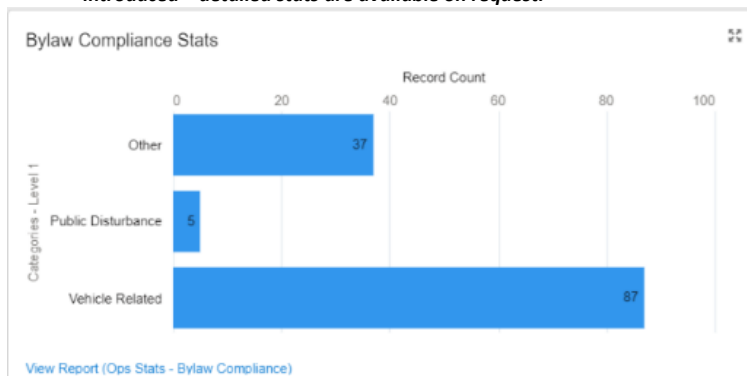
8.4.1. Marshall Security is contracted to provide security services in the precinct. The precinct is patrolled 24/7 by a response vehicle. Marshal tactical units also frequent the area and are always on standby to assist. The offering provided by the Marshal team is enhanced by their scale in the area significantly by also being on scene in Umdloti and Umhlanga Village and promenade UIPs.

8.4.2. SNIPR number plate recognition cameras continue to be very successful as a deterrent to criminal elements entering the precinct and leading to arrests and SAPS handovers of wanted vehicles and suspects involved in Hijacking.

8.4.3. There has been added security in the forest with the introduction of wireless hidden mobile camera systems at key locations, these cameras provide live feeds and send alerts based on preprogrammed settings, they can also differentiate between people, animals and vehicles and send alerts out accordingly, adding to the Security offering in Sibaya.

Click [here](#) for Safety and Security news.

Below: High levels operational Stats for reported incidents and cases for the Association in the previous year, since tracking on the new platform was introduced – detailed stats are available on request.



Photos above: Security attending to Member of Public requiring assistance and DOT attending request for repair to Signage along the M4.

Photo below: Heleza Blvd paving repairs being attended to by association appointed contractors and ETM Toursim Monitors Assisting Precinct team Members with beach cleanup operations.



9. Resident Initiatives and support

From the period to date, the Association has hosted a number of residents planned initiatives. Notably the Gold Coast estates harbour and family day linked initiative which includes a Run/Walk across Sibaya and the Forest to raise funds for their tree planting initiatives around attenuation pond 1, and several Durban Night runs planned and hosted by residents who reside at Shoreline in connection with the Marine Walk shopping centre.

The attendance at these events has been exceptionally well received. I am happy to report that these were all noted as greatly successful with massive support from residents and visitors. We hope to continue having community engagement and other projects to foster greater input and ownership from residents in their common/public space while furthering the aims and objectives of the Sibaya Precinct. A massive thank you to all involved these events.



Photos Left: Residents and visitors taking part in one of the Durban Night run events.

Click [here](#) for Conservation related news.

10. Management of Sibaya Precinct Master Management Association

In line with their appointment and mandate, UrbanMGT continues to manage the day-to-day operations of the Master Management Association, a role unanimously supported by the board.

Justin van Rensburg serves as the dedicated Precinct and Development Control Manager, assisted by Mazwi Ngubane as Operations Supervisor for both the Master Association and the Trust. Additional support is provided by Jarrod Evans in operations, Jo Barnard and Cherrie Francis in governance, Maxine Schilz in finance, and Celine Spies in an administrative and support role for the UrbanMGT professional team. The team is led by Brian Wright, who leads strategic engagement on behalf of the Association. Together with this professional team, UrbanMGT draws on its collective experience and operational insights from Sibaya and other Management Associations and SRAs managed by the company to ensure best practice protocols and benefits are derived by the SPMMA.

The Management Team also handles all governance and daily operations of the Association, including amongst other things, the drafting of annual budgets and levies, which are presented to the Board for review and approval, performance management of service providers and municipal, provincial and national government strategic engagement.

To ensure good governance, UrbanMGT has separated the authorisation of Association expenses from payment and accounts administration. As a result, Eris Property Group has been contracted by the Association to manage the accounts administration function. The service contract stipulates that monthly payments must be signed off by the Association's Management and authorised by two SPMMA Directors before Eris Property Group processes payments and generates the monthly financial reports.

11. Budgets, levy Methodology and Finance

The SPMMA financial year end is 31 March.

The methodology for levy apportionment is prescribed by the Mol article 13.4.2, which notes that levy for the management and servicing of Common Spaces "is assigned to a member in the ratio of Bulk held by that Member, represented as a percentage of the Total Bulk at that point in time".

2024/2025 Budget and levy

The SPMMA Board of Directors, took the decision to approve a nominal increase of **6% for the 2024/25 financial year** as to not overburden members. This nominal increase was taken to allow the Association to continue to maintain the current service levels while making allowance for inflationary and statutory increases to all service providers. With the buy back of the school site there is a shortfall for the financial year and the primary developer has committed to funding the budget deficit for the financial year.

2024/2025

Usage	%	SPMMA	CT	Total
Occupied	100%	2,06	0,78	2,84
Vacant Land	80%	1,64	0,63	2,27

The above table is the revised figures showing the portion of levy attributed to the Master and the Trust respectively and further indicates the occupancy classification for levy charges as approved by the board for the financial year.

SIBAYA PRECINCT MASTER MANAGEMENT ASSOCIATION BUDGET : 1 APRIL 2024 - 31 MARCH 2025			
EXCL. VAT			
	Budget	Actual	Budget
INCOME	2024/25	2023/24	2023/24
ANNUAL LEVY INCREASE	6,0%	6,9%	6,9%
LEVY PER SQM ex Vat			
TOTAL LEVIES	8 361 044	8 370 149	8 357 249
DEVELOPER LEVY CONTRIBUTION	0	0	
LEVIES TRANSFERRED TO RESERVE	0	0	0
OTHER INCOME	311 333	491 851	148 800
	8 672 377	8 862 000	8 506 049
EXPENSES			
COMPANY COSTS	131 020	55 142	123 707
MANAGEMENT AND OVERHEAD COSTS	3 438 262	3 189 877	3 215 219
FEES - CONSULTING	33 972	21 138	32 070
MUNICIPAL COSTS	0	0	0
SECURITY COSTS	1 104 613	1 027 134	1 071 372
LANDSCAPING AND ENVIRO. MGT	755 607	641 148	633 983
CLEANING AND WASTE MGT	514 962	453 432	481 071
MAINTENANCE	78 749	29 310	73 992
MISC COSTS	2 033	320	1 924
MA COMMUNICATIONS	282 636	259 056	264 323
SOCIO ECONOMIC DEVELOPMENT & STAKEHOLDER ENGAGEMENT	271 723	203 323	256 560
CONSERVATION TRUST LEVY	2 449 910	2 309 027	2 305 487
	9 063 489	8 188 907	8 459 708
SURPLUS /(DEFICIT) BEFORE TAX AND SPECIAL PROJECTS	-391 112	673 093	46 342
TAXATION ON INTEREST & SUNDARY INCOME	-82 764	-119 300	
SURPLUS /(DEFICIT) AFTER TAX AND BEFORE SPECIAL PROJECTS	-473 876	553 793	
SPECIAL PROJECTS	0	-103 352	
NET SURPLUS / DEFICIT AFTER TAX AND SPECIAL PROJECTS	-473 876	450 441	
OPENING RESERVE	3 225 777		
PROJECTED RESERVE AS AT YEAR END 31 MARCH 2025	2 751 901		
PROJECTED CASH RESERVE AVAILABLE	1 712 888		
CASH TRADING MONTHLY RESERVES	3,07		
SPECIAL PROJECTS FUNDED BY RESERVE / LSF			
Allocation	2 604 883	0	2 229 883
Expense	0	0	0
SURPLUS / DEFECIT	2 604 883	0	2 229 883

SPMMA LSF

No further changes have been applied to the SPMMA and SCT Levy Stabilisation Fund at this time.

SIBAYA MASTER MANAGEMENT ASSOCIATION LEVY STABILISATION FUND

* LSF is built into the Sale agreements and payable by the Purchaser on each transfer

LSF has been charged in 2 ways

ERF that is not sectional Title

ERF that is sectional Title

R 50 payable per square meter of purchased bulk

R 5 000 payable per Unit

SIBAYA PRECINCT CONSERVATION TRUST LEVY STABILISATION FUND

* LSF is built into the Sale agreements and payable by the Purchaser on each transfer

LSF has been charged in 2 ways

ERF that is not sectional Title

ERF that is sectional Title

R 25 payable per square meter of purchased bulk

R 2 500 payable per Unit

12. Policies and Procedures

No new procedures have been implemented in this current period.

Key Policies and Procedure documents for the SPMMA include:

- Sibaya Coastal Precinct Design Code
- Rules of the Association – which include DRP Procedure / Fees and penalty schedule for contravention of Rules of the Association
- Developers and Contractors Protocols
- Consent to transfer and mortgage process
- Process for raising first levies on initial sale from Tongaat Hulett Developments
- Owners and Contractors building Cash Deposits
- Debtor Control Policy.
- Board Donations Policy

The board has further instituted a strategic priorities and Board Charter one page document to track the boards Strategic priorities for Short, mid and long term initiatives and processes.

13. Office and administration

The SPMMA operates out of Salta Southern Gatehouse and all official meetings are held there.

14. Municipal Matters/Services

We continue to engage with all levels of Municipal structures on service-related queries and bigger picture items and have established effective working relationships with strategic role players to assist in effectively addressing queries effectively and timeously. We thank all municipal officials who have been and continue to be of great assistance in response to queries as and when they come in.

Click [here](#) for Municipal Support related news.

15. Greater Community Engagement

Business Forums

The influence of Business Forums has affected all levels of construction within the Precinct and has now infiltrated the service contracts of completed buildings.

To mitigate the risk posed by 'Business Forums', the Management Team proposed that an effective and transparent employment and service provider appointment process for Sibaya Precinct be formalised i.e. linking demand side opportunities generated by business/developers with supply side neighbouring communities service providers and those seeking employment; provide improved utilisation and tracking of local service providers and individuals, which has subsequently been implemented. This approach has been of significant benefit to both developers and property owners providing for one structured process instead of ad-hoc one-on-one engagements which creates significant risk to individuals and the whole of the Sibaya Precinct.

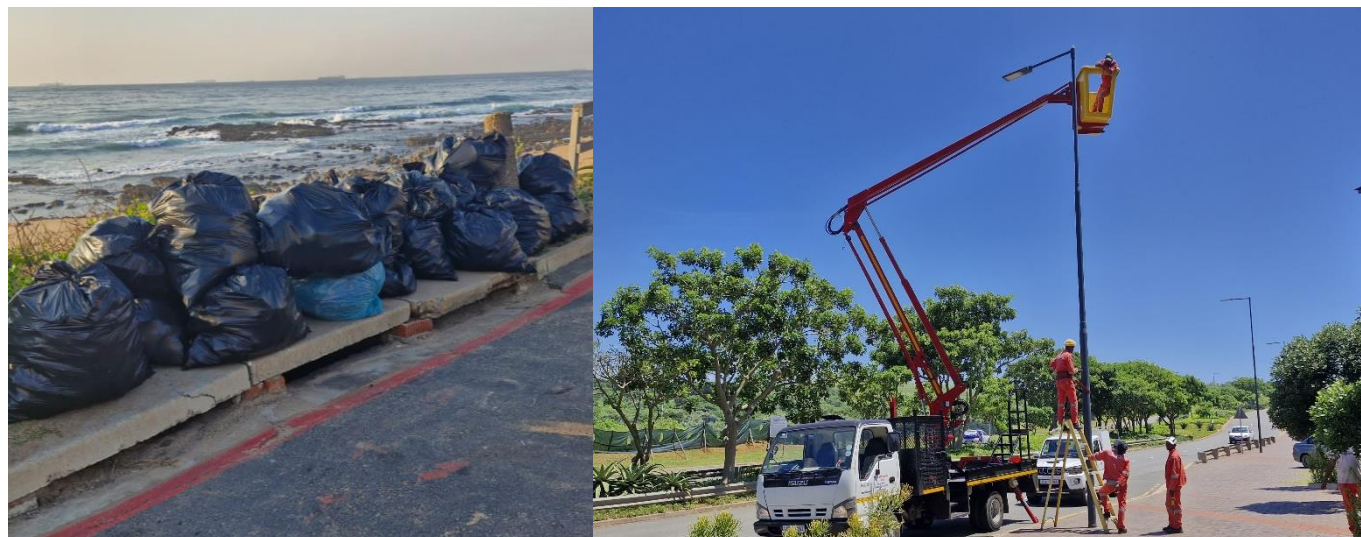
As such the SPMMA management team proposed the establishment of an opportunities portal to link job seekers and community base sub-contractors / suppliers to the of the Sibaya Precinct. The SPMMA management team invested much time conceptualising the structure, process, budgets and drafting the documentation including:

- Developers and Main Contractors Guidelines for Stakeholder Engagement
- Sibaya Precinct Interim Project Support Committee (IPSC) – Interim Roles & Responsibilities
- Dispute Resolution Meeting with the Main Contractor – Standard Operations Procedure

The Management Team have also been required to chair this IPSC committee as there is no other suitable entity.

Node 6 (Salta) also uses the same structure and Stuart Meyer, in his capacity as both a SPMMA Director and Development representative to node 6 sits in these meetings.

We are also happy to note that the local ward councillor Geoff Pullan attends these meetings to assist where required.



Photos above: Refuse collected on the beach following a section clean up awaiting municipal pickup and precinct appointed electrical contractors attending to streetlight repairs.

Click [here](#) for Cleaning, Greening and Maintenance news

16. Precinct Communications

Our integrated communications system for SPMMA

The Management Association's on-ground service delivery (security, cleaning, greening, maintenance, and reporting) is the focus of the levy-based communication, showing the tangible result of investment and collective commitment. Our focus on "storytelling" to communicate with levy paying members, the public and other stakeholders has been well received, resulting in a substantial increase in social media followers and subscribers. Stories are communicated via newsflashes, monthly insights, web stories and social media posts focussing on service delivery, special projects, infrastructure and municipal updates, and relevant news from the greater Durban area.

During the reporting period, the following precinct communication statistics were recorded:

Communications Platform Stats	Feb 2023 – Mar 2024
Newsletters Sent	32
Newsletter Database Subscribers	271
News items posted to website	81
Facebook followers – Sibaya Precinct	353
Instagram followers – Sibaya Precinct	294
No. of Social media posts – Sibaya Precinct	94
Facebook followers – Sibaya Conservation Trust	934
Instagram followers – Sibaya Conservation Trust	465
No. of Social media posts – Sibaya Conservation Trust	75

Click [here](#) for all SPMMA news.

SPMMA members are encouraged to send their newsworthy items in relation to success stories, involvement in community projects or initiatives to the communications team to post on the website. The types of stories we are looking for include:

- New businesses to the precinct
- Employees and companies doing well – awards, accolades, etc.
- Community projects

Please contact us (sibaya@precinctnews.co.za) for any information in relation to our communications.

Annual Perception Survey

The SPMMA Annual Perception Survey was conducted in September 2023. A total of 22 respondents participated, providing valuable insight into possible improvements and areas of concern. To review the results, [click here](#). The next survey is planned to for September 2024.

17. Conclusion

In conclusion, I would like to thank the SPMMA Board of Directors for contributing their time, efforts and careful consideration in acting in the best interest of all of Sibaya's Members of the Association.

Another thank you is extended to UrbanMGT, our management team, for their work and efforts in the running and forwarding the objectives of the Association at every level as well as our operational teams on the ground for their tireless work in upkeeping our precincts standards and continually looking to advance it.

We also look forward to working closely and constructively with the new primary developer to achieve the full potential of our unique Coastal Precinct.

I wish you all a great year ahead and look forward to continuing working collectively to secure the future of the SPMMA and its stakeholders.

Yours sincerely,

Graeme Phillips

Chair of the Sibaya Precinct Master Management Association.

Sibaya Precinct Master Management Association (RF) NPC

(Registration Number 2016/193545/08)

**Annual Financial Statements
for the year ended 31 March 2024**

Audited Financial Statements

Sibaya Precinct Master Management Association (RF) NPC

(Registration Number 2016/193545/08)

Annual Financial Statements for the year ended 31 March 2024

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Sibaya Precinct Master Management Association (RF) NPC

(Registration Number 2016/193545/08)

Annual Financial Statements for the year ended 31 March 2024

General Information

Country of Incorporation and Domicile	South Africa
Registration Number	2016/193545/08
Nature of Business and Principal Activities	The non-profit company objective is to control, manage and maintain all the properties within the area known as "Sibaya Precinct".
Directors	JJ Jacobs HX Makwabe R Naidoo GF Phillips NP Slatter B Shongwe S Meyer
Registered Office	305 Umhlanga Rocks Drive La Lucia Durban Kwa-Zulu Natal 4051
Business Address	305 Umhlanga Rocks Drive La Lucia Durban Kwa-Zulu Natal 4051
Level of Assurance	These financial statements have been audited.
Auditors	RobertsChaplinKrona Inc.
Non-Profit Company Secretary	Urban MGT

Sibaya Precinct Master Management Association (RF) NPC

(Registration Number 2016/193545/08)

Annual Financial Statements for the year ended 31 March 2024

Directors' Responsibilities and Approval

The directors are required to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. These annual financial statements have been prepared in accordance with the IFRS for SMEs[®] Accounting Standard as issued by the International Accounting Standards Board (IASB[®]) and it is their responsibility to ensure that the annual financial statements satisfy the financial reporting standards with regards to form and content and present fairly the statement of financial position, results of operations and business of the non-profit company, and explain the transactions and financial position of the business of the non-profit company at the end of the financial year. The annual financial statements are based upon appropriate accounting policies consistently applied throughout the non-profit company and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the non-profit company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors set standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the non-profit company and all employees are required to maintain the highest ethical standards in ensuring the non-profit company's business is conducted in a manner that in all reasonable circumstances is above reproach.

The focus of risk management in the non-profit company is on identifying, assessing, managing and monitoring all known forms of risk across the non-profit company. While operating risk cannot be fully eliminated, the non-profit company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

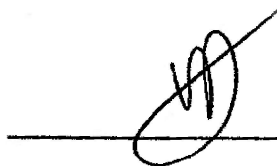
The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss. The going-concern basis has been adopted in preparing the financial statements. Based on forecasts and available cash resources the directors have no reason to believe that the non-profit company will not be a going concern in the foreseeable future. The annual financial statements support the viability of the non-profit company.

The annual financial statements have been audited by the independent auditing firm, RobertsChaplinKrona Inc., who have been given unrestricted access to all financial records and related data, including minutes of all meetings of the members, the directors and committees of the directors. The directors believe that all representations made to the independent auditor during the audit were valid and appropriate. The external auditor's unqualified audit report is presented on pages 5 to 6.

The annual financial statements set out on pages 7 to 17, and the supplementary information set out on pages 18 to 19 which have been prepared on the going concern basis, were approved by the directors and were signed on 6 August 2024 on their behalf by:



Director



Director

Sibaya Precinct Master Management Association (RF) NPC

(Registration Number 2016/193545/08)

Annual Financial Statements for the year ended 31 March 2024

Directors' Report

The directors present their report for the year ended 31 March 2024.

1. Review of financial results and activities

Main business and operations

The non-profit company objective is to control, manage and maintain all the properties within the area known as "Sibaya Precinct". There were no major changes herein during the year.

The non-profit company generated a surplus after tax for the year ended 31 March 2024 of R491,702 (2023: R551,568).

The non-profit company's revenue increased from R7,073,922 in the prior year to R8,349,957 for the year ended 31 March 2024.

Non-Profit Company cash flows from operating activities changed from an outflow of R574 in the prior year to an outflow of R113,425 for the year ended 31 March 2024.

2. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The directors believe that the non-profit company has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis.

The directors have satisfied themselves that the non-profit company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements.

3. Events after reporting date

The directors are not aware of any matter or circumstance arising since the end of the financial year to the date of this report that could have a material effect on the financial position of the non-profit company.

4. Directors' interest in contracts

To our knowledge none of the directors had any interest in contracts entered into during the year under review.

5. Directors

The directors of the non-profit company during the year and up to the date of this report are as follows:

JJ Jacobs

HX Makwabe

R Naidoo

GF Phillips

NP Slatter

B Shongwe

S Meyer

6. Independent Auditors

RobertsChaplinKrona Inc. were the independent auditors for the year under review.

Independent Auditor's Report

To the Members of Sibaya Precinct Master Management Association (RF) NPC

Opinion

We have audited the financial statements of Sibaya Precinct Master Management Association (RF) NPC set out on pages 7 to 17, which comprise the statement of financial position as at 31 March 2024, and the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Sibaya Precinct Master Management Association (RF) NPC as at 31 March 2024, and its financial performance and cash flows for the year then ended in accordance with the IFRS for SMEs Accounting Standard as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the non-profit company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Sibaya Precinct Master Management Association (RF) NPC Financial Statements for the year ended 31 March 2024", which includes the Directors' Report, and the statement of Directors' Responsibilities and Approval, which we obtained prior to the date of this report, and the supplementary information set out on pages 18 to 19. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Directors: J R Cronje CA(SA), D G Pillay CA(SA)

7 Judges Avenue, Windsor, Randburg, 2195

Sucrose House, Old Main Road, Umhlali, KwaZulu-Natal, 4390 | PO Box 136, Umhlali, KwaZulu-Natal, 4390

RobertsChaplinKrona Inc | Company Reg No: 2016/512754/21 | Practice No: 994038

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with the IFRS for SMEs Accounting Standard as issued by the International Accounting Standards Board, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the non-profit company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the non-profit company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the non-profit company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the non-profit company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the non-profit company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



RobertsChaplinKrona Inc.

Per: Jan Cronje - Director

Registered Auditor

6 August 2024

Sibaya Precinct Master Management Association (RF) NPC

(Registration Number 2016/193545/08)

Financial Statements for the year ended 31 March 2024

Statement of Financial Position

Figures in R	Notes	2024	2023
Assets			
Non-current assets			
Property, plant and equipment	4	77,177	113,621
Current assets			
Trade and other receivables	5	1,239,751	475,365
Other financial assets	6	164,462	191,710
Cash and cash equivalents	7	5,548,735	5,981,062
Total current assets		6,952,948	6,648,137
Total assets		7,030,125	6,761,758
Equity and liabilities			
Equity			
Levy stabilisation fund		2,183,883	1,928,883
Accumulated surplus		3,267,038	2,775,336
Total equity		5,450,921	4,704,219
Liabilities			
Current liabilities			
Trade and other payables	8	1,284,955	1,316,875
Current tax liabilities		294,249	139,514
Other financial liabilities	9	-	601,150
Total current liabilities		1,579,204	2,057,539
Total equity and liabilities		7,030,125	6,761,758

Sibaya Precinct Master Management Association (RF) NPC

(Registration Number 2016/193545/08)

Financial Statements for the year ended 31 March 2024

Statement of Comprehensive Income

Figures in R	Notes	2024	2023
Revenue	10	8,349,957	7,073,922
Other income	11	-	250,000
Administrative expenses		(91,655)	(106,304)
Other expenses		(8,235,987)	(6,845,773)
Surplus from operating activities	12	22,315	371,845
Finance income	13	624,122	319,237
Surplus before tax		646,437	691,082
Income tax expense	14	(154,735)	(139,514)
Surplus for the year		491,702	551,568

Sibaya Precinct Master Management Association (RF) NPC

(Registration Number 2016/193545/08)

Financial Statements for the year ended 31 March 2024

Statement of Changes in Equity

Figures in R	Levy stabilisation fund	Accumulated surplus	Total
Balance at 1 April 2022	1,541,883	2,223,768	3,765,651
Changes in equity			
Surplus for the year	-	551,568	551,568
Total comprehensive income for the year	-	551,568	551,568
Levy stabilisation received for the year	387,000	-	387,000
Balance at 31 March 2023	1,928,883	2,775,336	4,704,219
Balance at 1 April 2023	1,928,883	2,775,336	4,704,219
Changes in equity			
Surplus for the year	-	491,702	491,702
Total comprehensive income for the year	-	491,702	491,702
Levy stabilisation received for the year	255,000	-	255,000
Balance at 31 March 2024	2,183,883	3,267,038	5,450,921

Sibaya Precinct Master Management Association (RF) NPC

(Registration Number 2016/193545/08)

Financial Statements for the year ended 31 March 2024

Statement of Cash Flows

Figures in R

	Note	2024	2023
Cash flows used in operations			
Surplus for the year		491,702	551,568
Adjustments to reconcile surplus			
Adjustments for income tax expense		154,735	139,514
Adjustments for finance income		(624,122)	(319,237)
Adjustments for increase in trade accounts receivable		(764,070)	(472,828)
Adjustments for increase in other operating receivables		(316)	-
Adjustments for decrease in trade accounts payable		(30,000)	(202,986)
Adjustments for decrease in other operating payables		(1,920)	(13,279)
Adjustments for depreciation and amortisation expense		36,444	36,444
Total adjustments to reconcile surplus		(1,229,249)	(832,372)
Net cash flows used in operations		(737,547)	(280,804)
Interest received		624,122	319,237
Income taxes paid		-	(39,007)
Net cash flows used in operating activities		(113,425)	(574)
Cash flows from / (used in) investing activities			
Movement in other financial assets		27,248	(90,726)
Cash flows from / (used in) investing activities		27,248	(90,726)
Cash flows (used in) / from financing activities			
Proceeds from issuing other equity instruments		255,000	387,000
Movement in other financial liabilities		(601,150)	(6,850)
Cash flows (used in) / from financing activities		(346,150)	380,150
Net (decrease) / increase in cash and cash equivalents		(432,327)	288,850
Cash and cash equivalents at beginning of the year		5,981,062	5,692,212
Cash and cash equivalents at end of the year	7	5,548,735	5,981,062

Sibaya Precinct Master Management Association (RF) NPC

(Registration Number 2016/193545/08)

Financial Statements for the year ended 31 March 2024

Accounting Policies

1. General information

Sibaya Precinct Master Management Association (RF) NPC ('the non-profit company') objective is to control, manage and maintain all the properties within the area known as "Sibaya Precinct". The non-profit company is incorporated as a Non-Profit Company and domiciled in South Africa. The address of its registered office is 305 Umhlanga Rocks Drive, la Lucia, Durban, Kwa-Zulu Natal, 4051.

2. Basis of preparation and summary of significant accounting policies

The financial statements of Sibaya Precinct Master Management Association (RF) NPC have been prepared in accordance with the IFRS for SMEs Accounting Standard as issued by the International Accounting Standards Board. The financial statements have been prepared under the historical cost convention. They are presented in South African Rand.

The preparation of financial statements in conformity with the IFRS for SMEs Accounting Standard as issued by the International Accounting Standards Board requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the non-profit company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

The principal accounting policies applied in the preparation of these annual financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the directors.

The non-profit company adds to the carrying amount of an item of property, plant and equipment the cost of replacing parts of such an item when that cost is incurred if the replacement part is expected to provide incremental future benefits to the non-profit company. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to surplus or deficit during the period in which they are incurred.

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives range as follows:

Asset class	Useful life / depreciation rate
Security equipment	5 Years
Fixtures and fittings	6 Years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, if there is an indication of a significant change since the last reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other gains / (losses)' in the statement of comprehensive income.

Sibaya Precinct Master Management Association (RF) NPC

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Financial Statements for the year ended 31 March 2024

Accounting Policies

Basis of preparation and summary of significant accounting policies continued...

2.2 Financial instruments

Trade and other receivables

Trade receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the non-profit company will not be able to collect all amounts due according to the original terms of the receivables.

Trade and other receivables are classified as debt instruments and loan commitments at amortised cost.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown in current liabilities on the statement of financial position.

Trade and other payables

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Levies in advance

Levies in advance are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Other financial liabilities are recognised initially at the transaction price, including transaction costs except where the liability will subsequently be measured at fair value.

Where the fair value of other financial liabilities can be measured reliably without undue cost or effort, these liabilities are subsequently measured at fair value with the changes in fair value being recognised in surplus or deficit.

2.3 Tax

The tax expense for the year comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the entity operates and generates taxable income.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the entity. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Sibaya Precinct Master Management Association (RF) NPC

(Registration Number 2016/193545/08)

Financial Statements for the year ended 31 March 2024

Accounting Policies

Basis of preparation and summary of significant accounting policies continued...

2.4 Revenue

Revenue is measured at the fair value of the consideration received or receivable. Revenue is shown net of value-added tax, returns, rebates and discounts.

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the entity;
- the stage of completion of the transaction at the end of the reporting period can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Interest income is recognised using the effective interest method.

3. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Sibaya Precinct Master Management Association (RF) NPC

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Financial Statements for the year ended 31 March 2024

Notes to the Financial Statements

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4. Property, plant and equipment

Balances at year end and movements for the year

	Security equipment	Fixtures and fittings	Total
Reconciliation for the year ended 31 March 2024			
Balance at 1 April 2023			
At cost	63,697	142,229	205,926
Accumulated depreciation	(22,294)	(70,011)	(92,305)
Carrying amount	41,403	72,218	113,621
Movements for the year ended 31 March 2024			
Depreciation	(12,739)	(23,705)	(36,444)
Property, plant and equipment at the end of the year	28,664	48,513	77,177
Closing balance at 31 March 2024			
At cost	63,697	142,229	205,926
Accumulated depreciation	(35,033)	(93,716)	(128,749)
Carrying amount	28,664	48,513	77,177
Reconciliation for the year ended 31 March 2023			
Balance at 1 April 2022			
At cost	63,697	142,229	205,926
Accumulated depreciation	(9,555)	(46,306)	(55,861)
Carrying amount	54,142	95,923	150,065
Movements for the year ended 31 March 2023			
Depreciation	(12,739)	(23,705)	(36,444)
Property, plant and equipment at the end of the year	41,403	72,218	113,621
Closing balance at 31 March 2023			
At cost	63,697	142,229	205,926
Accumulated depreciation	(22,294)	(70,011)	(92,305)
Carrying amount	41,403	72,218	113,621

Sibaya Precinct Master Management Association (RF) NPC

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Financial Statements for the year ended 31 March 2024

Notes to the Financial Statements

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5. Trade and other receivables

Trade and other receivables comprise:

Trade receivables	1,236,899	472,829
Prepaid expenses	2,852	2,536
	<u>1,239,751</u>	<u>475,365</u>

6. Other financial assets

Other financial assets incorporates the following balances:

Sibaya Sub Precinct 1B Management Association (RF) NPC	78,399	99,674
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This loan is unsecured, interest free and has no fixed terms of repayment.

Sibaya Sub Precinct 1D Management Association (RF) NPC	78,213	91,036
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This loan is unsecured, interest free and has no fixed terms of repayment.

Oceandune Management Association (RF) NPC	1,000	1,000
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This loan is unsecured, interest free and has no fixed terms of repayment.

Sibaya Sub Precinct 5 Management Association (RF) NPC	6,850	-
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This loan is unsecured, interest free and has no fixed terms of repayment.

164,462

191,710

7. Cash and cash equivalents

Cash and cash equivalents included in current assets:

Balances with banks	<u>5,548,735</u>	<u>5,981,062</u>
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Sibaya Precinct Master Management Association (RF) NPC

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Financial Statements for the year ended 31 March 2024

Notes to the Financial Statements

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8. Trade and other payables

Trade and other payables comprise:

Trade payables	8,500	38,500
Development deposits received	1,200,000	1,200,000
Audit fee accrual	26,724	32,532
Value added tax	49,731	45,843
Total trade and other payables	1,284,955	1,316,875

9. Other financial liabilities

Other financial liabilities comprise:

Sibaya Sub Precinct 5 Management Association (RF) NPC	-	601,150
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This loan is unsecured, interest free and has no fixed terms of repayment.

10. Revenue

Revenue comprises:

Levy income	8,349,957	7,065,269
Recoveries - design review fees	-	8,653
Total revenue	7,065,269	7,073,922

11. Other income

Other income comprises:

Penalties and fines	-	250,000
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12. Surplus from operating activities

Surplus from operating activities includes the following separately disclosable items

Other operating expenses

Property plant and equipment - depreciation	36,444	36,444
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Leases - operating lease minimum lease rentals	347,688	316,598
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Audit fees

Auditors remuneration - Fees	11,992	32,916
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Sibaya Precinct Master Management Association (RF) NPC

(Registration Number 2016/193545/08)

Financial Statements for the year ended 31 March 2024

Notes to the Financial Statements

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13. Finance income

Finance income comprises:

Interest received - current	499,647	318,978
Interest received - debtors	124,475	259
Total finance income	624,122	319,237

14. Income tax expense

Income tax recognised in surplus or deficit:

Current year	154,735	139,514
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Provision for taxation for the year ended 31 March 2024 was made in terms of SARS interpretation Note No 64 and and section 10(1)(e) of the income Tax Act No 58 of 1962 (as amended)

15. Related parties

Details of service contracts

Name	Details
JJ Jacobs	Director
HX Makwabe	Director
R Naidoo	Director
GF Phillips	Director
NP Slatter	Director
B Shongwe	Director
S Meyer	Director

There were no related party transactions between Sibaya Precinct Master Management Association (RF) NPC and the directors.

Sibaya Precinct Master Management Association (RF) NPC

(Registration Number 2016/193545/08)

Annual Financial Statements for the year ended 31 March 2024

Detailed Income Statement

Figures in R	Notes	2024	2023
Revenue	10		
Levy income		8,349,957	7,065,269
Recoveries - design review fees		-	8,653
Other income	11		
Penalties and fines		-	250,000
Administrative expenses			
Auditors remuneration - Fees		(11,992)	(32,916)
Bank charges		(4,086)	(4,161)
Computer expenses		(51,481)	(38,418)
Secretarial fees		-	(8,560)
Telephone and internet		(24,096)	(22,248)
		(91,655)	(106,303)
Other expenses			
Accounts administration fee		(64,134)	(59,938)
Administration and management fees		(2,670,492)	(2,472,108)
Cleaning		(450,192)	(338,456)
Depreciation - property, plant and equipment		(36,444)	(36,444)
Design review expenses		(26,250)	(13,500)
Hire - Equipment		-	(45,187)
Improvement projects		(115,251)	(60,713)
Insurance		(11,093)	(10,145)
Landscaping costs		(659,437)	(358,947)
Legal expense		(23,063)	(16,633)
Levies		(2,307,296)	(1,940,918)
Meetings and entertainment		(1,738)	(3,253)
Operating lease expense		(347,688)	(316,598)
Printing and stationery		(24,204)	(22,344)
Public relations		(239,184)	(221,412)
Reimbursements		(334)	(813)

Sibaya Precinct Master Management Association (RF) NPC

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Annual Financial Statements for the year ended 31 March 2024

Detailed Income Statement

Figures in R	Notes	2024	2023
Repairs and maintenance		(9,290)	(10,288)
Security		(1,019,203)	(722,313)
Social economic development projects		(200,875)	(167,498)
Storage		(9,394)	(7,840)
Website development costs		(20,425)	(20,425)
		(8,235,987)	(6,845,773)
Surplus from operating activities	12	22,315	371,846
Finance income	13		
Interest received - current		499,647	318,978
Interest received - debtors		124,475	259
		624,122	319,237
Surplus before tax		646,437	691,083
Income tax	14		
Current tax		(154,735)	(139,514)
Surplus for the year		491,702	551,569