

ST FRANCIS PROPERTY OWNERS NPC

MINUTES OF THE ANNUAL GENERAL MEETING WEBINAR HELD

ON ZOOM AND YOU TUBE LIVE STREAM

ON MONDAY 21ST DECEMBER 2020 AT 17H00

PRESENT : Board Members, Members Registered on Zoom and You Tube (Total 38 + 4 You Tube)

Board Members :

W Furphy	(Chairman)
C Gray	(Vice-Chairman)
G J A Vorster	
P W Mountford	
G J Pienaar	
C L Northwood	
G Brooker	(Accounting Officer)
G Miller	(Projects Manger)
L Aitken	(Administration Manager)

1 Welcome

The Chairman welcomed and thanked all for attending on Zoom and You Tube. He welcomed co-presenters Directors Gert Vorster (Finance) and Sakkie Burger (Legal Matters)

2 Apologies

MJ Scheckter – SFPO Board

3 Agenda

1. Welcome
2. Apologies
3. Agenda
4. Proxies

5. Determine if there is a quorum
6. Approve minutes of previous Annual General Meeting
7. Chairman's Report
8. Consider and approve the audited financials for 2020
9. Voting on proposed resolutions
10. Other business to discuss
11. Closure of meeting

Members were invited to submit questions in writing before the AGM in order for these to be answered during the meeting.

The meeting was recorded for minuting purposes.

3.1. Objection to Notice of the Meeting :

An objection was raised by Mr Roy Smith ("RS") by way of a letter that the Notice to the Meeting is defective and therefore the meeting cannot be constituted as the Notice does not comply with Section 6(11) of the Companies Act, Act 71 of 2008 ("the Act") as well as the regulations promulgated in terms thereof.

3.1.1. Mr Sakkie Burger ("SB") responded on behalf of the Board of Directors that:

The applicable sub-section in the Act is not sub-section 6(11) but sub-section 6(10) and that the Notice of the Meeting did comply with sub-section 6(10) of the Act.

The Notice must also comply with the Memorandum of Incorporation ("MOI") of the Company and that the Notice is substantially in compliance with the MOI.

The Notice must also comply with the agreement between the Kouga Local Municipality and the NPC and was published in a newspaper as per the agreement with the Kouga Local Municipality.

There is therefore proper compliance with the Act, the MOI as well as the agreement with the Kouga Local Municipality.

3.1.2. The chairman's ruling was that given this explanation, the meeting was properly constituted and that it would continue.

4. Proxies

Proxies were encouraged before the start of this meeting. 142 proxies were received ahead of the meeting. Those that had not already submitted proxies were asked to proceed to the website and submit their votes online at the end of the meeting.

4.1. Objection against the formal proxies as attached to the Notice of the Meeting :

4.1.1. An objection was also received from RS that the proxies as attached to the Notice of the AGM were defective as the proxies do not comply with the Section 58(8) of the Act.

4.1.2. SB, on behalf of the Board, responded that Section 58(8) of the Act is not applicable in this instance and that the Company must comply with Section 58(9) of the Act as the Company merely supplies a general available formal proxy and it is therefore not necessary to comply with Section 58(8) of the Act.

4.1.3. The chairman's ruling was that given this explanation, the proxies are in compliance with the Companies Act and with the MOI and would therefore count as valid votes.

5. Quorum

38 Members continuously attended and 6 followed on You Tube. The minimum number required for a quorum is 20, and a quorum was therefore declared.

6. Approval of Minutes of Last AGM

The minutes of the last AGM were taken as read and approved.

Proposed by N Munday; Seconded by S Hulley-Miller.

6.1. An objection was received from RS that the minutes were not available on the website.

6.2. The matter was investigated and it was found that, although these had been available on the website for most of the year, they had been omitted when the site had to be re-built after the site was seriously hacked in November. These have now been re-instated on the website. The chairman thanked RS for bringing the matter to his attention.

6.3. RS also requested changes to some of the wording in the minutes.

6.4. On review, the Chairman ruled that he was satisfied that the minutes do reflect the true content of the meeting and the resolutions taken therein.

7. Chairman's Report

The annual report for 2020 was circulated to the entire email database ahead of the AGM and is available on the website at the below link : <https://www.stfrancispropertyowners.com/wp-content/uploads/2021/01/SFPO-NPC-2020-report.pdf>

Presentation :

The Chairman proceeded to present his Report. A copy of this Power Point presentation is available on the website at the following link :. <https://www.stfrancispropertyowners.com/wp-content/uploads/2021/01/SFPO-NPC-AGM-2020-Presentation-1.pptx>

8 Consider and Approve Audited Financial Statements for the year ended 30 June 2020

The audited Financial Statements for the year ended 30 June 2020 were circulated to members and are available on the website at : https://www.stfrancispropertyowners.com/wp-content/uploads/2021/01/SFPO-NPC-Audited-Financial-Statements_AFS_2020.pdf

These were presented to the meeting by G Vorster, Director (Finance).

This audit was completed by Moore (Humansdorp) and a clean report was received.

9 Voting on Proposed Resolutions :

Members who had not already submitted proxy vote forms were asked to visit the website immediately after the meeting to cast their online votes on the following resolutions:

OR 1 : appointment of Directors

- Wayne Furphy
- Chris Gray
- Peter Mountford
- Gert Vorster
- Deon Pienaar
- Craig Northwood
- David Truter
- Sakkie Burger

OR 2 : approval of annual financials for year ending 30 June 2020.

OR 3 : approval of auditors for the forthcoming year

SR 1 : Amendment of MOI

(OR – ordinary resolution; SR – special resolution)

9.1. An objection was received from RS against the election of the Directors on two grounds (OR1):

9.1.1. The MOI is in contravention of the Act as it provides for the elected directors to serve a 2 (two) year term, while in terms of Section 1 (Section 51(b) therefore), the MOI must provide for the election each year of at least 1/3 (one third) of those elected directors.

9.1.2. The procedure for the election of the directors is defective as it is not in compliance with Section 68(2) of the Act.

9.1.3. SB, on behalf of the Board, responded that :

9.1.3.1. RS was correct that it is an unalterable provision of the Act that the MOI should provide for the election each year of at least 1/3 (one third) of those elected directors.

9.1.3.2. All the directors have retired and will be re-elected and provision will be made that at least 1/3 (one

third) of the directors retire prior to the next AGM to comply with the provisions of the Act. The MOI will also be amended in due time to comply with the Act.

9.1.4. Regarding the procedure for the election of Directors:

9.1.4.1. SB responded that although the procedure is not in accordance with Section 68(2)(a) and (b), Section 68(2) provides that the Company's MOI may provide for a different procedure to be complied with as in the instance of this Company. The procedure as prescribed for the election does comply with the MOI of the Company and is therefore correct.

9.1.5. The chairman's ruling was that given this explanation, the procedure for the election of the directors was in compliance with the Companies Act and with the MOI and would therefore proceed.

9.2. Objection against the approval of the revised MOI (SR1):

An objection was received from RS that the draft MOI as proposed for approval contravenes the Local Government Rates Act and the Kouga Local Municipality Property Rates Policy ("KLM Property Rates Policy") as it provides to operate outside the demarcated area.

9.2.1. SB responded, on behalf of the Board, that the KLM Rates Policy provides for improvements to be effected outside the demarcated area as in terms of the KLM Property Rates Policy, the business plan to be submitted must include a motivation report containing an explanation on how the proposed improvements are linked to the geographical area of the proposed SRA (Paragraph 4.3.6.4 of the KLM Property Rates Policy).

The business plan as submitted indicated how the restoration of the beach and the spit will benefit the geographical area of the proposed SRA.

The MOI therefore does not contravene the Local Government Rates Act of the KLM Property Rates Policy.

9.2.2. The chairman's ruling was that given this explanation, the proposed amendments to the MOI are in compliance the with Local Government Rates Act and the KLM Property Rates Policy.

9.3 Result of Voting Declared on 23 December 2021 and posted on www.stfrancispropertyowners.co.za

	resolution	for	against	abstain
OR 1	appointment of directors			

	Wayne Furphy	150	0	0
	Chris Gray	149	0	1
	Peter Mountford	150	0	0
	Gert Vorster	149	0	1
	Deon Pienaar	149	0	1
	Craig Northwood	149	0	1
	Dave Truter	148	0	2
	Sakkie Burger	149	0	1
OR 2	approval annual financials for year ending 30 June 2020	150	0	0
OR 3	approval of auditors for the forthcoming year	150	0	0
SR 1	Amendment of the MOI	150	0	0

OR – ordinary resolution SR – special resolution

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10. Other Business :

Additional Funding - The Collection of SRA funds provides one third of the sum required for the long term coastal solution. To speed up the process, a separate Non Profit Company with PBO status to accommodate non-property owners contributions and donations is to be established. Membership of this company will be limited to donors. Board director leadership will be required.

Government Funding – This is being pursued through DA channels.

Closure :

The Chairman thanked those present for their attendance, reminding the attendees to visit the website to cast their votes immediately after the meeting. The meeting was then closed.

