

MINUTES OF THE ANNUAL GENERAL MEETING OF KNIGHTSBRIDGE MANSIONS BODY CORPORATE HELD AT WINCHESTER MANSIONS, 221 BEACH ROAD, SEA POINT, ON 27 JULY 2015

PRESENT : As per Attendance Register

PROXIES : As per Attendance Register

ATTENDING : Fiona Dimio - IHFM

There being a quorum present the meeting commenced at 1800.

1. Welcome and apologies.

Kim Steenkamp welcomed all present and thanked them for coming and then handed the meeting to the Chairperson

There being no objections Kim Steenkamp asked that Fiona Dimio chair the meeting.

2. Confirmation of Minutes of the Annual General Meeting held on 30th October 2014.

The minutes of the Annual General Meeting held on 30th October 2014 were signed by the chairperson and the minutes unanimously accepted.

3. Consideration and confirmation of the Chairperson's report.

The Chairpersons report, which forms part of these minutes, was presented as read and unanimously accepted.

4. The consideration of the financial statement and report for the FYE December 2014

The audited statements for the financial year ended December 2014 were presented by Ed West. Mr West provided a brief explanation on the income and expenditure pointing out that a considerable amount of maintenance had been undertaken for the year under review.

The financial statements were unanimously approved

5. The approval with or without amendment of the insurance replacement.

The insurance replacement values were unanimously approved by all members in person or represented by proxy. Owners were reminded that they could, at any time, increase the sum insured for their unit in the event that they felt that their replacement value was not what they felt was adequate. Any additional premium would be for owners account.

6. Income and Expenditure Budgets

a. The approval with or without amendment of income and expenditure budget for the financial year end December 2015

The proposed estimate of income and expenditure for the financial year-ending 2015 was unanimously approved. It is recorded that the Budget for the FYE 2015 was in fact presented at the AGM held on 30 October 2014 and the levy increase per this schedule in in effect.

7. The appointment of an auditor or accounting officer.

Cecil Kilpin re-appointed

8. The determination of the number of trustees of the ensuing year.

It was agreed that there would be five trustees.

9. The election of Trustees for the ensuing year.

Nominations for trustees had been submitted prior to the meeting, and the following persons were nominated and elected.

Kim Steenkamp

Ed West

Pierre Sarembock

Leslie Mckenzie

Phillip Lourandos

10. Any special business of which due notice has been given in terms of rule 54 or as stipulated elsewhere in this notice.

None

11. The giving of directions or the imposing of restrictions on trustees

It was agreed that the existing restrictions on trustees would remain as follows:

- Expenditure is to be within the confines of the budget
- In the event of an emergency - the trustees are to use their discretion
- Any expenditure not budgeted or over R20,000 – the trustees are to advise all owners in advance of incurring the expenditure with full reasons by email.

12. The determination of the “*domicilium citandi et executandi*” of the body corporate.

This will be the address of the managing agent being IHFM, 8th Floor 2 On Long, Long Street, Cape Town.

13. The confirmation by the auditor or accounting officer that any amendment, substitution, addition or repeal of the scheme's rules have been submitted to the Registrar of Deeds for filing.

No changes were made to the rules in the last financial year.

14 Report Back

Trustee Report on dispute with former Trustees :

- a. **Building Violations** – On the 12th of March 2015, Mr Barick appeared in court, after receiving a summons from the City of Cape Town legal department. Mr Barick had to pay an admission of guilt fine in respect of the building violations.
- b. **Financial Matters** – An offer was made by the former Trustee (Messrs Barick/Durst) of R20 000 which offer was not accepted by the Trustees. Owners have given permission to proceed to court in the event that an acceptable offer cannot be reached in this regard.
- c. **Arbitration** – waterproofing of their balcony on the roof – owners agreed to proceed with arbitration in this matter.

15 Email query received from Richard Keeton on behalf of unit 504

Mr Keeton was present at the meeting representing the owners of unit 504

“Security – recoverable” – is this the payments to the security firm that are made by Knightsbridge and then recovered from the owners, or is this security relating to something else? **Yes, the monthly amount is divided equally amongst all owners**

The query about the shortfall at the end of 2014 – the Trustees has indicated that the Special Levy was for the renovation and painting, the BC was told that the work would cost approximately R2million, and that the remaining R200 000 raised was for any extra or incidental costs; yet in the Chairperson's report it speaks of R2,4million. If this could be clarified, it would be appreciated. **When contractors high pressure hosed and exposed the building walls it was only then that it was realised that due to the condition of the exposed walls that it would be best to completely prime the walls as opposed to only doing spot primer as originally quoted.**

The decision voted upon in the last AGM was that Henri Grove should remain the auditors, the auditors were changed; what was the reason for this decision, was it voted on? **Owners were advised and requested via email to provide their comments as the Trustees had received a quote for the same audit service at half the cost.**

Repairs are listed as Note 5 on pg 15 under Trade and other payables, Accrual: Repairs and Maintenance, as being R31 360. This amount is then reflected as a liability on page 8. Then Repairs (note 8) as a separate column on page 16, brought into the equation on page 17 as part of the Operating Expenses. If you could please explain the differentiation. Also if you could confirm (it seems relatively certain) that at note 8, the Wastepipes Project was the renovation/refurbishment project undertaken. **FD advised that this would require a response from the audit and same would be responded to via email.**

Then under Operating Expenses, we request a little more clarity regarding what the Administration Fees relate to? We assume that the Management Fees are those paid to IHFM? If you could also please confirm what the Telephone and Fax amount pertains to, both in the AFS and in the Budget. **Managing Agent recovers all costs related to their charges... Monthly Management Fees, stationery, telephone and fax are recoverable and billed accordingly.**

As to queries pertaining to the Budget, we note that R24 000 has been budgeted for Legal/Professional fees for 2015. Since the costs were R77 000 for 2014 and R46 000 for 2013, if the Trustees could please indicate how they arrived at this number, since it would seem to be too low by approximately R50 000. **At the time of preparing the budget the costs of legal fees were not anticipated.**

Chairperson thanked everyone for attending and declared the ANNUAL GENERAL MEETING concluded at 20H00

**NOTICE OF A SPECIAL GENERAL MEETING NOTICE OF SUCH MEETING HAVING BEEN SENT OUT WITH THE AGM
NOTICE WHICH MEETING WAS HELD DIRECTLY AFTER THE AGM**

SPECIAL GENERAL MEETING

To discuss and pass a Special Resolution for the following :

The renting out of the room at the back of the complex (in the vicinity of the braai area) to a person who is not an owner/occupant at the complex.

Following a brief discussion it was agreed that this matter be voted on.

Vote : 21 in favour - represented by person or by proxy
3 not in favour – represented by person or by proxy.

CHAIRPERSON

DATE