



**OFF BEAT**

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**HOLIDAY CLUB**

[www.offbeat.co.za](http://www.offbeat.co.za)

**Annual General Meeting**

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**2015-2016**

**OFF BEAT HOLIDAY CLUB**

Non-profit organisation registration number 010-474NPO

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## NOTICE OF MEETING

Notice is hereby given that the Annual General Meeting for members of the Club will be held at Eulophia Corner, 2 Quintin Brand Street, Persequor Park, Pretoria, at 11:30 on Friday, 2 September 2016.

### AGENDA

- 1. Opening**
- 2. Constitution of meeting**
  - 2.1 Proxies
  - 2.2 Present
  - 2.3 Apologies
- 3. Minutes of the previous Annual General Meeting held on 21 August 2015**
  - 3.1 Matters arising therefrom
- 4. Receipt of the following Reports**
  - 4.1 Chairman's Report
  - 4.2 Report by the Audit / Risk Committee
- 5. Receipt and adoption of the Financial Statements for the financial year ended 31 March 2016**
  - 6.1 Appointment of Audit/Risk Committee**
  - 6.2 Appointment of auditors for the Club**
  - 6.3 Approval of the remuneration of the auditors for the current year**
  - 6.4 Approval of the remuneration of Board members**
  - 6.5 Approval of increase of all allowances**
- 7. Methods of Communication with members - online and social networks**
- 8. General**

By order of the Committee.



**G Pillay**  
Maj. Gen (rtd)  
Chief Executive Officer

# MINUTES OF AN ANNUAL GENERAL MEETING

## HELD ON FRIDAY, 21 AUGUST 2015 AT 12:00

VENUE: BOARDROOM, OFF BEAT HOLIDAY CLUB, EULOPHIA CORNER,  
NO 2 QUINTIN BRAND STREET, PERSEQUOR PARK, PRETORIA

### 1. OPENING

The Chairman, General Chetty, opens the meeting and welcomes everybody present.

### 2. CONSTITUTION OF THE MEETING

A quorum is present and the chairman declares the meeting properly constituted.

#### 2.1 Proxies

8 Proxies have been received in total, 5 for the Chairman and 3 for Gen Steyn. All proxies are accepted by the meeting.

#### 2.2 Present

The attendance list is circulated and the following members are present:

Lieutenant General M Chetty	Chairperson
Lieutenant General TA Mashigo	
Lieutenant General W H Steyn	
Major General G Pillay	CEO
Brig RB Brandt	
Brig SJ Hankins	
Brig D Bower	Chairperson: Audit Committee
Ms K Kleynhans	Secretary
Mr L Pretorius	Auditor

#### 2.3 Apologies

No apologies were received

### 3. MINUTES OF PREVIOUS ANNUAL GENERAL MEETING

#### 3.1 Approval of Minutes of previous Annual General Meeting held on 22 August 2014

The minutes of the previous Annual General Meeting is tabled. The minutes are motioned for approval by General Steyn and seconded by General Mashigo.

#### 3.2 Matters arising therefrom

There were no matters arising.



#### **4. RECEIPT OF THE FOLLOWING REPORTS**

##### **4.1 Report by Chairman**

The chairman delivers his Annual Report wherein he highlights the activities of the Club and expresses his gratitude to the various role players. The chairman's report is unanimously accepted.

##### **4.2 Report by Audit/Risk Committee:**

The chairman of the Audit/Risk Committee delivers his report and thanks the members of the Committee for the hard work throughout the year. The auditors are satisfied with the Annual Financial Statements and therefore the Audit/Risk Committee recommends the approval thereof.

The Audit/Risk Committee report is unanimously approved.

#### **5. RECEIPT AND ADOPTION OF THE ANNUAL FINANCIAL STATEMENTS:**

The auditor, Mr Luan Pretorius is available for any questions concerning the Annual Financial Statements. As the financials have already been discussed at the Board meeting and recommended for approval by the Audit/Risk Committee, the Annual Financial Statements for the 2014/2015 financial year was unanimously approved.

##### **6.1 APPOINTMENT OF AUDIT/RISK COMMITTEE:**

It is unanimously approved that the Audit/Risk Committee, consisting of the following members, will stay unchanged:

Adv Bouwer (Chairman), Gen Steyn and Gen Mashigo.

##### **6.2 APPOINTMENT OF AUDITORS FOR THE CLUB:**

The Audit Committee advised that Gregory, Butt & Marx be re-appointed as auditors for Off Beat Holiday Club for the 2015/2016 financial year. The re-appointment is unanimously approved.

##### **6.3 APPROVAL OF THE REMUNERATION OF THE AUDITORS FOR THE CURRENT YEAR:**

The Chairman of the Audit/Risk Committee states that the auditors' fees are increasing by 10% and the Committee recommend the approval thereof.

The remuneration for the auditors are therefore approved by the Board.

**6.4 APPROVAL OF THE REMUNERATION OF THE BOARD MEMBERS:**

The Audit/Risk Committee recommends a 10 % increase in the remuneration of the Committee members.

The 10 % increase is unanimously approved for the 2015/2016 year.

**6.5 APPROVAL OF INCREASE IN MEMBERSHIP FEES:**

The Chairman reminds the Board that it was previously resolved that the membership fees of the Club would be increased every 2 years.

It is approved that the membership fees will increase from R25.00 to R28.00 per month as from 1 November 2015.

**7. GENERAL:**

No additional matters for discussion were added.

**8. CONCLUSION**

The meeting adjourned at 12:45.

Read and confirmed this ..... day of ..... 20.....

.....  
**M Chetty**  
Chairman: Off Beat H/Club

.....  
**K Kleynhans**  
Secretary: Off Beat H/Club



# CHAIRMAN'S REPORT

## 1. INTRODUCTION

It is my pleasure to report on the activities of the Club during the financial year which ended on 31 March 2016.

Once again, the Club experienced a very good year. We are constantly making our best endeavours to satisfy all requests for holiday bookings and I am pleased to announce that we have again purchased additional accommodation at some of our top resorts in the country.

## 2. ANNUAL FINANCIAL STATEMENTS:

I am pleased to report that our Auditors have again given us a favourable report. Our total assets (which comprise mostly of Timeshare Stock) is valued at R190 million. The operating profit in the current year amounts to R3.6 million.

Members will have access to the Annual Financial Statements at the Annual General Meeting and on the Club's website.

I must however add that our AGM costs are increasing alarmingly every year in view of the cost of printing, postage and stamps. In order to curtail these costs, it is intended to send notification of future AGM's via online and social networks that are available.

You are therefore urged to provide our office with your email address and cell phone number. This matter will also be discussed for approval at the forthcoming AGM.

## 3. VALUATION OF STOCK:

During the course of the year, our Auditors did a complete evaluation of our stock in terms of market value and as at 31 March 2016, the value of our inventories amounts to R173 311 955.00. The Club owns stock (weeks) in almost 100 resorts nationally and we are constantly on the lookout to increase our portfolio at the popular resorts.

## 4. HOLIDAY BOOKINGS:

Although the levies payable by our members are the best in comparison to all other Holiday Clubs, we still come across instances whereby some members find it unaffordable to go on holiday.

On our advice, many of our members (who do not have school going children) are now booking their holidays during the off season and they benefit from the reduced levies.

Our Reservations office is outsourced to Club Leisure Group which also has Flexi Club in its stable. We urge our members to make their bookings early so as to avoid disappointment.

## 5. MANAGEMENT OF THE CLUB AND STAFF COMPLEMENT:

During the accounting period the following members served on the Committee of the Club:

M Chetty (Chairperson)

WH Steyn

TA Mashigo

RB Brandt

SJ Hankins

G Pillay (CEO)

Gen Pillay is assisted by a small team of dedicated staff who manage the administration of the Club. Our external auditors are Gregory, Butt & Marx.

I would also like to take this opportunity to express my gratitude and appreciation for the support and dedication which I have received from my fellow Committee members, the CEO and the staff of the Club.

## 6. CONCLUSION

My best wishes accompany each and every member of our Club and I assure you that the Club will continue to render the excellent service to our members as in the past.

May you and your family have a long association with your Club.

Signed at **Pretoria** on this **21<sup>st</sup>** day of **June 2016**.



**M. Chetty**  
Chairman  
Pretoria





# AUDIT COMMITTEE REPORT

## 1. MEMBERS OF THE AUDIT COMMITTEE

The members of the audit committee are all independent non-executive members of the club and include:

- D. Boucher
- W.H. Steyn
- T.A. Mashigo

The committee is satisfied that the members thereof have the required knowledge and experience as set out in Section 94(5) of the Companies Act 71 of 2008 and Regulation 42 of the Companies Regulation, 2011.

## 2. MEETINGS HELD BY THE AUDIT COMMITTEE

The audit committee performs the duties laid upon it by Section 94(7) of the Companies Act 71 of 2008 by holding meetings with the key role players on a regular basis and by the unrestricted access granted to the external auditors.

## 3. EXTERNAL AUDITOR

The committee satisfied itself through enquiry that the external auditors is independent as defined by the Companies Act 71 of 2008 and as per the standards stipulated by the auditing profession. Requisite assurance was sought and provided by the auditors that internal governance processes within the firm support and demonstrate the claim to independence.

The audit committee in consultation with executive management, agreed to the terms of the engagement. The audit fee for the external audit has been considered and approved taking into consideration such factors as the timing of the audit, the extent of the work required and the scope.

## 4. FINANCIAL STATEMENTS

Following the review of the financial statements the audit committee recommend board approval thereof.

On behalf of the audit committee



**D. Boucher**  
Chairman Audit Committee  
Pretoria  
22 June 2016

## Independent Auditor's Report

### To the committee members of OFFBEAT HOLIDAY CLUB

We have audited the financial statements of OFF BEAT HOLIDAY CLUB, as set out on pages 7 to 19, which comprise the statement of financial position as at 31 March 2016, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

### Management Committee Members' Responsibility for the Financial Statements

The club's committee members are responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and requirements of the Companies Act 71 of 2008, and for such internal control as the committee members determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements 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 company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of OFF BEAT HOLIDAY CLUB as at 31 March 2016, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the requirements of the Companies Act 71 of 2008.

### Supplementary Information

Without qualifying our opinion, we draw attention to the fact that supplementary information set out on pages 20 to 21 does not form part of the financial statements and is presented as additional information. We have not audited this information and accordingly do not express an opinion thereon.

Gregory, Butt & Marx  
Registered Auditors

Per: L.T. Gregory  
Chartered Accountant (S.A.)  
Registered Auditor (RA no. 349402)

22 June 2016

36 Lebombo Road  
Ashlea Gardens  
Pretoria  
0081



# STATEMENT OF FINANCIAL POSITION

as at 31 March 2016

	NOTE(S)	2016 R	2015 R
<b>Assets</b>			
<b>Non-current Assets</b>			
Property, plant and equipment	3	693 592	849 321
Investment property	2	5 828 021	-
Investment in associate	4	100	100
Loan to associate	5	4 772 673	10 617 517
Other financial assets	6	3 565 884	2 513 665
Timeshare investment	7	173 311 955	164 219 945
		<b>188 172 225</b>	<b>178 200 548</b>
<b>Current Assets</b>			
Trade and other receivables	8	563 666	472 738
Cash and cash equivalents	9	1 606 745	1 360 598
		<b>2 170 411</b>	<b>1 833 336</b>
<b>Total Assets</b>		<b>190 342 636</b>	<b>180 033 884</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Retained income		189 676 094	179 085 570
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trades and other payables	11	394 145	360 313
Provisions	10	265 430	583 916
Bank overdraft	9	6 967	4 085
		<b>666 542</b>	<b>948 314</b>
<b>Total Equity and Liabilities</b>		<b>190 342 636</b>	<b>180 033 884</b>

# STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 31 March 2016

	NOTE(S)	2016 R	2015 R
Revenue	12	8 549 791	8 002 843
Other income		259 326	33 070
Operating expenses		(5 138 638)	(5 892 206)
<b>Operating profit</b>		<b>3 670 479</b>	<b>2 143 707</b>
Investment revenue	13	646 132	911 794
Fair value adjustments	14	6 274 269	10 494 661
Finance costs	15	(356)	(451)
<b>Profit for the year</b>		<b>10 590 524</b>	<b>13 549 711</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<b>10 590 524</b>	<b>13 549 711</b>





# PROXY

## OFF BEAT HOLIDAY CLUB

Non-profit registration number 010-474NPO

I, ..... SAPS Service number, .....

of (address) .....

being a member of **Off Beat Holiday Club**, hereby appoint

.....

of (address) .....

or failing him/her, the Chairperson of the meeting as my proxy to vote for me on my behalf at the Annual General Meeting of the Club to be held at Eulophia Corner, No 2 Quintin Brand Street, Persequor Park, Pretoria, at 11:30 on Friday, 2 September 2016 and at any adjournment thereof.

Signed this ..... day of ..... 2016.

**(Note:** A member entitled to attend and vote is entitled to appoint a proxy to attend, speak and vote in his/her stead, and such proxy need not also be a member of the Club.)

Signature: .....

**NB: KINDLY ENSURE THAT YOUR CORRECT SAPS SERVICE NUMBER IS FILLED IN, IN THE SPACE PROVIDED**

The proxy forms should be:

e-mailed to [karen@offbeat.co.za](mailto:karen@offbeat.co.za) or [annatjie@offbeat.co.za](mailto:annatjie@offbeat.co.za) or [charity@offbeat.co.za](mailto:charity@offbeat.co.za)

or

faxed to (012) 349 2159,

or

posted to PO Box 183, Persequor Park, Pretoria, 0020.

**Proxy's should reach this office no later than 16:00 on 30 August 2016**

## **OFF BEAT HOLIDAY CLUB**

Non-profit organisation registration number 010-474NPO

PO Box 183

**PERSEQUOR PARK**

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