



## ***"MY SHOT" (Prince's Grant Newsletter)***

### **March 2008**

Dear Homeowners

At the end of the 2007/ 2008 financial year we can look back on a very successful year for Prince's Grant. Our financial position has in the history of Prince's Grant probably never looked healthier and various amenities have been added to the estate or has been improved. As a detailed annual report is being prepared, this newsletter aims to highlight some of the important issues at year end.

### **Finances**

Our operating income over the last year is projected to be 14% better than the previous year with the only negative being our income from visitors golf rounds, which was lower than expected. On the expenditure side we managed to contain our increase in expenditure to just 5% more than 2006/ 2007, contributing further to a positive balance.

The property sales at Prince's Grant were extremely positive with record sale prices for vacant stands as well as built houses. This buoyant property market resulted in an income from our levy stabilisation fund of more than R500 000 better than budget.

The positive situation resulted in a profit of just more than R2mil, some 88% better than last year. This assisted to grow our reserves to just more than R3.5mil at the end of the financial year. As the board set a target in April 2006 of R5mil we are well on our way to reach this goal.

It is important to note that the above situation was achieved despite funding our entire capital expenditure program, for the last two years, "in- house". We are in a fortunate position that Prince's Grant has no interest bearing long- term liabilities, a situation that will be the envy of most other residential estates.

### **Next Year**

The 2008/ 2009 financial year promised however to be a very challenging one. The incredible increases in electricity and fuel costs with the dramatic slow- down in

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property sales (during the period December 2006 to March 2007, 17 properties were sold at Prince's Grant, whilst at the same period for 2007/ 2008 only 5 properties were sold) will test us to the limit.

We believe the work done over the past two years in terms of financial prudence and expenditure control will place Prince's Grant in the best possible position to overcome the expected bleak external economic circumstances.

## **Staff**

After an extended period of staff changes that commenced in September 2007 with the departure of our course manager, followed by the golf director in March 2008, it is a relief to note we will be back at "full strength" from May 2008. The new golf director who is commencing duty in May 2008 is Kim Holt formerly from Modderfontein Golf Club, where she was the events and marketing manager. We hope she will fit in well with the Prince's Grant team and make a positive contribution to the Estate.

## **SGM**

Homeowners will know that the Board called a special general meeting in March 2008 to consider two important matters for the future of Prince's Grant. The proposed development of the area surrounding the current workshop and HOA offices was not considered as the board felt a more detailed plan will be necessary. That left the decision regarding the future of our "village centre" as the only matter to be voted on. In this regard the board and building committee felt it will be beneficial to Prince's Grant if the "commercial" part of this development be done in a sustainable manner with the least possible impact on the visual landscape as seen from the golf course and lodge. Although 65% of the members who voted in person and by proxy supported this initiative, we could unfortunately not get 75% in order to carry the special resolution. This result was forwarded to the developer of the "village centre" for consideration.

## **The Lodge**

At the same special general meeting the Chairman announced that the owners of the Prince's Grant Lodge are contemplating selling this facility. This decision is to a large extent motivated by the fact that Derek Paxton, who managed the Lodge for the last seven and a half years, decided not to renew his lease.

Dave Miller and I have commenced negotiations with the owners to find out what their future plans with this facility, which is considered critical for the continued success of Prince's Grant, entail.

Homeowners will be kept informed as the negotiations proceed and in the event of a decision being needed, an extra-ordinary general meeting will be called.

## **Conclusion**

March 2008 will go down in the annals of the Estate as an eventful month with the end of our financial year, the approval of next year's budget, the filling of key personnel positions, a special general meeting, an early Easter weekend and to top it all, some of the most glorious days on arguably the most fantastic place on earth.

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Please check out our website at [www.princesgrant.co.za](http://www.princesgrant.co.za) for more detailed information on our budget, five year capital program, golf calendar, etc. Homeowners are reminded that we have a secure website where the financial detail of the estate is displayed. Please give Natasha a call on 032- 482 0002 should you encounter any problems accessing this part of the website.

Regards  
Chris

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