



Dear Property Owners

We have just concluded the April Board meeting and it was really a watershed meeting in many ways and as such I would like to summarize the proceedings.

### 1. **Feedback on South African Golf Summit at Fancourt**

In order to gain knowledge in our quest to benchmark against “best in class” Chris attended this conference – learning’s were excellent. The main areas of interest were:

- a) The impact of a golf estate on property values is a premium of approximately 70%;
- b) In order to have a “premium estate” you cannot take the golf experience lightly. This is a full time continuous improvement drive which should be properly resourced;
- c) Revenue is critical, not rounds played;  
The South African golf world is not yet saturated; we can expect more competition and more courses.

I would encourage you to visit the Prince’s Grant.co.za web site under NEWS and read the brief summary; you will find it very, very informative.

### 2. **CEO’s Report for the Year**

Historically the Chairman’s report for the year ending March 2007 is contained in the AGM document published in September. Why, when the fiscal has just ended? It is time for the “Chairman’s Report” to be superceded by the CEO’s report which we will send out shortly. It will also be placed on the Website under the navigation bar BOARD. The main highlights are summarized below:

#### a) **Financial Results –**

We had a year on year improvement of R441 000 on debtors – our current debtors stood at approximately R14000.

- b) Income from Estate levies exceeded budget by R109 000 as a result of excellent controls put in place by Dave Miller and the Financial Team.
- c) Golf revenue also exceeded target showing a 27% year on year growth. Rounds increased marginally.
- d) The Pro Shop performance has been spectacular. We started the year with a R10 000 deficit and finished with over a R100 000 profit and for the very first time all the Pro Shop salaries were debited against this Cost Centre instead of being “debited against” golf income.

- e) Brendan secured a R100 000 sponsorship from Standard Bank for the National Amateur, we have funded this previously.

### 3. **Estate Highlights**

- We completed the first phase of the HOA office upgrade
- Emphasis has been placed on upgrading the water reticulation system, which included the reconnection of two boreholes and a water confinement valve system.
- Roads in the Estate have been well maintained with new speed humps installed. The entrance road however is in a perilous condition - repairs continue. Chris has spent many hours with the Provincial Roads Authority and they have agreed to pay for 50% of the bill for a complete 13mm chip and spray resurface.

### 4. **Security**

This requires “major surgery”, too many issues to mention but I must indicate that our “technology” has reached the end of its life and we will need to provide for an upgrade shortly.

### 5. **Building Sites**

- The HOA has taken over the responsibility of site fencing, a substantial improvement.
- It has been impossible to “police” building dates and as such the “build by date” penalties were removed last year. This has impacted on the number of sites under development reducing from 50 to 35 over the year.
- Vani is finding her feet very quickly in this area of her tasks.

### 6. **Golf Course**

We are pleased to announce that Prince’s Grant maintained their position in both the Compleat Golfer and Golfer’s Digest ratings. Our course was ranked 21<sup>st</sup> by Golfer’s Digest and received a “Platinum” rating from Compleat Golfer which reflects a rating of between 10 and 20.

### 7. **Marketing**

We have started the re-positioning of Prince’s grant and have established a new look and feel. We have introduced the pay-off line “Prince’s Grant, the way life should be lived”. Our advertisements have featured prominently in A-income and golf magazines. The journey is on its way!

### 8. **Estate Agents**

The Estate Agents’ have positioned themselves in the Estate sales office at the entrance to PG. This now reflects a professional and united front to potential buyers, they are well equipped with sales support material.

### 9. **Finalization and Map of the Prince’s Grant Layout**

The latest layout (ABF) has been completed and will be published shortly. This will remove a lot of anxiety about “potential” new stands.

10. **Staff Development**

Restructuring has taken place and our key staff members are all on a development and training program. This supports the strategy to ensure that our management team is well equipped to deal with the future.

11. **Special Rates Meeting and General Discussion in April**

A special rates and general discussion meeting was attended by 43 homeowners. The current rates and general issues were discussed. Minutes have been sent out and for those who did not receive them; they are on the website under NEWS.

12. **New Golf Cart Policy**

At last the Board has approved a new Golf Car policy. We will send this out under separate cover and place it on the web site for two weeks for your comments where after it will be finalized and implemented. We are targeting implementation date in mid-June. (Also find on the website under NEWS.)

13. **Five Star Golf Experience**

As new golf courses come on stream we will find it more and more difficult to maintain our top 20 placing. As an alternative we have decided to take our Five Star Golf Rating Experience very seriously. We have appointed the Complete Golfer Magazine Team to perform a full audit and this will form the full focus of attention on the next year. Show below is our current performance.

	<b>Measurement Criteria</b>	<b>Max Score</b>	<b>PG Performance</b>	<b>% Gap</b>
1	Club House	70	44	34
2	Golf Course Service /	45	32	29
a	Golf Course Experience	120	86	28
b				
3	Halfway House	30	22	36
4	Practice Facilities	30	18	40
5	Quality of Customer Service	80	57	29
6	Price/ Value relationship	35	25	28
7	Services Offered	80	50	37
8	Overall Ambiance	50	36	28

14. **Long Term Plan**

The Board was tasked with the construction and funding of a five-year plan. There is plenty of work to be done however show below is our currently thinking. Please note that this excludes the yearly routine projects which are taken care of as part of the budgeting exercise. We are currently looking at different funding options and are hoping to call for a special general meeting to approve the five-year plan in June / July.

## PROPOSED LONG TERM PROJECT SCHEDULE

Project Description	Cost (Rands)	Source of Funds	2007	2008	2009	2010	2011	2012
<b>1. Security Upgrade</b> a) Lot 49 Gatehouse b) Three Night Vision Cameras c) Three Night Vision Cameras d) Three Night Vision Cameras e) Fence upgrade f) Fence upgrade		Special Security Levy - R50 p. m. Spread over the next six years	■	■	■	■	■	■
<b>2. Beach Facility</b>	2,6 mil	Proceeds From sale Of developers Stands on 4 <sup>th</sup> /5 <sup>th</sup> fairway		■				
<b>3. Staff Housing</b>	1,0 mil	Proceeds From toll / Security Levy				■		
<b>4. Members Bar</b>	1,9 mil	Funds from Additional stands			■			
<b>5. Municipal Water Connections</b> <b>6. Sewerage Connections</b>		These two projects have not been included as there is no certainty as to when these projects will be a necessity.						



## Moving Forward

It is time for a change. Chris has successfully fulfilled the CEO role for a year and as such it is appropriate that the Chairman's Newsletter be converted to the CEO's newsletter. This will afford myself and the Board the opportunity to sink our teeth into some long term planning and direction setting and move away from the day to day tactical and operational issues. I am sure that Chris and his Team will rise to the challenge and through the use of newsletters and the news section on the Website, keep you fully informed of the situation.

As Chairman I will find another forum for communication. Please remember that the entire Board is still available and accessible. Our address and E-mails are on the website.

Regards

Don Schoeman  
Chairman

PRINCE'S GRANT. THE WAY LIFE SHOULD BE LIVED.