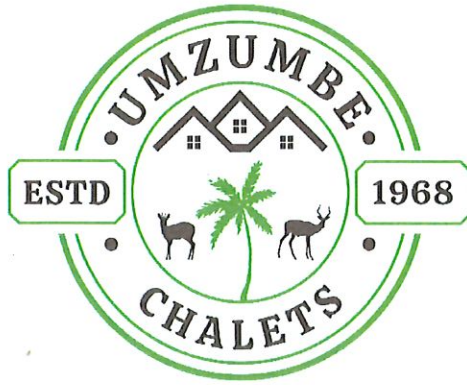




UMZUMBE CHALETs

AANDELEBLOK EDMS BEPERK

SHARE BLOCK PTY LIMITED

Reg. # 1968/011196/07

Jaarverslag – Annual Report

2024-07-01 – 2025-06-30

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Geregistreeerde Kantoor / Registered Office

Umzumbe Chalets Aandeleblok Edms Beperk/Share Block Pty Limited
Umzumbe Station Road
KwaZulu-Natal

Posbus/P O Box 20
UMZUMBE
4225

Tel: 039-684-6291
Faks/Fax: 039-684-5652
E-pos/mail: (dept)@umzumbechalets.co.za
Webwerf/site:www.umzumbechalets.co.za



UMZUMBE CHALETs AANDELEBLOK EDMS BPK

Reg. # 1968/011196/07

Direkteure:

Mnr JZ Helberg (Voorsitter)
Mnr JC van Schalkwyk (Uitvoerende Direkteur)
Mev R Bodenstein (Finansiële Direkteur)

Adres:

Stasieweg 2
KwaZulu-Natal
Posbus 20
Umzumbe
4225

KENNISGEWING VAN ALGEMENE JAARVERGADERING GEHOU TE UMZUMBE CHALETs AANDELEBLOK EDMS BPK

Kennis geskied hiermee dat die Algemene Jaarvergadering van Aandeelhouders van die Maatskappy op die perseel van **Umzumbe Chalets Aandeleblok Edms Beperk** gehou sal word op, **Vrydag, 14 November 2025 om 18h30.**

Agenda is soos volg:

1. **Verwelkoming**
 - 1.1 Teenwoordig
 - 1.2 Verskonings
- 2.1 **Goedkeuring van vorige AJV notule van 22 November 2024**
- 2.2 **Sake voorspuitend uit vorige notule van 22 November 2024**
3. **Verslag van die Voorsitter.**
4. Om die finansiële state van die Maatskappy vir die finansiële jaar geëindig **30 Junie 2025** te ontvang en te oorweeg, tesame met die Direkteursverslag en die verslag van die Ouditeure daarop.
5. **Direkteure:**
 - 5.1 Onveranderd
6. **Ouditeure:**
 - 6.1 SIA Chartered Accountants Incorporated
7. Om die **Direkteursvergoeding** vir die finansiële jaar 2025/2026 vas te stel.
8. **Magtiging** vir die Direksie om die **Ouditeursvergoeding** vir die jaar 2025/2026 vas te stel.
9. Goedkeuring van **Oordversekering** – geplaas by: **Versekeraar – Infiniti Insurance Ltd**
Onderskrywer - F & I Risk Managers (Pty)Ltd

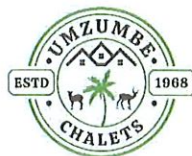
- Geboue / Inhoud **R98,065,080.00**
10. Om enige ander sake wat op 'n Algemene Jaarvergadering behandel mag word, af te handel.

LET WEL:

- 1) Punte vir bespreking en/of voorstelle ten opsigte van bogemelde agendapunte moet skriftelik en ten volle gemotiveerd, gerig word om die geregistreerde kantoor van die Maatskappy teen nie later as **16:00 op Maandag, 10 November 2025** te bereik.
- 2) **Volmag:**
n Lid wat geregtig is om die Maatskappy se Algemene Jaarvergadering by te woon en daar te stem, is geregtig om in sy plek 'n volmag aan te stel om die vergadering by te woon en daar te praat en te stem. 'n Gevolmagtigde hoef nie 'n lid van die Maatskappy te wees nie. Die lid moet die ingeslote volmagvorm volledig voltooi, dateer en onderteken, indien / versend om die geregistreerde kantoor van die Maatskappy, nie later as **48 uur voor die aanvang van die vergadering**, te bereik.
- 3) **Alle dokumente wat saam met die kennisgewing versprei word, sal tydens die vergadering as gelese beskou word.**

In opdrag van die Raad.

JC van Schalkwyk
Uitvoerende Direkteur
1 November 2025



UMZUMBE CHALET'S SHARE BLOCK PTY LIMITED

Reg. #. 1968/011196/07

Directors:

Mnr JZ Helberg (Chairman)
Mnr JC van Schalkwyk (Executive Director)
Mrs R Bodenstein (Financial Director)

Address:

2 Station Road
Umzumbe
KwaZulu-Natal
P O Box 20
Umzumbe
4225

NOTICE TO SHAREHOLDERS OF THE ANNUAL GENERAL MEETING HELD AT UMZUMBE CHALET'S SHARE BLOCK PTY LTD

Notice is hereby given that an Annual General Meeting of members of the Company will be held at the premises of **Umzumbe Chalets Share Block Pty Limited** on **Friday, 14 November 2025** at **18h30**.

Agenada is as follows:

- 1. Welcome**
 - 1.1 Present
 - 1.2 Apologies
- 2.1 Approval of previous AGM minutes of 22 November 2024**
- 2.2 Matters preliminary from previous minutes of 22 November 2024**
- 3. Chairman's Report.**
- 4. To receive and consider the annual financial statements of the Company for the financial year ended 30 June 2025, including the Directors' Report and the report of the Auditors thereon.**
- 5. Directors:**
 - 5.1 Remain the same
- 6. Auditors:**
 - 6.1 SIA Chartered Accountants Incorporated
- 7. To determine the remuneration of the Directors for the period 1 July 2025 to 30 June 2026.**
- 8. To authorise the Directors to determine the Auditors remuneration for the financial year ending 30 June 2026.**
- 9. Approval of insurance values placed with Insurer - Infiniti Insurance Ltd**

Underwriter - F & I Risk Managers (Pty)Ltd

- Buildings / Contents - **R98,065,080.00**
- 10. To transact such other business as may be transacted at an Annual General Meeting.**

PLEASE NOTE:

- 1) Points for discussion and/or proposals in respect of any of above items must be submitted in writing, fully motivated, to reach the registered office of the Company, not later than **16:00 on Monday, 10 November 2025.**
- 2) **Proxy:**
A member who is entitled to attend and vote at an Annual General Meeting of the Company is entitled to appoint a proxy to attend, speak and vote in his stead. A proxy need not be a member of the Company. The member must fully complete, date and sign the included proxy form and deliver/forward it to reach the registered office of the Company not later than **48 hours prior to the commencement** of the meeting.
- 3) **All documents accompanying this notice will be taken as read at the meeting.**

By order of the Board.

JC van Schalkwyk
Executive Director
01 November 2025

UMZUMBE CHALETS AANDELEBLOK EIENDOMS BEPERK

Reg. Nr. 1968/011196/07

**NOTULE VAN DIE AJV GEHOU/MINUTES OF THE AGM HELD ON
VRYDAG/FRIDAY, 22 November 2024, 18:30 TE/AT
UMZUMBE CHALETS SHARE BLOCK PTY LTD, STATION ROAD, UMZUMBE.**

Teenwoordig/ Present:

DIREKTEURE/DIRECTORS:

JZ Helberg (Voorsitter)
JC van Schalkwyk (Uitvoerende Direkteur)
R Bodenstein (Finansiële Direkteur)
T. Smith (Sekretaresse)

Verskonings/ Apologies:

Mev./Mrs. I Jackson
Mev./Mrs. SJ Beytell

AANDEELHOERS TEENWOORDIG/ SHARE HOLDERS PRESENT:

Mnr./Mr. PA Birkett
Mev./Mrs. A Du Plessis
Mnr./Mr. CJ Steyn
Mnr. & Mev./Mr. & Mrs. JS & JC Joubert

AANDEELHOERS/SHAREHOLDERS (stemme/votes):

162 stemme verteenwoordig met volmagte.
162 votes casted with proxies.

VERWELKOMING / WELCOMING:

Die Voorsitter verwelkom almal teenwoordig en verklaar die vergadering behoorlik gekonstitueer.

The Chairman bid a friendly welcome to everybody present and declare the meeting properly constituted.

BEVESTIGING VAN SAKELYS/AFFIRMATION OF AGENDA:

Die sakelys is so aanvaar en goedgekeur./ The agenda was accepted and approved.

2.1 Goedkeuring van vorige AJV-notule van 10 November 2023 / Approval of previous AGM Minutes of 10 November 2023

Die Voorsitter deel mee dat daar heelwat bespiegelinge en versoeke was rakende die terug neem van aandeel.

Die Voorsitter vestig aandag op die volgende:

- Dat Umzumbe Chalets nie aandeel kan terugneem nie, soos bespreek en uiteengesit in die vorige AJV notule.

- Die rede hoekom Umzumbe Chalets nie virtuele vergaderings kan hou nie. Daar word terug verwys na die vorige AJV notule. Indien 'n aandeelhouer nie 'n afskrif het van die bogenoemde notule nie, is hulle welkom om die kantoor te kontak en een aan te vra.

Mnr. PA Birkett vra of dit geldig is om sy aandele in sy testament terug te bemaak aan Umzumbe Chalets ingeval van sy afsterwe.

Die Voorsitter en Mnr. JC van Schalkwyk bevestig dat dit wel 'n opsie is, maar nie nodig is nie. Hul verduidelik dat indien 'n aandeelhouer tot afsterwe kom en die aandele is bemaak aan 'n geliefde, maar die persoon stel nie belang om die aandele oor te neem nie, dan word die aandele automaties terug geneem deur Umzumbe Chalets.

Die notule word algemeen aanvaar en goedgekeur

Voorstel: Mnr. CJ Steyn

Sekondant: Mnr. JS Joubert

The Chairman informed that there had been a lot of speculation and requests regarding taking back of shares.

The Chairman drew attention to the following:

- That Umzumbe Chalets cannot take shares back as discussed and set out in the previous AGM minutes.
- The reason why Umzumbe Chalets cannot hold virtual meetings. Reference is made to the previous AGM minutes. If a shareholder does not have a copy of the above-mentioned minutes, they are welcome to contact the office and request one.

Mr. PA Birkett asked whether it was valid to bequeath his shares in his will back to Umzumbe Chalets in the event of his death.

The Chairman and Mr. JC van Schalkwyk confirmed that this was indeed an option, but not necessary. They explain that if a shareholder passes away and the shares are bequeathed to a loved one, but the person is not interested in taking over the shares, then the shares are automatically taken back by Umzumbe Chalets.

The minutes are generally accepted and approved.

Approved: Mr. CJ Steyn

Second: Mr. JS Joubert

2.2 Sake Voortspruitend uit Notule van 10 November 2023 / Matters Arising from Minutes of 10 November 2023

Geen sake/No matters

3. VERSLAG VAN DIE VOORSITTER / CHAIRMAN'S REPORT:
(Hierdie verslag is as gelese aanvaar / This report will be taken as read.)

Die Voorsitter wys uit dat

- Umzumbe Chalets steeds in staat is om aandeelhouers 'n bekostibare en aangename vakansie te bied wat gunstig vergelyk met soortgelyke tyddeel in die area.
- Umzumbe Chalets 'n oord is met baie meer instandhouding en onderhoud as baie ander oorde en kan nie vergelyk word met alle oorde nie, tensy die oorde soortgelyk is.
- Omdat dit moeilik is om aandele verkoop te kry, word fokus geskuif na verhuurings om die inkomste te verhoog en sodoende die heffings so laag moontlik te hou.
- Umzumbe Chalets het 'n surplus van R631,035.00 gemaak vir die 2023/2024 finansiële jaar

Die verslag word algemeen aanvaar en ooreengekom

Voorstel: Mnr. PA Birkett

Sekondant: Mev. A Du Plessis

The Chairman pointed out that

- Umzumbe Chalets is still able to offer shareholders an affordable and enjoyable holiday that compares favourably with similar timeshares in the area.
- Umzumbe Chalets is a resort with much more upkeep and maintenance than many other resorts and cannot be compared to all resorts unless the resorts are similar.
- Because it is difficult to get shares sold, focus is shifting to rentals to increase income and thereby keep the levies as low as possible.
- Umzumbe Chalets made a surplus of R631,035.00 for the 2023/2024 financial year

The report was generally accepted and agreed

Approved: Mr. PA Birkett

Second: Mrs. A Du Plessis

4. Finansiële State/ Financial Statements:

Die Finansiëlestate wat op die webblad verskyn het is as gelese aanvaar.

The Financial Statements that were available on the web page were accepted as read for the meeting.

Mrs. R. Bodenstein (Financial Director) explains to the shareholders what some of her duties are as the Financial Director for Umzumbe Chalets to give some reassurance that there is someone that, on a monthly basis go through the accounting of Umzumbe and-

1. Prepare a monthly report comparing the budget vs the actual expenditure for the month.
2. Prepare a monthly cashflow projection
3. Monitoring bad debts and debtors recovery in terms of the last 5 years
4. Monitoring expenditures to make sure that it does not exceed.

Mrs. R Bodenstein -

- Confirms that Umzumbe did get an unqualified audit report which means it is a good audit report.
- As the Chairman mentioned Umzumbe Chalets made a surplus of R631,035.00 after taxes. On page 11 of the financial statement, the taxation increased almost by R100 000.00. The reason is that as a share block we do not get taxed on our levy income, but on any other income, for example rental income, interest income earned etc.
- Due to a lot of shareholders that do not pay their levies when it is due, other methods have to be looked at to try and generate income. Unfortunately these other income is not tax free and even though we do generate other income, 27% of that income goes to SARS.
- Points out that the outstanding debtors at year end increased with about R500 000.00 compared to the prior year. However when looking at the bad debts written off in the income statement, it reduced with R500 000.00. Therefore we are in almost the same position as in the prior year.
- When looking at the income statement, in the prior year there was a deficit and this year a surplus. This was achieved by insourcing the cleaning service and maintenance team instead of outsourcing and this led to a reduction in the expenditure.
- The cleaning expense reduced by R900 000 and repair and maintenance reduced by roughly R1.4 million. Salaries only increased by R1.8 million. Umzumbe made a saving of about R400 000.00 just by simply insourcing.
- The interest received on the investment also increased with a R150 000.00

Mr. PA Birkett inquired regarding the significant increase in the security.

Mr. JC van Schalkwyk explained that this was because of the changing of the security company and it was an upgrade compared to the previous company. He further explained that there were panic buttons installed in each unit and linked to the security company directly.

Mr. CJ Steyn inquired about the increase in the legal fees.

The Chairman explained that due to the increase in bad debts, more steps had to be taken in office before handovers can take place and it can become costly.

It was also explained that the legal fees also increased due to the insourcing of the cleaning and maintenance department. Because of the staff members that increased, the amount of union members also increased as well as union problems. Therefore the Directors appointed a company to help deal with all these kinds of issues as well as other HR and health and safety regulations.

Die finansiële state word so aanvaar/The financial statements were accepted

Approved: Mr. JS Joubert

Second: Mr. CJ Steyn

5. DIREKTEURE / DIRECTORS:

5.1 Onveranderd/No changes

Die vergadering neem kennis en dit word algemeen aanvaar/ The meeting takes note and it is generally accepted.

Approved: Mr. CJ Steyn

Second: Mr. PA Birkett

6. AANSTEL VAN OUDITEURE/ APPOINTMENT OF AUDITORS:

6.1 Envisage Chartered Accountants Incorporated

Die Voorsitter deel mee dat volgens wetgewing mag 'n maatskappy nie die selfde ouditeure gebruik vir meer as 5 jaar nie.

Die heraanstelling van Envisage Chartered Accountants Incorporated vir die boekjaar 2024/2025 word aanvaar en goedgekeur.

Voorstel: Mev. A Du Plessis

Sekondant: Mnr. CJ Steyn

The Chairman informed that according to legislation, a company may not use the same auditors for more than 5 years.

The reappointment of Envisage Chartered Accountants Incorporated. for the financial year 2024/2025 was accepted and approved.

Approved: Mrs. A Du Plessis

Second: Mr. CJ Steyn

7. DIRECTORS REMUNERATION/ DIREKTEURSVERGOEDING

Mnr. JS Joubert maak 'n voorstel vir 5% verhoging.

Die Direksie toon waardering en aanvaar Mnr. JS Joubert se voorstel.

Voorstel: Mnr. JS Joubert

Sekondant: Mnr. CJ Steyn

Mr. JS Joubert makes a proposal for a 5% increase.

The Board expresses its appreciation and accepts Mr. JS Joubert's proposal.

Approved: Mr. JS Joubert

Second: Mr. CJ Steyn

8. Ouditeursvergoeding/ Auditor's remuneration:

Mev. R Bodenstein het daarop gewys dat die R83 480 vergoeding die vorige en huidige jaar insluit, omdat die ouditeure nie 'n faktuur die vorige jaar gestuur het nie. Die voorsiening vir die vergoeding vir die 2024/2025 finansiële jaar is R34 500 nadat mev. R

Bodenstein met die ouditeure onderhandel het om die bedrag van die vorige jaar se R48 000 te verminder.

Die Voorsitter beklemtoon dat die bedrag nie die finale bedrag is nie en kan verander.

Mnr. CJ Steyn het gevra of dit nie beter sal wees om 'n vaste bedrag te bepaal om te verhoed dat die bedrag tot enige bedrag eskaleer nie.

Die Voorsitter het meegedeel dat indien 'n vaste bedrag besluit word, dit reperkussies kan veroorsaak waar die ouditeure dan afgeskepe werk doen om binne die begroting te bly. Betaal dus eerder 'n bietjie meer om te verseker dat die oudit deeglik en akkuraat gedoen word.

Mev. R Bodenstein verseker die vergadering dat sy baie nou met die ouditeure saamwerk en dat die Direkteure se fokus is om geld te spaar waar moontlik, dus sal die bedrag nie veel hoër as die geraamde bedrag wees nie.

Magtiging word verleen aan Direkteure om die Ouditeursvergoeding vir die jaar 2024/2025 vas te stel.

Voorstel: Mnr. PA Birkett

Sekondant: Mnr. CJ Steyn

Mrs. R Bodenstein pointed out that the R83 480 includes the previous and current year's remunerations, because the auditors did not send an invoice the previous year. The provision for the remuneration for the 2024/2025 financial year is R34 500 after Mrs. R Bodenstein negotiated with the auditors to reduce the amount from the previous year's R48 000.

The Chairman emphasized that the amount is not the final amount and could change.

Mr. CJ Steyn asked whether it would not be better to determine a fixed amount to prevent the amount from escalating to any amount.

The Chairman informed that if a fixed amount is decided, it could cause repercussions where the auditors then work hasty to stay within the budget. So rather pay a little more to ensure that the audit is done thoroughly and accurately.

Mrs. R Bodenstein reassures the meeting that she is working very closely with the auditors and that the Directors's focus is to save money where possible, so the amount will not be much higher than the estimate amount .

Authorization is granted to Directors to determine the Auditors' remuneration for the year 2024/2025.

Approved: Mr. PA Birkett

Second: Mr. CJ Steyn

9. **GOEDKEURING VAN VERSEKERING/APPROVAL OF INSURANCE:**

Versekeraar/Insurer – Infiniti Insurance Ltd

Onderskrywer/Underwriter – F & I Risk Manager (Pty) Ltd.

The new total insured value: **R90,801,000.00**

Approved: Mrs. A Du Plessis

Second: Mr. CJ Steyn

10. Die Voorsitter sit Mnr. JC van Schalkwyk aan die woord om meer uit te brei rakende die jaar se veranderinge en instandhouding van die oord.

Mnr. JC van Schalkwyk wys die volgende uit:

- Die opgradering van die eenhede was 'n redelike groot taak en het +- 15 jaar gevat om te voltooi.
- Die A-Raam eenhede se dakke is 'n groot probleem en moet vervang word. Ongelukkig is die huidige teëls nie meer maklik om in die hande te kry nie en word dit vervang met aluminium met insulasie tussen in wat die temperatuur reguleer en help om die klank van die reën te belemmer en dit sal ook die vlermuis probleem oplos.
Die beplanning is om so 2 dakke 'n jaar te doen.

Die Voorsitter deel mee dat die dakke +- R300 000.00 per dak kos en dat dit Umzumbe +-R15 miljoen gaan kos om al die dakke te vervang.

- Baie voorstelle en punte is deur die "Tourism Grading Council" op gebring om die oord op 'n hoë standaard te hou en Mnr. Van Schalkwyk en sy span maak werk daarvan.
- Buiten die onderhoud van die oord, is daar nog ook die skoonmaak van die eenhede, bv al die gordyne, matrasse (112 dubbelbed en 112 enkelbed) en banke wat gewas moet word. Dit kan slegs plaasvind wanneer die oord stil is en dit nie reën nie. Rekord word gehou van elke matras, gordyn, bank ens. wat gewas word.
- Dit vat harde werk en goeie spanwerk om die oord aan die gang en op standaard te hou.

Mnr. Van Schalkwyk bedank die personeel en Direkteure van Umzumbe vir al hul harde werk en ondersteuning.

Mev. JC Joubert komplimenteer die skoonmakers se nuwe uniforms en noem dat dit baie netjies en professioneel lyk.

The Chairman asked Mr. JC van Schalkwyk to elaborate more regarding this year's changes and maintenance of the resort.

Mr. JC van Schalkwyk pointed out the following:

- The upgrading of the units was a fairly large task and took +- 15 years to complete.

- The roofs of the A-Frame units are a big problem and need to be replaced. Unfortunately, the current tiles are no longer easy to get hold of and are being replaced with aluminum with insulation in between which regulates the temperature and helps to block the sound of rain, and this will also solve the bat problem.
- The plan is to do about 2 roofs a year

The Chairman informed that the roofs cost +- R300 000.00 a roof and that it will cost Umzumbe +- R15 million to replace all the roofs.

- Many suggestions and points were raised by the "Tourism Grading Council" to keep the resort at a high standard and Mr. Van Schalkwyk and his team are working on them.
- Apart from the maintenance of the resort, there is also the cleaning of the units, e.g. all the curtains, mattresses (112 double bed and 112 single bed) and lounge suites that need to be washed. This can only be done when the resort is quiet and it is not raining. A record is kept of every mattress, curtain, sofa, etc. that is washed.
- It takes hard work and good teamwork to keep the resort running and up to standard.

Mr. Van Schalkwyk thanks the staff and Directors of Umzumbe for all their hard work and support.

Mrs. JC Joubert compliments the cleaners' new uniforms and says that they look very neat and professional.

VOTE OF THANKS:

Die Voorsitter het sy dank aan die direkteure oorgedra vir hul vertroue en ondersteuning.

Die Voorsitter bedank sy gade vir haar ondersteuning die afgelope jaar, asook die Bestuur en personeel van Umzumbe Chalets vir die goeie vordering en toestand van die oord.

Die Voorsitter bedank die getroue aandeelhouders vir die spoedige betaling van hul heffings en ondersteuning oor die jare

The Chairman conveyed his thanks to the directors for their trust and support.

The Chairman thanks his spouse for her support over the past year, as well as the Management and staff of Umzumbe Chalets for the good progress and condition of the resort.

The Chairman thanks the loyal shareholders for the prompt payment of their levies and support over the years

Afsluiting:

Hierna bedank die Voorsitter weereens almal vir hul teenwoordigheid en hul insette tot die verrigtinge en sluit die vergadering amptelik om 19h52.

Almal teenwoordig word uitgenooi om verversings / tee / koffie saam met die Raadslede in die "Blou Duiker Restaurant" te geniet.

Geteken as 'n ware weergawe van die verrigtinge.

Closure:

After this, the Chairman once again thanks everyone for their presence and their input to the proceedings and officially closes the meeting at 19h52.

Everyone present is invited to enjoy refreshments / tea / coffee with the Board members in the "Blou Duiker Restaurant".

Signed as a true account of the proceedings.

Mnr. JZ Helberg
VOORSITTER

Mnr. JC van Schalkwyk
UITVOERENDE DIREKTEUR

DATUM

Umzumbe Chalets Shareblock Pty Ltd

Chairman's Report for the Year Ending 30 June 2025

Dear Shareholders,

It is my privilege once again to present the Chairman's Report for the financial year ending 30 June 2025. This report highlights the progress made during the past year, outlines the financial position of the company, and reflects on the future outlook of Umzumbe Chalets Shareblock Pty Ltd.

Our shared commitment remains clear: to preserve the welcoming atmosphere, high standards, and unique natural environment that make Umzumbe Chalets such a special destination on the Hibiscus Coast.

Resort Overview

Umzumbe Chalets continues to offer guests a distinctive holiday experience in a serene forest environment, home to resident wildlife including bushbuck, duikers, and impala. The resort comprises:

- **48 A-frame chalets** (three bedrooms, accommodating up to six people each).
- **8 luxury H-frame chalets** (three bedrooms, also accommodating six people each).

All units boast panoramic sea views and provide the comfort, relaxation, and quality for which Umzumbe is well known. Guest satisfaction scores remain consistently high, underscoring our reputation as a premier coastal destination.

Resort Sustainability

Like many resorts, Umzumbe continues to experience a decline in shareholder numbers. To address this challenge, we have proactively implemented an **aggressive rental program** to ensure levy contributions are recovered on vacant weeks. This initiative has strengthened the resort's financial resilience, and we plan to expand the program once the necessary legal frameworks are finalised.

In addition, water supply challenges from Ugu Municipality persisted throughout the year. However, due to the foresight and investment in water management systems—including storage tanks and two boreholes—the resort was able to provide uninterrupted water supply, even during high season periods.

Finance

As confirmed in the audited Financial Statements, Umzumbe Chalets remains in a sound financial position. Strict budgetary controls and diligent cash flow management, under the guidance of the Directors and management team, have safeguarded the resort's financial sustainability.

The Board has conducted the solvency and liquidity tests required by the **Companies Act 71 of 2008** and is satisfied that the company remains solvent. This is further supported by both the Auditor's Report and the Report of the Directors included in the Financial Statements.

For the year under review, Umzumbe Chalets recorded a **loss of R541,959.00 after taxation**, resulting in a reduced accumulated surplus of R4,856,651.00 (previous year: R5,398,610.00). The full financial results will be presented in detail by the Financial Director at the forthcoming Annual General Meeting.

Ongoing capital investment continued during the year, including:

- Replacement of slate tile roofs with treated IBR sheeting on A-frame chalets.
- Routine maintenance and infrastructure upgrades, including essential but less visible work such as underground piping and ducting.



Shareholder and Guest Reminders

To ensure a smooth holiday experience, shareholders are reminded to:

- Book **at least two weeks in advance** and obtain a **booking reference number**. Without this, delays may occur at check-in.
- Arrive **no earlier than 14h00**, as early access to the resort cannot be permitted.
- Familiarise themselves with the **resort rules and literature** provided upon arrival.

Please note: in line with the **Consumer Protection Act**, all guests are required to complete the official check-in form upon arrival.

Closing Remarks

I extend my sincere appreciation to my fellow Directors, our management, and staff for their commitment and professionalism throughout the year. Their combined efforts make my role as Chairman both rewarding and achievable.

I look forward to engaging with you at the Annual General Meeting.

Kind regards,

Johan Helberg
Chairman

Umzumbe Chalets Shareblock (Proprietary) Limited

(Registration Number 1968/011196/07)

**Annual Financial Statements
for the year ended 30 June 2025**

Audited Financial Statements

in compliance with the Companies Act of South Africa

Audited by: SIA Chartered Accountants Incorporated

Professional designation: Registered Accountants and Auditors

Umzumbe Chalets Shareblock (Proprietary) Limited

(Registration Number 1968/011196/07)

Annual Financial Statements for the year ended 30 June 2025

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Umzumbe Chalets Shareblock (Proprietary) Limited

(Registration Number 1968/011196/07)

Annual Financial Statements for the year ended 30 June 2025

General Information

Country of Incorporation and Domicile	South Africa
Registration Number	1968/011196/07
Nature of Business and Principal Activities	The principal activity of the company is operating a shareblock scheme in respect of its immovable property. There were no major changes herein during the year.
Directors	J.Z. Helberg J.C. Van Schalkwyk R Bodenstein
Registered Office	Umzumbe Station Road Umzumbe 4225
Business Address	Umzumbe Station Road Umzumbe 4225
Postal Address	P.O. Box 20 Umzumbe 4225
Bankers	ABSA Bank Limited
Tax Number	9621/225/84/7
Level of Assurance	These financial statements have been audited in compliance with the applicable requirements of the Companies Act of South Africa.
Auditors	SIA Chartered Accountants Incorporated 132 Musgrave Road Musgrave Berea 4062

Umzumbe Chalets Shareblock (Proprietary) Limited

(Registration Number 1968/011196/07)

Annual Financial Statements for the year ended 30 June 2025

Directors' Responsibilities and Approval

The directors are required by the Companies Act of South Africa to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. These annual financial statements have been prepared in accordance with the IFRS for SMEs® Accounting Standard as issued by the International Accounting Standards Board (IASB®) and it is their responsibility to ensure that the annual financial statements satisfy the financial reporting standards with regards to form and content and present fairly the statement of financial position, results of operations and business of the company, and explain the transactions and financial position of the business of the company at the end of the financial year. The annual financial statements are based upon appropriate accounting policies consistently applied throughout the company and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors set standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach.

The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss. The going-concern basis has been adopted in preparing the financial statements. Based on forecasts and available cash resources the directors have no reason to believe that the company will not be a going concern in the foreseeable future. The annual financial statements support the viability of the company.

The annual financial statements have been audited by the independent auditing firm, SIA Chartered Accountants Incorporated, who have been given unrestricted access to all financial records and related data, including minutes of all meetings of the shareholders, the directors and committees of the directors. The directors believe that all representations made to the independent auditor during the audit were valid and appropriate. The external auditor's unqualified audit report is presented on pages 6 to 7.

The annual financial statements set out on pages 8 to 18, and the supplementary information set out on pages 19 to 21 which have been prepared on the going concern basis, were approved by the directors and were signed on 14 November 2025 on their behalf by:

J.Z. Helberg

J.C. Van Schalkwyk

R Bodenstein

Umzumbe Chalets Shareblock (Proprietary) Limited

(Registration Number 1968/011196/07)

Annual Financial Statements for the year ended 30 June 2025

Directors' Report

The directors present their report for the year ended 30 June 2025.

1. Review of financial results and activities

Main business and operations

The company generated a loss after tax for the year ended 30 June 2025 of R541,959 (2024: profit of R631,034).

The company's revenue increased from R8,290,344 in the prior year to R8,584,676 for the year ended 30 June 2025.

The company's cash flows from operating activities changed from an inflow of R1,090,327 in the prior year to an inflow of R44,243 for the year ended 30 June 2025.

2. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis.

The directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements.

3. Events after reporting date

All events subsequent to the date of the annual financial statements and for which the applicable financial reporting framework requires adjustment or disclosure have been adjusted or disclosed.

The directors are not aware of any matter or circumstance arising since the end of the financial year to the date of this report that could have a material effect on the financial position of the company.

4. Directors

The directors of the company during the year and up to the date of this report are as follows:

J.Z. Helberg

J.C. Van Schalkwyk

R Bodenstein

5. Insurance policy details

Building insurance (Sec 3(iii) of STSMA)

Insurance company

Policy Number

Expiry date

Total insured/replacement value

Lloyds South Africa (Pty) Ltd

2018/F1147

03/06/2024

R95 287 500

Umzumbe Chalets Shareblock (Proprietary) Limited

(Registration Number 1968/011196/07)

Annual Financial Statements for the year ended 30 June 2025

Directors' Report

6. Independent Auditors

SIA Chartered Accountants Incorporated were reappointed as the independent auditors of Umzumbe Chalets Shareblock (Proprietary) Limited.

Independent Auditor's Report

To the Shareholders of Umzumbe Chalets Shareblock (Proprietary) Limited

Opinion

We have audited the annual financial statements of Umzumbe Chalets Shareblock (Proprietary) Limited set out on pages 8 to 18, which comprise the statement of financial position as at 30 June 2025, and the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Umzumbe Chalets Shareblock (Proprietary) Limited as at 30 June 2025, and its financial performance and cash flows for the year then ended in accordance with the IFRS for SMEs Accounting Standard as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Annual Financial Statements section of our report. We are independent of the company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Umzumbe Chalets Shareblock (Proprietary) Limited Annual Financial Statements for the year ended 30 June 2025", which includes the Directors' Report, and the statement of Directors' Responsibilities and Approval as required by the Companies Act of South Africa, which we obtained prior to the date of this report, and the supplementary information set out on pages 19 to 21. The other information does not include the annual financial statements and our auditor's report thereon.

Our opinion on the annual financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Annual Financial Statements

The directors are responsible for the preparation and fair presentation of the annual financial statements in accordance with the IFRS for SMEs Accounting Standard as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

SIA Chartered Accountants Incorporated

14 November 2025

Per: S. Ismail
Chartered Accountants (SA)
Registered Auditor

132 Musgrave Road
Musgrave
Berea
4062

Umzumbe Chalets Shareblock (Proprietary) Limited

(Registration Number 1968/011196/07)

Annual Financial Statements for the year ended 30 June 2025

Statement of Financial Position

Figures in R

	Notes	2025	2024
Current assets			
Trade and other receivables	2	1,639,842	1,915,669
Cash and cash equivalents	3	7,261,128	7,216,885
Total assets		8,900,970	9,132,554
Equity and liabilities			
Equity			
Issued capital	4	5,700	5,700
Reserves - Shareholder's loans	4	(5,700)	(5,700)
Accumulated surplus		4,856,651	5,398,610
Total equity		4,856,651	5,398,610
Liabilities			
Current liabilities			
Trade and other payables	5	278,979	174,529
Levies received in advance		3,665,760	3,436,405
Current tax liabilities		99,580	123,010
Total liabilities		4,044,319	3,733,944
Total equity and liabilities		8,900,970	9,132,554

Umzumbe Chalets Shareblock (Proprietary) Limited

(Registration Number 1968/011196/07)

Annual Financial Statements for the year ended 30 June 2025

Statement of Comprehensive Income

Figures in R	Notes	2025	2024
Revenue		8,584,676	8,290,344
Other income		656,110	631,344
Employee benefits expense	6	(4,383,297)	(4,031,157)
Other expenses		(5,745,054)	(4,587,638)
(Deficit)/Surplus from operating activities		(887,565)	302,893
Interest income		495,186	491,151
Surplus before tax		(392,379)	794,044
Income tax expense	9	(149,580)	(163,010)
(Deficit)/Surplus for the year		(541,959)	631,034

Umzumbe Chalets Shareblock (Proprietary) Limited

(Registration Number 1968/011196/07)

Annual Financial Statements for the year ended 30 June 2025

Statement of Changes in Equity

Figures in R	Issued capital	Shareholders' Loan	Accumulated surplus	Total
Balance at 1 July 2023	5,700	(5,700)	4,767,576	4,767,576
Changes in equity				
Surplus for the year	-	-	631,034	631,034
Total comprehensive income	-	-	631,034	631,034
Balance at 30 June 2024	5,700	(5,700)	5,398,610	5,398,610
Balance at 1 July 2024	5,700	(5,700)	5,398,610	5,398,610
Changes in equity				
Deficit for the year	-	-	(541,959)	(541,959)
Total comprehensive income	-	-	(541,959)	(541,959)
Balance at 30 June 2025	5,700	(5,700)	4,856,651	4,856,651
Notes	4	4		

Umzumbe Chalets Shareblock (Proprietary) Limited

(Registration Number 1968/011196/07)

Annual Financial Statements for the year ended 30 June 2025

Statement of Cash Flows

Figures in R

	Notes	2025	2024
Cash flows from operations			
Cash receipts from shareholders		8,316,955	8,635,111
Cash paid to suppliers and employees		(8,594,888)	(7,966,542)
Net cash flows (used in) / from operations	10	(277,933)	668,571
Interest received		495,186	491,146
Income taxes paid	11	(173,010)	(69,390)
Net cash flows from operating activities		<u>44,243</u>	<u>1,090,327</u>
Net increase in cash and cash equivalents		<u>44,243</u>	<u>1,090,327</u>
Cash and cash equivalents at beginning of the year		7,216,885	6,126,558
Cash and cash equivalents at end of the year	3	<u>7,261,128</u>	<u>7,216,885</u>

Umzumbe Chalets Shareblock (Proprietary) Limited

(Registration Number 1968/011196/07)

Annual Financial Statements for the year ended 30 June 2025

Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The annual financial statements of Umzumbe Chalets Shareblock (Proprietary) Limited have been prepared in accordance with the IFRS for SMEs Accounting Standard as issued by the International Accounting Standards Board and the Companies Act of South Africa. The annual financial statements have been prepared under the historical cost convention. They are presented in South African Rand.

The preparation of financial statements in conformity with the IFRS for SMEs Accounting Standard as issued by the International Accounting Standards Board requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies.

The principal accounting policies applied in the preparation of these annual financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

1.1 Property, plant and equipment

As the right of use of all items of property, plant and equipment is given to the shareholders of the share block company, and therefore no future economic benefits will arise therefrom, all items of property, plant and equipment are expensed in the period in which they are acquired.

1.2 Financial instruments

Trade and other receivables

Trade receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Trade and other receivables are classified as debt instruments and loan commitments at amortised cost.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less.

Trade and other payables

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Levies in advance

Levies in advance are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Levies raised in advance represent income received from shareholders relating to services or periods that will occur after the reporting date. Such amounts do not meet the definition of revenue at the time of receipt and shall therefore be deferred and recognised as a liability until the related period of service occurs.

When levies are invoiced or received before the start of the period to which they relate (e.g., the next financial year or next month), they are recognised as a liability under "Levies Received in Advance" or "Deferred Income".

The amount recognised is the total of all levies attributable to future periods.

Umzumbe Chalets Shareblock (Proprietary) Limited

(Registration Number 1968/011196/07)

Annual Financial Statements for the year ended 30 June 2025

Accounting Policies

Basis of preparation and summary of significant accounting policies continued...

Issued capital

Ordinary shares are classified as equity.

Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

1.3 Tax

Tax expense is recognised in the same component of total comprehensive income or equity as the transaction or other event that resulted in the tax expense.

1.4 Revenue

Revenue is measured at the fair value of the consideration received or receivable. Revenue is shown net of value-added tax, returns, rebates and discounts.

Revenue comprises levies raised for the year and other income related to the letting of the units under the shareblock scheme. Revenue is recognised to the extent that the company has transferred the significant risks and rewards of ownership of goods to the debtor, or has rendered services under an agreement provided the amount of revenue can be measured reliably and it is probable that economic benefits associated with the transaction will flow to the company.

Interest income is recognised using the effective interest method.

1.5 Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

1.6 Major asset replacement

All replacement and non-routine maintenance will be charged directly against the levy fund.

Umzumbe Chalets Shareblock (Proprietary) Limited

(Registration Number 1968/011196/07)

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in R

2025

2024

2. Trade and other receivables

Trade and other receivables comprise:

Levies in arrears	1,106,508	1,562,444
Prepayments	1,694	1,113
Deposits	76,985	74,015
Other receivables	12,284	11,590
VAT	442,371	266,507
Total trade and other receivables	1,639,842	1,915,669

Debtors ageing

120 + days outstanding	1,229,350	1,558,855
	1,229,350	1,558,855

Due to the high number of debtor accounts in arrears, it was impracticable to classify each unitholder individually. A detailed list is available upon request from management of the shareblock.

3. Cash and cash equivalents

3.1 Cash and cash equivalents comprise:

Cash and bank balances

Cash on hand	3,000	3,000
Balances with banks	7,258,128	7,213,885
Total cash and cash equivalents included in current assets	7,261,128	7,216,885

3.2 Detail of cash and cash equivalent balances

Bank balances

Bank balances	462,879	269,822
Short term deposits	5,122,240	5,394,256
Fixed deposits	1,673,009	1,549,807
Total	7,258,128	7,213,885

Cash on hand

Cash on hand	3,000	3,000
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Umzumbe Chalets Shareblock (Proprietary) Limited

(Registration Number 1968/011196/07)

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in R

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2024

4. Issued capital

Authorised and issued share capital

Authorised

2688 Ordinary shares of no par value

5,700

5,700

Issued

2688 Ordinary shares of no par value

5,700

5,700

5. Trade and other payables

Trade and other payables comprise:

Unknown deposits

65,083

59,089

Breakage deposit

83,310

80,940

Trade payables

130,586

34,500

Total trade and other payables

278,979

174,529

6. Employee benefits expense

6.1 Employee benefits expense comprises:

Salaries and wages

4,383,297

4,031,157

Total employee benefits expense

4,383,297

4,031,157

Umzumbe Chalets Shareblock (Proprietary) Limited

(Registration Number 1968/011196/07)

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in R

2025

2024

Employee benefits expense continued...

Executives

2025

	Directors' emoluments and salaries	Bonuses	Other benefits*	Pension paid or receivable	Total
J.Z. Helberg	34,650		22,800		57,450
J.C. Van Schalkwyk	515,439	42,953	7,500	38,475	604,367
R. Bodenstein	34,650		22,800		57,450
	584,739	42,953	53,100	38,475	719,267

2024

	Directors' emoluments and salaries	Bonuses	Other benefits*	Pension paid or receivable	Total
J.Z. Helberg	33,000		22,800		55,800
J.C. Van Schalkwyk	486,263	40 522	7,500	36,125	529,888
R. Bodenstein	33,000		22,800		55,800
	552,263	-	53,100	36,125	641,488

*Other benefits comprise cellphone and internet allowance

7. Municipal charges

Municipal charges comprise:

Municipal charges - electricity	703,969	593,814
Municipal charges - water and sanitation	101,717	115,473
Municipal charges - rates	207,254	197,717
Total municipal charges	1,012,940	907,004

Umzumbe Chalets Shareblock (Proprietary) Limited

(Registration Number 1968/011196/07)

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in R

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2024

8. Repairs and maintenance

Repairs and maintenance comprise:

Repairs and maintenance - outdoors	25,920	58,517
Repairs and maintenance - electrical	176,201	129,427
Repairs and maintenance - fire safety	9,283	19,460
Repairs and maintenance - buildings	774,983	487,466
Repairs and maintenance - plumbing	150,214	44,066
Repairs and maintenance - machinery repairs and small tools	-	36,463
Repairs and maintenance - plants / animal feed / signage / replacement keys	-	42,960
Repairs and maintenance - appliances	35,166	-
Repairs and maintenance - roads	62,291	122,215
Repairs and maintenance - garage and chalet roof repairs	-	92,907
Total repairs and maintenance	1,234,058	1,033,481

9. Income tax expense

Income tax recognised in profit or loss:

Current tax

Current year	(149,580)	(163,010)
--------------	-----------	-----------

10. Cash flows from operating activities

(Deficit) / Surplus for the year	(541,959)	631,034
Adjustments for:		
Income tax expense	149,580	163,010
Change in operating assets and liabilities:		
Adjustments for decrease in trade accounts receivable	(973,077)	(4,005,306)
Adjustments for decrease in other operating receivables	(180,109)	282,324
Adjustments for increase in trade accounts payable	235,349	3,428,911
Adjustments for increase in other operating payables	98,456	94,950
Net cash flows from operations	(277,933)	668,571

Umzumbe Chalets Shareblock (Proprietary) Limited

(Registration Number 1968/011196/07)

Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in R

2025

2024

11. Income tax paid

Income tax paid

Amounts receivable at the beginning of the year	(123,010)	37,020
Amounts (receivable) / payable at the end of the year	99,580	123,010
Current tax for the year recognised in surplus or deficit	(149,580)	(163,010)
	<u>(173,010)</u>	<u>(2,980)</u>

12. Auditing and Accounting fees

- Prior year Audit fees	-	34,500
- Current year Audit fees	35,000	-
- Accounting fees	7,923	48,980
	<u>42,923</u>	<u>83,480</u>

Umzumbe Chalets Shareblock (Proprietary) Limited

(Registration Number 1968/011196/07)

Annual Financial Statements for the year ended 30 June 2025

Detailed Income Statement

Figures in R	Notes	2025	2024
Revenue			
Ordinary levies raised		8,178,452	7,881,682
Rental income		406,224	408,662
Total revenue		8,584,676	8,290,344
Other income			
Bad debts recovered		158,522	220,995
Breakage recovered		5,650	3,350
Commission received		100,760	19,250
Electricity - recoverable from members		275,433	236,185
Penalties		31,045	22,784
Registration weeks		48,000	109,000
Stock week sale income		36,700	19,780
Total other income		656,110	631,344
Employee benefits expense	6		
Employee costs		(4,383,297)	(4,031,157)
Other expenses			
Asset expenditure		-	(56,493)
Auditing and Accounting fees	12	(42,923)	(83,480)
Bad debts		(1,429,013)	(564,799)
Bank charges		(32,514)	(33,477)
Cleaning		(1,700)	(88,950)
Computer expenses		(93,060)	(123,310)
Independent contractors		-	(85,479)
Insurance		(236,570)	(229,252)
Legal expense		(67,691)	(61,286)
Maintenance of communal property		(245,701)	(154,830)
Management, staff and AGM meetings		(15,240)	(19,883)
Marketing		(81,890)	(100,250)
Motor vehicle expense		(62,891)	(59,579)
Municipal charges	7	(1,012,940)	(907,004)
Petrol and oil		(108,350)	(113,276)
Printing and stationery		(34,413)	(37,410)
Protective clothing		(28,003)	(31,860)
Repairs and maintenance	8	(1,234,058)	(1,033,481)
Replacements		(145,721)	(140,066)
Security		(683,162)	(450,881)
Subscriptions		(34,898)	(47,322)
Telecommunication		(126,654)	(132,856)
Workmen's Compensation		(27,662)	(32,414)
Total other expenses		(5,745,054)	(4,587,638)
(Deficit)/Surplus from operating activities		(887,565)	302,893

Umzumbe Chalets Shareblock (Proprietary) Limited

(Registration Number 1968/011196/07)

Annual Financial Statements for the year ended 30 June 2025

Detailed Income Statement

Figures in R	Notes	2025	2024
Finance income			
Interest received		495,186	491,151
Total finance income		<u>495,186</u>	<u>491,151</u>
(Deficit)/Surplus before tax		<u>(392,379)</u>	<u>794,044</u>
Income tax	9		
Current tax		(149,580)	(163,010)
Total income tax expense		<u>(149,580)</u>	<u>(163,010)</u>
(Deficit)/Surplus for the year		<u>(541,959)</u>	<u>631,034</u>