

REPORT OF THE SOCIAL, ETHICS & GOVERNANCE COMMITTEE 2017

Introduction

It is a requirement of the Companies Act 2008 that companies with a Public Interest score above 500 need to have a Social and Ethics Committee. The score in the case of the non-profit company such as Silver Lakes Homeowners Association NPC ("SLHOA") is calculated on the number of members (each member equates to 1 point). The Association needs to comply with the requirement on the basis of having in excess of 1600 members.

It was resolved at the previous AGM that an application in terms of Section 72(5) should be directed to the Companies Tribunal for an exemption from the requirement of having a Social and Ethics Committee. The application was duly submitted. The application for exemption failed as the Tribunal felt that the activities of the Association are wider than stated in the application and that the number of employees being in excess of 50 require certain aspects of other governing legislation to be recognised and needed to be monitored by such a Committee. Additionally, the service providers who provide services to Silver Lakes require monitoring as their scope of works extend beyond the boundaries of Silver Lakes.

Given the time taken between the application and the reply in September 2017 from the Tribunal the Committee has through management achieved or implemented the following:

Highlights from the year under review (April 2016 to March 2017):

- Staff are encouraged to further their development through training opportunities.
- Employment equity is reported on.
- Remuneration scales are reviewed annually and adjusted on a pari passu performance principle within the same job grade.
- The Health & Safety Committee ensured compliance with regulations and there are no serious health and safety incidents to report on.
- The impact of the Association's activities or related activities on the natural habitat are regularly monitored and reported on.
- No formal complaints were received with regard to the conduct of directors or management.

Approved charitable disbursements during the year include:

- SPCA - R6 177.20
- Action for the Blind (for the teaching and training of blind people) - R8 280.00
- Shoes reconstructed for caddy who had a stroke - R16 357.98
- SPCA (sterilisation project) - R5 000.00
- Huis Silversig (Christmas party for residents of old age home in Silverton) - R5 214.20
- Food for Danville squatters - R5 124.50
- Christmas food vouchers for caddies - R7 780.00
- Catz R Us - R10 000.00
- School clothes for needy student - R3 500.00
- Be Wise Sterilize (for the sterilization of animals) - R5 000.00
- Wheelchair donated to Huis Silversig - R4 390.00
- Food donation to Volkshulp 2000 - R2 094.10
- Blankets for caddies - R4 809.00
- Devon Vergne Memorial Cancer Fund - R10 000.00

Going forward the terms of reference for the Social and Ethics Committee will be updated to include the aspect of governance to the extent applicable for the type of company SLHOA is. Governance will require particular attention as not all the aspects of governance as contained in legislation or King IV can be applied.



MR JACO COETZEE
CHAIRPERSON