

**OFFICIAL MANAGING AGENT FOR THE ELISENHEIM HOME OWNERS ASSOCIATION**
**NOTES TO THE BUDGET 2017 to 2018**

| NOTE | COMMENTS   |
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| 1    | Interest received from funds in current account  |
| 2    | Interest collected from arrear levies charged at 11,75%  |
| 3    | Levies are collected per erf and per general residential unit<br>The EPDC is exempt from levies<br>Business erven are owned by the EPDC<br>Levies are increased for the next financial period by 10%<br>New levies will be:<br><b>Phase 1</b><br>Per Erf = N\$506-00<br>Per Sectional Unit = N\$253-00                       |
| 4    | <b>Phase 2</b><br>Per Erf = N\$506-00<br>Per Sectional Unit = N\$253-00  |
| 5    | <b>Phase 3</b><br>Levies are payable by all registered erven – stating on 1 October 2017.<br>Only 40 erven have registered<br>Income from 40 Erven are included in the budget  |
| 6    | The difference in Income compared to the previous year is as a result that Phase 2 registered during the year and that the levy income was a "Stepped" income stream.  |
| 7    | Depreciation does not form part of the income statement but is provided for as an expense to make provision to replace assets. Small plant is provided for to be replaced in 1 Year. The rest of the plant is provided for replacement in three years<br>We purchased a new Bakkie, Hino Truck and a street cleaning machine |
| 8    | The waste water treatment remains contractually the responsibility of the EOA for the next five years where after the responsibility will transfer to the Windhoek Municipality. We have provided for an increase of 10%   |

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| 9  | Vehicle fuel increased substantially from the previous year and is as a result from a claim that the EPDC has against the EOA for fuel supplied and also the new vehicles purchased                                  |
| 10 | The Truck donated by the EPDC to the EOA must be made roadworthy for an amount of N\$71,104-00, the rest is normal maintenance on the vehicles of the EOA  |
| 11 | Insurance as described in the budget   |
| 12 | We anticipate that the legal fees will increase because the EOA will take members to task that do not comply with Estate and DRC rules   |
| 13 | Administration fees are budgeted to increase by 6%   |
| 14 | Salaries are reviewed annually in December and a pro rata increase of 9% is provided for. We anticipate to increase the casual workers force after the rainy season to clean the roadside verges                     |
| 15 | Cost to clean the public open spaces – includes the cost to rent/buy TLB   |
| 16 | Cost for the operation of the pump station   |
| 17 | Cost for the purchase of an office copy machine for Estate Manager   |
| 18 | Increased cost for printing after incorporation of Phase 2 & 3   |
| 19 | Workers Uniforms were purchased in the previous year and must be purchased again in this financial year  |
| 20 | Telephone Charges for Estate Management  |
| 21 | The EPDC paid for the full security bill for patrolling the perimeter fence. EOA must absorb 2/3 of the cost in the current budget<br>As soon as Phase 3 holds its AGAEM then the full cost will be allocated to EOA |
| 22 | Security company informs us that there will be a substantial increase because of the union deliberations and we have included the increased cost for doubling the guards in December and January                     |