



ANNUAL GENERAL MEETING
SATURDAY 12th NOVEMBER 2022
TENNIS CLUB, NIEU BETHESDA

CHAIRMAN'S REPORT

Presented by

FULVIO DE STEFANIS

Good morning Members of the Owl House Foundation

The presentation of my Chairman's Report this year will be somewhat different to my previous reports.

It is my firm belief that an organisation must always be moving forward with new energies and new ideas and there comes a natural conclusion to a Chapter – I believe that what I was asked to assist the Foundation with has been achieved and so much more and as such my Chapter has come to an end.

It will be my forth and ultimate Report back to the Membership.

I have not accepted a Nomination to sit on the Board of the Owl House Foundation.

I find it fitting that it has been 4 years– much like a Symphony which has 4 movements, I look back on these 4 years as a symphony with its own 4 movements.

COMPLIANCE



Upon my commencement as a Director and Chairman of the Owl House Foundation at the end of 2018, I was surprised to find that the Foundation was actually sinking in quick sand and had some very serious governance and risk issues. I was reminded of the Dutch Folk lore of the boy who found the leak in the dyke and set about to understand the many leaking holes in the Foundation.

SAHRA

SAHRA, the South African Heritage Resource Agency was extremely agitated with the Foundation as it had been trying to sign the mandatory Heritage Agreement with SAHRA and the Foundation for several years.

SAHRA had also issued a damning Site Report against the Foundation's illegal efforts and work in the Owl House and Camel Yard – basically a Heritage Red Card.

One of my first priorities was to engage with SAHRA and met with them at their offices in Cape Town in February 2019. They insisted that Foundation make it a priority to sign the Heritage Agreement and to embark on acceptable heritage practices within the Owl House and to ensure that experts were consulted and utilised for any work in the Owl House and Camel Yard.

By June 2019, the Heritage Agreement was signed with SAHRA progressing the relationship between the Foundation and SAHRA to one of mutual respect and collaboration.

Indeed the relationship has grown from strength to strength and after SAHRA's most recent Site Visit to The Owl House in December 2021, we received an exceptional complement from SAHRA in which they stated in an email:

"The Built Environment Unit as well as the Heritage Protection Unit are very pleased with the condition of the site and wanted to formally acknowledge the work of the Owl House Foundation (OHF) in an email.

.....

With that being said, we as SAHRA's Built Environment Unit are very excited to see further innovation and the site continue to be maintain at a high calibre."

Importantly, in terms of the Heritage Agreement, the Foundation was to submit for approval an Integrated Conservation Management Plan for The Owl House and Camel Yard.

Integrated Conservation Management Plan

The Integrated Conservation Management Plan was completed and submitted to SAHRA in 2021 and approved by SAHRA in November 2021.

The Integrated Conservation Management Plan is a comprehensive plan that is valid for 10 years and allows the Foundation to execute its conservation and preservation of the Owl House and Camel Yard without the necessity of applying for permits for each and every task undertaken.

Memorandum of Incorporation

An important document to be finalised was the conversion of the 1999 Articles of Association that governed the Owl House Foundation into a Memorandum of Incorporation in terms of the 2008 Companies Act of South Africa.

The document was compiled by our attorney firm Derek Light & Associates, worked on by the Directors of the Foundation and presented to the membership at a Special Meeting in November 2019.

The MOI was debated at the meeting and unanimously voted in favour of adoption by the members at the special meeting.

It was a another progressive achievement by the Foundation as this had been a contentious and unresolved issue for several years.

It has since come to the Foundation's attention that there are several clauses in the 2019 adopted MOI which are inconsistent with the Companies Act.

The Board submitted the adopted MOI to a legal firm with expertise in this field who made recommendations to amend the MOI in order for it to be consistent with the Companies Act.

Any amendments to the MOI can only be adopted at a special meeting of the members of the Foundation.

The first such meeting since the recommendations were made to the Foundation for the amendments to the MOI is this AGM of 2022 and hence the amendments proposed form part of the agenda of this meeting.

I point out that the directive given to the legal firm was to make recommendations for the MOI to be consistent with the Companies Act only.

Therefore the recommended amendments are only those to make the MOI a better, more compliant document within the context of the Companies Act.

Lease Agreement with BNLM

Perhaps the gravest risk to the Foundation was that the Foundation had no security of tenure in that there existed no formal agreement between the asset owner of The Owl House, namely the Beyers Naude Local Municipality, and the Owl House Foundation.

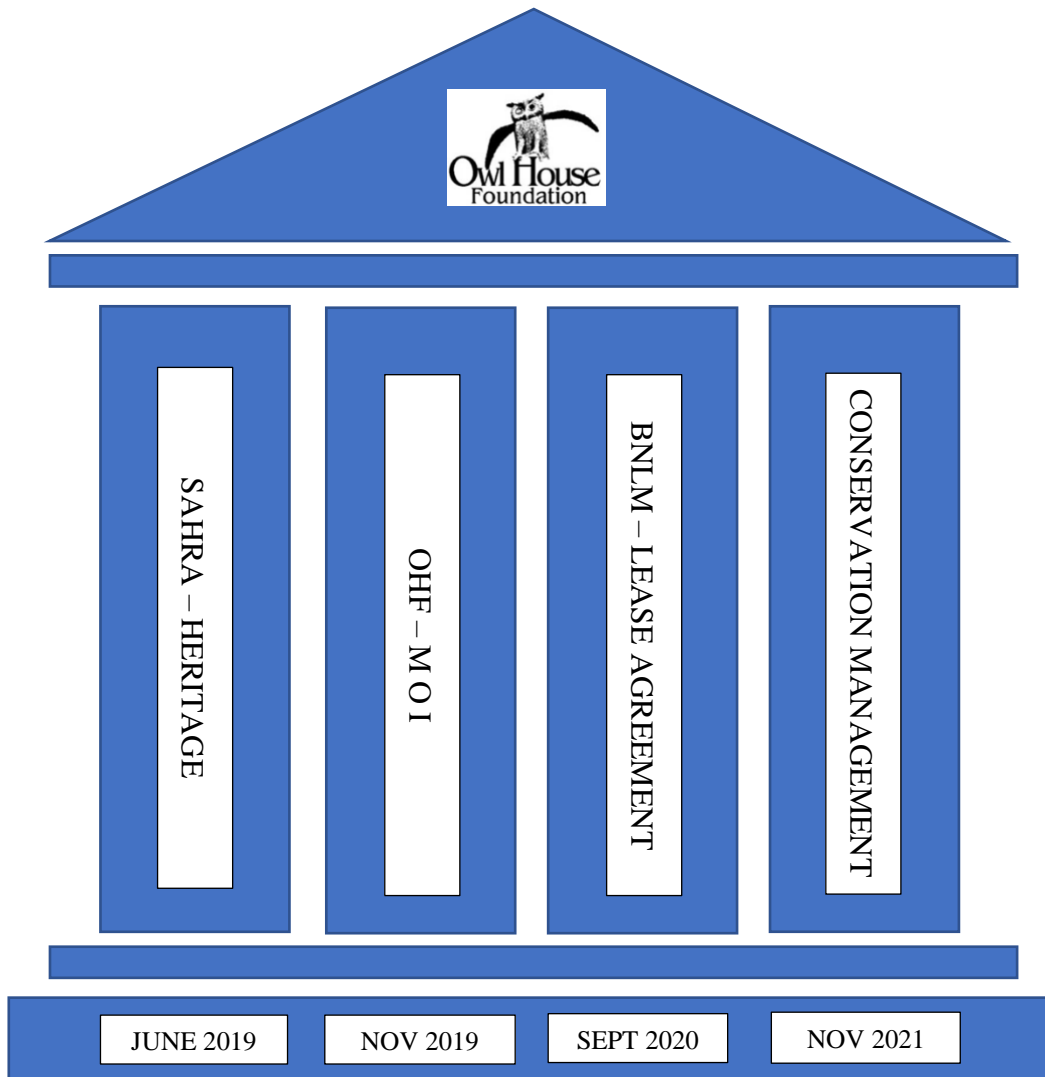
In essence, this meant that the Foundation had the potential of losing its right over the conservation and preservation of The Owl House.

The issue of obtaining a lease agreement with the BNLM was a long outstanding issue and one that was also noted by SAHRA.

However, the lease agreement could not be concluded until the Heritage Agreement with SAHRA had been signed and the Foundation had adopted a new MOI.

Therefore it was only within 2020, after the adoption of the MOI in November 2019 and signing the Heritage Agreement in June 2019, that the we were able to work on and finalise the lease agreement with the BNLM.

The lease agreement, supported by SAHRA, was finalised and signed in September 2020 securing the Foundation's legal right over the management of the Owl House for 10 years and eliminating the threat to the viability of the Owl House Foundation.



The Company has a much stronger structure than existed in 2018 – most of the leaking holes have been plugged.

The tremendous effort by everyone involved in these processes must always be acknowledged.

COVID 19 PANDEMIC

Undoubtedly one of the most severe challenges we faced during these past 4 years was the pandemic and the disastrous effects that the pandemic as well as South African Government's Covid-19 National Disaster Regulations had on the Foundation.

We were unfortunately not spared from the tragic reach of this cruel virus:

In December 2020 our entire staff working in the Owl House contracted the virus. Our administrator and then Director Charles Graham was hospitalised for weeks and spent months in recovery after his discharge from hospital.

Later in 2021, we tragically lost our late Vice Chairlady Hanna Van Heerden to the virus.

The pain and suffering caused by the Pandemic was felt throughout our community; loss of life as well as economic strife – the Crafter's of Nieu Bethesda's livelihoods were decimated.

The Foundation had perilous waters to navigate during this time and the Director's focus was to ensure that the Foundation was able to survive the Pandemic.

I am happy to report that all the effort, time and dedication from the Directors during this time has paid off as you will no doubt see in the Financial Review; the Foundation has exceeded financial expectations and has successfully come out of the covid economy, posting one of its largest surplus's ever in its history to date.



DIRECTORS, PERSONELL & STAFF

Directors

During 2021, after the resignation of Charles Graham as a Director as well as the death of Hanna Van Heerden, the Board invited

- Anne Graaff
- Ludolf Smit and
- Bruce Rubidge

Onto the Board of the Owl House Foundation – these 3 individuals accepted the invitations.

Interestingly, even though Anne, Ludolf and Bruce were Directors of the Owl House Foundation during this period, they never reflected on the CIPC documentation due to the fact that the CIPC would only attend to amendments once they received a Letter from the Master's Office in terms of Hanna Van Heerden's death – this letter arrived after the AGM of 2021 and therefore after the new Directors were elected onto the Board.

As such, it must be noted that although the CIPC documentation never reflected Anne, Ludolf or Bruce during this period, they did in fact participate as Directors of the Foundation for those 5 months prior to the AGM.

I would also like to note, which I will elaborate further in this report in the Risk Reservoir, that all 3 Directors of the Foundation who were actually permanently resident in or around Nieu Bethesda prematurely resigned from the Foundation before the AGM.

Personnel



The Labour Co.

During the last year, the Foundation employed the services of Jurie Smit from The Labour Co in Graaff Reinet.

Jurie, with his experience and expertise :

- implemented the Foundation's POPI Policies and Procedures and is the Foundation's registered Information Officer
- compiled and completed our Occupational Health & Safety File which was non-existent ensuring another compliance issue has been resolved.
- Updated and implemented our employment contracts to be compliant with current labour legislation

We are grateful to Jurie for his on-going professional support and advices.

Derek Light Attorneys

The Foundation continues to utilise the professional legal services of Derek Light Attorneys. We thank Derek and his staff for the on-going legal advices and sincerely appreciate their commitment to the Owl House Foundation and the Owl House in Nieu Bethesda.

Charles Graham

Charles is familiar to most of our members and up until the Covid pandemic was employed by the Foundation as its Administrator. However when we closed the Owl House during the Pandemic, Charles was retrenched along with all the other staff as reported in my previous reports.

At the AGM in December 2020, Charles was also elected as a Director of The Owl House Foundation but it was at this very time that Charles contracted Covid and became seriously ill and hospitalised.

Fortunately, although it took several months, Charles has made a full recovery.

During his illness, Charles resigned as a Director of the Owl House Foundation in early 2021.

On his recovery, we engaged with Charles and on recommendation by his Doctors, Charles could not fully commit himself again to The Owl House on a full time basis.

As such, Charles offered his contractual services to manage the booking keeping and financial affairs of The Owl House with tasks limited to this field.

The Foundation continues to benefit from the professional and integrous work of Charles and we thank him for the dedication in ensuring that the financial administration of the Owl House is well executed.

We continue to receive compliments from our Auditors when our books are handed over to be audited; complimentinh the complete and detailed nature of the set of books they are handed.

We thank Charles for his continued commitment to The Owl House.

Secretary@theowlhouse.co.za

During this last year, a matter which will be fully described later in this report, highlighted a very real limitation to the Foundation and its Directors.

In terms on statutory regulations and compliance a NPC (Not For Profit) Company has obligations in terms of the Companies Act.

These obligations cannot be subject to resignations, deaths, illness or domestic affairs and must be complied with.

In order to ensure that the Foundation becomes and remains compliant, the Board of Directors resolved to expand the services offered to the Foundation by Van Wyk Theron.

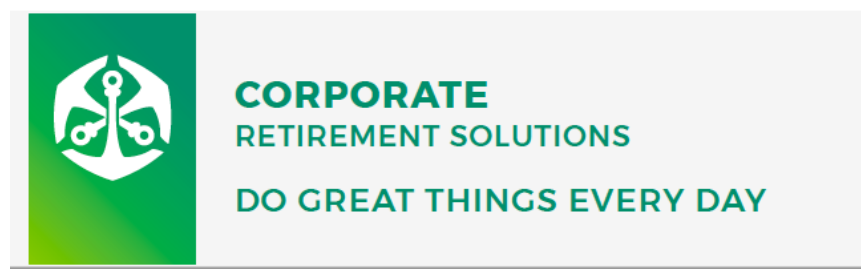
We have set up a dedicated email address secretary@theowlhouse.co.za which is monitored and administered by Van Wyk Theron in order to handle and deal with any and all matters related to the Foundation as a NPC and compliance with the Companies Act of South Africa.

Staff

I cannot stress enough to the membership how fortunate the Foundation is to have such a competent and committed team of people working to ensure that The Owl House remains a highlight of Visitors to the village of Nieu Bethesda.

I would like to personally thank Vernique, Bernie, Angela, Michelle and Michaela for their dedication to their work at The Owl House.

OLD MUTUAL SUPERFUND EASY MEMBER GUIDE



It was with a sense of pride that in return, The Owl House Foundation joined the Old Mutual Pension Super Fund for our staff members. Effectively our staff now have the following benefits provided to them by Old Mutual:

- Retirement Benefits including ill-health, early and late retirement
- Withdrawal Benefits in the case resignation, retrenchment and dismissal
- Death Benefits including Life Assurance and Family Cover
- Disability Benefits including Temporary Income Protection and Cash for Loved Ones
- Lifestyle Cover in case of a medical emergency

In the many years since the inception of the Foundation, this is the first time that the Foundation has invested in the long term wellbeing of the staff who are committed every day to ensuring that The Owl House remains a valuable attraction to thousands of people.

At the beginning of the year, the Board embarked on working more closely with The Graaff Reinet Museum with the intention of upskilling our own staff.

We are grateful to Ansike Kaiser from The Graaff Reinet Museum who facilitated and mentored our own Vernique through a 16 week internship at The Graaff Reinet Museum.

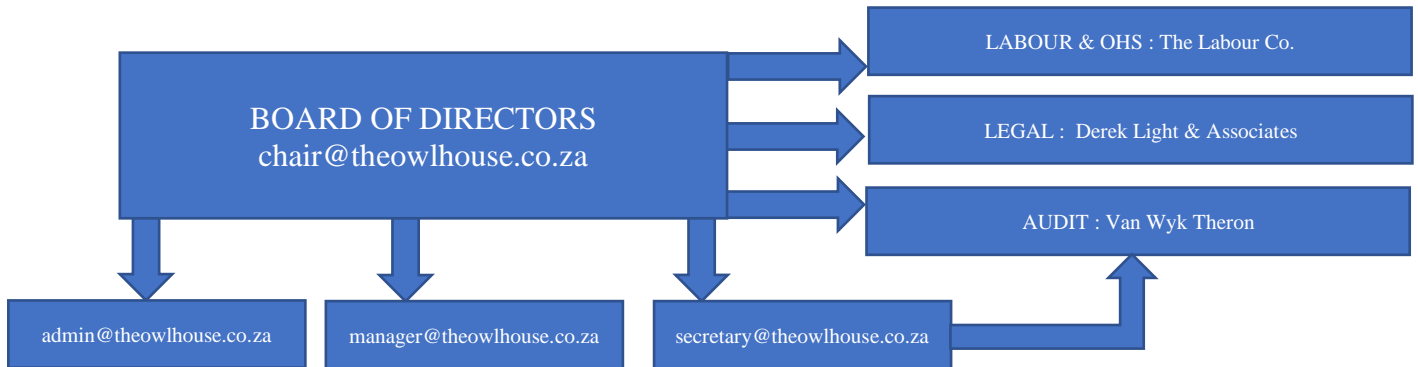
Vernique has been the Owl House Foundation's Shop manager for more than three years and has excelled in that position. It is plainly obvious in the sales figures of the shop that Vernique has a keen eye and control on the inventory and stock levels. Vernique has been key to the success of the income derivation that the Foundation has achieved since the revamp of the shop in 2019 and with the on-going direction and mentorship of members Charmaine Haines and Albert Van Schalkwyk, has successfully implemented the Ethos of "Made in South Africa" products.

The results of these efforts have been financially successful to The Owl House Foundation.

It is within this context that the Board of Directors resolved to promote Verinque from Shop Manager to Manager of The Owl House.

We are immensely proud to be able to invest in our own community and we look forward to Verinque's valuable input at The Owl House.

In Summary:



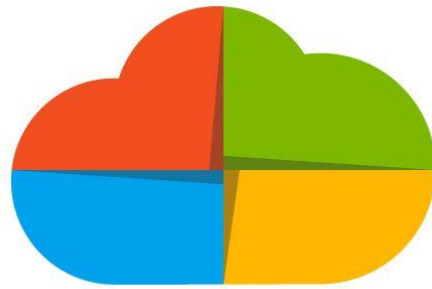
TECHNOLOGY

A lot of effort has been spent this year on bringing the Owl House Foundation into the modern world of technology.

We have implemented :

- Microsoft Exchange
 - This migrates all email communication into the Microsoft Exchange and into the Microsoft cloud which ensures these communications are safely stored.
 - Previously the communications were stored locally on local hard drives creating a risk of loss should these hard drives crash, get lost or stolen.
 - The exchange allows all communications to be downloaded onto new computers or laptops when they are upgraded.
- Cloud Storage
 - Critical and important documents of the Owl House Foundation are being migrated into cloud storage which ensures their safe keeping and facilitates access by authorized personal
- Zoom
 - We have purchased annual subscription for Zoom Meetings in order to facilitate meetings held on-line.
 - A subscription allows unlimited meeting time whereas the “free” Zoom limits meetings to 40mins per session
- PayFast
 - We have added an online payment system for new membership applications.
 - Previously should a member apply to join the Owl House Foundation, the applicant would be require to manually fill out an application form and make a payment by EFT to the Foundation’s bank account.
 - We have added the online membership application and payment system whereby the application is made online followed by an online payment using the PayFast portal.
 - Payfast then allows the applicant to pay using various methods such as Credit Cards, Snap Scan, Instant EFT etc.
 - This additional system which avoids having to use the SWIFT system if you are out of the country, has seen applications from the USA, Netherlands, United Kingdom and Italy come through to the Foundation.
 - It is a step in the direction of broadening our membership locally and internationally.
- 3-D Virtual Tour
 - In collaboration with Eastern Cape Tourism, the Owl House can now be experienced online with an interactive 3-D virtual tour.
 - This initiative was negotiated with Eastern Cape Tourism to elevate and advertise the most prominent tourism attractions of the province.

- The 3-D Virtual Tour is live on our website and is an immensely value addition to the Owl House Foundation



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UPGRADES & RENOVATIONS

At the onset of my Chairmanship at the end of 2018 and after the detailed analysis of the strengths and weaknesses of the Company, an area identified as a weakness but with the potential of becoming a great strength to the Company was the Visitor Centre and Shop.

It is generally accepted that museums cannot survive on entrance fee alone and as with most reputable museums around the world, the Gift Shop is crucial to supplement the income of the Museum ensuring its financial viability.

The Foundation had not unlocked the potential of its building instead it carried on its function in an environment that presented itself as a disjointed experience to the Visitor without any consideration of flow or context to the Visitor's experience from the moment they set foot on the Foundation's property. There was no clear signage, entrances and exits were amalgamated and little consideration taken for the experience within the Owl House itself.

I remind our members that you entered and exited the Foundation's building through the same door, passed by the office and a storeroom to then find a shop and counter selling tickets to the Owl House. There seemed to be very little design consideration behind the curation of products within the shop in fact, it seemed that as long as an object had an Owl on it, then it would be sold in the shop with many of these objects were being sourced from a China Mall in one of the big cities. The wonderfully curated museum was down a passage in a corner which had glass doors locked to close away a further storage area behind the doors.

Upon leaving the Foundation's building to enter the Owl House, Visitors would be guided to a side door on the front patio through which they would hand in their tickets in a room with walls plastered with old, outdated posters.

Virtually every Visitor had no idea that they had just entered the Owl House through The Lion's Den and this room, the most ominous room created by the artist, was misused as an entrance: a fundamental misunderstanding of the artists mood and intent.

Within the Camel Yard and Owl House, there was absolutely no effort to inform Visitors of what they were looking at and what it all meant – Visitors were left to their own devices and it seemed to overwhelm and confuse many Visitors

A redesign and upgrade became a priority.

We began with the Visitor Centre, creating the correct flow for the Visitor:

On arrival, Visitors are directed into our new ticket office (previously a store room) with better sign-posting.

After purchasing tickets, Visitors then enter the exhibition of prominent artifacts of Helen Martins, Pictures and letters giving our Visitors a sense of who this extraordinary lady was, what she looked like as well as the other important people in the creation of the Owl House such as Koos Malgas and Johanas Van Der Merwe.

From the exhibition, Visitors move down a corridor with stunning Artworks created by Artist Simon Ford, passing the Video Room – should the Visitor wish to watch the Video, they stop and enter this room however if they do not, the corridor opens into our Gallery/Shop where they are directed to the entrance to the Camel Yard.

At the Camel Yard, we converted a small storage room into an office in which Visitors hand in their tickets and enter the Camel Yard.

We had carefully selected 37 important points of interest within the Camel Yard and Owl House and at these points we placed a pedestal with a number indicating the point of interest. It is important to note that the cement bases of these pedestals were decorated by the crafters and was crafter was acknowledged with a label on their decorated base.

The 37 points of interest are described on a Map as well as a Booklet that we had designed and printed.

Our Visitors are directed around the Camel Yard, through the Owl House and exit by the front door onto New Street in front of the Owl House. They are then directed past the Crafters, back into the Foundations property and the final exit is through the Gallery/Shop of the Foundation at which point they are offered the opportunity to purchase souvenir items before leaving.

Much like most museums around the world, the sales in the Gallery Shop are crucial to the financial success and viability of the Foundation.

This designed flow has proven to be extremely successful and has elevated the Visitors experience at the Owl House.

With the renovation of the new Gallery Shop, the Foundation altered its ethos on curated products to be sold in the shop:

- We phased out all imported products from countries such as China and India and instead choose to curate only South Africa products
- We offered all the producing artists of Nieu Bethesda exhibition and sale space within the Gallery Shop making, for the first time in the village, a place where all local artists are represented and on exhibition. Each artist has a printed biography adjacent to their works and our Visitors are able to get a sense of the wonderful creative talent that exists in this village.
- The exhibition of local artists works has proved to be immensely successful both for the artist and the Foundation that generates a commission of all the sales.





The mathematics and the figures best describe the results of the work undertaken and the resources spent. Below is a summary of the Shop Sales from 2019 to 2022:

I point out that not only does the spend in our shop indicate a measure of success of the upgrades and renovations, but it also illustrates the happiness of the Visitor visiting the Owl House. If their experience was not good, the Visitor would not spend their cash in our Shop.

Just to note that the 2020 year had months of closure due to Covid-19 and the 2021 year was also affected due to Covid-19 closure of a portion of the year. Added to this was the fact that tourists were reluctant to travel until basically late 2021 and 2022.

The true effect of the renovations can be seen when comparing 2019 (prior to changes) and 2022 (first full year of trading were Covid-19 was not affecting figures).

The Owl House Foundation						
Sales in Shop: 2019 - 2022						
		2019	2020	2021	2022	
Sales		307 105.00	318 205.00	383 494.00	585 245.00	
Cost of Sales		184 460.64	167 676.60	204 696.98	301 973.16	
Opening Stock		166 930.30	141 986.00	225 207.83	171 294.25	
Purchases		159 516.34	250 898.43	150 783.40	311 236.91	
		326 446.64	392 884.43	375 991.23	482 531.16	
Less: Closing Stock		- 141 986.00	- 225 207.83	- 171 294.25	- 180 558.00	
Gross Profit		122 644.36	150 528.40	178 797.02	283 271.84	
GP% on Cost		66.49%	89.77%	87.35%	93.81%	
GP% on Sales		39.94%	47.31%	46.62%	48.40%	

In 2019, our Sales in the Shop were R307'105 with a Gross Profit on those sales of R122'644

In 2022, our Sales in the Shop were R585'245 with a Gross Profit on those sales of R283'271

It is also noted that even in years 2020 and 2021, years dramatically affected by Covid, the Sales and Profits were higher than in 2019.

After viewing the above numbers, I defer to the words of Albert Einstein who said:

“Pure mathematics is, in its way, the poetry of logical ideas”

MAINTENANCE & RESTORATIONS

This last year has been busy with important maintenance at the Foundation's property as well as continued restorations within the Owl House.

After many years of degradation, we attended to the repair of the septic tank on our property. The repair involved replacing the top cover slab with a new one as well as inserting a suction manhole in the new cover for future access. The result is a vast improvement of the area which was unsightly for years visible to Visitors from Martin Street.





In terms of restoration work at the Owl House, we continue to call on the expertise of Amanda Snyman – our elected glass expert who has visited the Owl House on several occasions this year to continue the work of glass restorations.

We have also been extremely fortunate with glass this year through Amanda's wealth of experience, she was able to source an absolute treasure trove of period correct glass in the Western Cape.

The story of this treasure trove is quite remarkable : a farmer's grandfather ran a pub on his farm during the 40s and 50s. The empty bottles from this pub, he dumped in his rubbish pit on the farm. The empty glass bottles have been there for decades. The bottles are exactly the same type of bottles that Helen Martin used to create her sculptures in the Camel Yard. The farmer has agreed that the Owl House, at a nominal fee, can purchase these bottles.

Through the tremendous effort of Amanda Snyman, the bottles are slowly making their way from a farm in the Western Cape to Nieu Bethesda.

We are also very grateful for the on-going work done by Amanda on the glass structures within the Owl House.

Amanda has also kindly made herself available after the AGM to all Members who are interested to walk through The Owl House with her and she can explain and illustrate the on-going work.

Thank you Amanda Snyman.







We also tackled the challenging task of over very own Leaning Tower.

We surmised that the Tower was built with an inadequate foundation. Therefore over many years, the weight of the Tower cause subsoil slippage and hence the tower began to lean over its vertical axis.

At some point, the weight if the tower, due to the shifting center of gravity, would actually topple the tower : the tower itself would be destroyed in the collapse as well as significant damage to any sculpture it collapses on.

Therefore this repair was prioritized.

We employed the services of The Polish Way – regarded as one of the finest builders in the district and a company that is used by The Graaff Reinet Museum and The Rupert Foundation to attend to repairs at historical buildings.

We are grateful to The Polish Way that exhibited great care and dedication to the delicacy of the objects while executing the repair.



The Leaning Tower before the repair



The straightened Tower

Other works included :

- The protection the further sculptures in the Camel Yard with the specified ABE cementitious product
- Repairs on the wall between The Camel Yard and Foundation's property
- Repairs on the high fence erected on top of the wall – which due to the weight of the words attached to the fence by Helen, was buckling over
- Cement structural repairs to various objects within the Camel Yard such to arrest the collapse and damage caused by degraded cement.

Over the last 4 years, significant repair and restoration work has been undertaken including probably most importantly, the reinstatement of the Lion's Den to its ominous stature – something intended by Helen herself.

I must thank the David Graaff Foundation for their continued support – their annual donation of R15'000 is sincerely appreciated and is solely utilised for the repairs and renovations within the Camel Yard, specifically the glass repairs.

THE CRAFTERS OF NIEU BETHESDA

Plato once said,

“The Part can never be Well unless the Whole is Well”

This is true of the Owl House Precinct. This Precinct comprises 3 independent “Parts” or entities that are interwoven with each other to create the “Whole”

1. The Owl House and Camel Yard owned by the Beyers Naude Local Municipality
2. The Owl House Foundation, owner of the property adjacent to The Owl House and custodian of The Owl House on behalf of the Beyers Naude Local Municipality
3. The Crafters of Nieu Bethesda, 15 independent people, creating craft for nearly 2 decades and selling their crafts to Visitors to make a sustainable living for themselves and their families

The Crafters have unfortunately been neglected by the other parts and no one can doubt this neglect – it is physically obvious and visible for the whole world to see.

I have made it a priority under my Chairmanship to ensure that the Owl House Foundation implements tangible and measurable assistance to the Nieu Bethesda Crafters.

ASSISTANCE TO THE CRAFTERS

One of the first meetings I had as Chairman in November 2018 was with the Crafters and I took the time to listen to their concerns and challenges.

I recall that they had, at the time, 3 main issues:

1. The broken promises of individuals and community, of the Foundation and of the Municipality over the preceding 15 years – they were angry, felt forgotten and lied to.
2. The hardship of sourcing their material to create their craft.
 - a. They explained that a return taxi fare to Graaff Reinet was R200.
 - b. They could only purchase 50kg bags of cement and an entire roll of chicken wire at a time which was unaffordable when they had to pay for the transport as well.
 - c. Purchasing the heavy bags of cement from the Hardware store, they then had to carry these bags to the taxis.
3. The loss of potential sales to visitors and tourists because they arrive without cash to buy their crafts

We have made immense strides in addressing these issues.

First and foremost, we implemented a system whereby visitors or tourists who had no cash could utilise the credit card facilities of the Owl House shop. We would in turn “cash out” the crafters at the end of the day.

This system has been overwhelmingly successful and has made a significant impact in the Crafters ability to sell their crafts.

One just has to contemplate the “Poetry” of the numbers to fully understand the positive impact this system has had on the Crafters:

SUMMARY OF SALES	
2019	R 91,275.00
2020	R 80,950.00
2021	R 124,670.00
2022	R 203,750.00
<u>R 500,645.00</u>	

These figures are up to the end of October 2022 and would be higher had it not been for the Covid Pandemic.

I remind our members that we, as a Board, had resolved not to recover any commission charges that we are levied by the financial institutions with regards to these credit card transactions. This amounts to nearly R15’000 in further financial assistance over these last 4 years.

Additionally in 2019 we implemented a system by which the Foundation bought and stockpiled material such as cement and chicken wire and made it available to the Crafters for purchase at cost from our stockpile.

This has been hugely beneficial to the Crafters and ultimately we have seen to quality of craft improve.



We cannot forget the efforts of the Owl House Foundations, its members and some incredible Charities that during the Covid Pandemic, when the Crafters had no sales and livelihoods, we assisted each family with monthly food parcels which included wood and electricity.



In terms of being “felt forgotten”, when we implemented the 37 points of interest within the Owl House, we commissioned a base from each crafter labelled with their names to be positioned within the Owl House.

This simple act acknowledges the Crafters standing in the Precinct as well as their contribution to the legacy of The Owl House and their part of the fabric of Miss Helen’s creation.



CRAFTERS PRECINCT

The third problem identified by the Crafters in 2018 has been the most challenging to resolve.

There have been many discussions and debates over the years, going back to the early 2000s.

In fact, when I was being briefed by the BNLM representative on the status quo of the Crafters on my election as Chairman in November 2018, Leonie Fouche explained in an email on the 12th November 2018:

“I leave it in your capable hands to assist in resolving the ongoing dilemma of the crafters – also bearing in mind that certain commitments had been made by the OHF in the past, with design plans going back to the early 2000s, and more recently presented to the Camdeboo Council in 2014 by former Chairperson Terry Winship, after which there were media statements made about the OHF accommodating the crafters and their stalls on erf 303. This and the other option of developing the section of New Street fronting on even 303 and 306 (The Owl House) are to be considered, in order to allow the crafters to remain in the immediate vicinity of the Owl House, where they have already established a market. If Erf 303 (belonging to the OHF) is going to be developed as a Heritage / Tourist Precinct, additional on-site toilet facilities might be necessary, but please bear in mind that the public toilets between Karoo Lamb and The Village Inn are a mere 3 minutes’ walk from where the crafters currently are and erf 303; and even closer to the Owl House.”

Leonie Fouche – IDP Manager and BNLM Representative on the Owl House Foundation

It was disappointing to discover that these plans and discussions had been on-going for more than 15 years and during that time, this Nieu Bethesda community could not find, resolve nor conclude the “dilemma of the crafters” as Leonie described it.

It is imperative that I record in this Final Report how the process evolved in establishing the direction that the Foundation took with respect to the Crafters Market under my Chairmanship.

Firstly, before any decision could be considered by the Board, we needed to completely understand the situation as it stood at that point in time in November 2018.

I held a meeting on 19th November 2018 with relevant stakeholders on site at the Crafters current location.

From the minutes of the meeting, the following people attended :

- | | |
|-----------------------------|---|
| 1. 10 Crafters (CR) | Freddie, Denis, Katrina, Brandon, Edward, Isak, Ben, Neville, Marchilino, Randell |
| 2. Fulvio De Stefanis (FDS) | Owl House Foundation |
| 3. Hans Hendricks (HH) | BNLM |
| 4. Neliswa Oliphant (NO) | BNLM |
| 5. Ivor Berrington (IB) | BNLM Town Planning |
| 6. Ziyanda Fikeno (ZF) | BNLM |
| 7. Grace Nel (GN) | Nieu Bethesda community member and liaison to Crafters |

Apologies Jenny Nel

The minutes reflect the following was discussed and debated :

DISCUSSION:

1. CRAFTERS NUMBERS
 - a. (CR) agreed that there are 12 (TWELVE) Crafters and this is the number BNLM will plan for
 - b. The list of 12 names will be discussed by CR and a list will be given to FDS at a follow up meeting on Tuesday 20th November 2018 where all 12 CR will be present to inspect the submitted list.
 - c. List will contain the names and ID's of the 12 Crafters that will be planned for
 - d. FDS will get the list to ZF by Wednesday 21st November 2018
 - e. ZF will proceed to register and formalize the Crafters into a Co-Op
2. CRAFTER STALLS
 - a. The following list was submitted by CR
 - i. Cement floors
 - ii. Lockable
 - iii. Shelves
 - iv. Windows
 - v. 3m x 3m
 - vi. Water point – not in individual stalls but for all crafters
 - b. Other points to plan for (from BNLM and OHF)
 - i. Must be lawful

- ii. Water and weather proof
 - iii. Power in stalls for lighting and heating in winter
 - iv. Must add to Legacy of Owl House
3. LOCATION OF STALLS
- a. Big Question – “Binne of Buite”?
 - i. “Binne” means inside the OHF property
 - 1. Concerns
 - a. No privacy
 - b. Have to follow rules eg. Drunkenness can be a problem (BNLM – an agreed to set of rules is important for all the CR to make more money from the tourists and not detract from the tourist’s experience To Be Discussed at a later stage)
 - c. No access to the road – if completely inside
 - d. If CR move inside, then other “new” crafters may take their old positions (BNLM – this will not be allowed to happen)
 - e. OHF becomes responsible for CR and their behaviour as well as their policing
 - f. Impact on the Owl House itself, wall, fence, views
 - 2. Problem solving
 - a. Can be along boundary line – built inside but opening to road
 - i. Possible building line relaxation application
 - ii. “Buite” means on the road in historical position
 - 1. Concerns
 - a. Not legal
 - b. Temporary structures
 - 2. Problem solving
 - a. Road closure application will be supported
 - b. Re-zoning of road to allow permanent structures
 - c. From boundary line of properties to edge of road – approx. 9m which is ample space
 - d. Can move stalls away from fossil bed to be compliant
 - b. Long term plan
 - i. Road Closure and re-zoning would benefit the Hub and Owl House experience and everyone will benefit (eg. Minimize dust, pave the pedestrian walk-way)
4. TIMING
- a. CR wanted to know a time-frame
 - b. BNLM explained the process
 - c. FDS suggested to BNLM that timelines could coincide with SAHRA unveiling

DECISION:
Crafters want to be “Buite”

The decision by the Crafter's to have their market built and located on the side of the road where they currently are, can be summarised as follows:

1. Security of Tenure
 - a. The Crafters felt they could not be held to rules imposed on them by the Foundation – they were independent and did not want to be subjected to the decisions of the Board of Directors.
2. Additional illegal vendors
 - a. The Crafters, who understand their own community best, insisted that should they move off their current location, new people would take up their previous positions.
3. Access and Privacy
 - a. The Crafters felt they would lose access to not only to visitors passing by the road but potentially their stalls should they fall afoul of rules imposed on them
 - b. The Crafters felt their behavior would be scrutinized and criticized

It was this information that informed the Municipality and the Foundation on how to proceed with the creation of a formal Crafters Precinct.

Subsequent to November 2018 meeting, further meetings were had with the Crafters.

At one such meeting in 2019, Daniel Van Der Merwe, a professional architect and Director of the Foundation, spent time with the Crafters drawing out various site plans that they would be happy with.

The detail of such meetings was to the point that the Crafters even selected and agreed to their stall positions within the site plan – each individual Crafter debating and motivating why they believed they should be in that specific position.

These discussions and meetings unfolded over months and at all points in time, the Crafters Precinct was developed with the continued input of the Crafters themselves.

It is crucial to note that once this had been thoroughly ventilated, discussed and agreed with the Crafters and once the Municipality agreed to support the location of the Precinct, we then approached SAHRA – the South African Heritage Resource Agency.

SAHRA concluded that the location would not adversely impact on the National Heritage Site, The Owl House and subsequently issued a letter of support for the Crafters Precinct in the position proposed on either side of the road.

The Crafters Precinct development can be separated into 3 distinct and independent processes:

1. Rezoning of Land Use of portions either side of New Road in order to build legal structures on these portions
2. Submission of Building Plans for Structures to be Build
3. Construction of Structures

The Foundation submitted the first Application for in the latter half of 2019.

Although this application was approved by the Municipal Planning Tribunal – this approval was appealed by an appellant who challenged the technicalities of the application and process.

The appeal was upheld due to technical deficiencies in the initial application and the approval was withdrawn with the Appeal Authority directing all parties to re-submit the application once the deficiencies had been resolved.

I must point out that had there been no appeal – the approval would have stood and the first part of the 3 processes completed.

At the beginning of 2022, the Foundation re-submitted the application for re-zoning.

I can confirm that at the Municipal Planning Tribunal held at the end of September, the application was approved.

At this juncture, the Nieu Bethesda community now faces a decision– will the decision to rezone these two small portions adjacent to the side of the road in order to build legal structures be appealed or will the decision be left to stand as approved, thereby unlocking the next process of Design and Building Plans?

Ultimately, this decision is left to the politics of the village and as I will no longer be on the Board of Directors of the Owl House Foundation, I wish the village and the Board can find common ground on allowing this “dilemma of the crafters” to be finally resolved.

“The Part can never be Well unless the Whole is Well”

MEDIA

Once again The Owl House has attracted great attention during the year and was featured on numerous TV shows both local and international. These included, to name a few:

1. Home Grown Tastes South Africa on BBC Lifestyle
2. Kwella on Kyknet
3. Leef jou Reis on Kyknet



HERITAGE ASSOCIATION OF SOUTH AFRICA

During this year, the Owl House Foundation became an associate of the Heritage Association of South African and we are honored to have the esteemed Professor Kathy Munro, Chairperson of the Heritage Association of South Africa join the membership of The Owl House Foundation.

We look forward to a fruitful collaboration with HASA.

OFFICIAL COFFEE TABLE BOOK

Although there have been several publications on The Owl House, most of which we stock and sell in our Gallery Shop, there does not exist an official publication published by The Owl House Foundation.

Such a publication could be a tremendous income derivation for the Foundation.

It is also a hugely ambitious project as such a publication must be of an international standard and honor the magnificence of Helen Martins' creation.

The Board has resolved to publish a coffee table book of The Owl House making this publication the official publication of The Owl House Foundation.

In order to ensure that the highest quality is achieved, the Board has employed the services of Elzida Becker who is the Publisher of De Kat.

Further we are honoured to have Merwelene Van Der Merwe, regarded as one of, if not the best, photographer in South Africa photographing The Owl House for this publication.

Merwelene's client list reads as a Who's Who in South Africa including the official portraits of our late Nelson Mandel and we are exceptionally grateful that Merwelene has agreed to photograph The Owl House for the publication.

We have no doubt that Elzida's and Merwelene's involvement in this project ensures the this publication will be of the highest quality and will ultimately generate a substantial income for The Foundation.



Elzida Becker



Merwelene Van Der Merwe

RISK RESEVIOUR

As a continuation of this section that I first included in last year's Chairman's Report, I can update the membership on previous and new risk facing the Foundation.

DIRECTORSHIPS

During the course of 2021, 3 Directors resigned their positions on the Board citing various reasons such as health and personal circumstances.

It is noted that all of the Directors who resigned were Directors that lived in or close to Nieu Bethesda.

As Chairman, I cannot help but wonder whether the resignations were prompted by village politics.

Indeed, it is these Village Politics that becomes a risk to the Foundation as historically the Foundation has suffered when Directors, who are resident in the village, are subject to accusations of self-interest and motivations.

Previously it seemed that the criteria to be considered for the Board was primarily that the nominee 1. Is passionate about The Owl House and 2. Is geographically located in or around the village of Nieu Bethesda.

Over the years, these criteria have caused rifts within the village of Nieu Bethesda with different factions accusing each other of self-interest and motivation.

Also it seemed that there was a great reluctance and resistance to allow The Owl House and the Foundation to be led by people who did not live in Nieu Bethesda.

I believe this mindset was fundamentally flawed. As much as passion for The Owl House is noble, there did not exist the required skills nor expertise to direct and elevate this National Heritage Site.

The Owl House belongs to South Africa and the World and not just Nieu Bethesda and the Foundation should endeavour to have the best, skilled Board it can possibly have.

Prior to the technologies such as Zoom, this was difficult but now these technologies have allowed skilled experts who are passionate about this National Heritage Site to sit on the Board of the Foundation.

As such, the Membership should consider carefully each nomination for Directorship onto the Foundation board.

AMMEDMENTS TO THE MEMORADUM OF INCORPORATION

The review of the current MOI by a legal firm with the required expertise was concluded and recommendations made to amend the MOI for it to be consistent and compliant with the Companies Act.

These recommended amendments are before the membership at this AGM for consideration for adoption.

It must be noted that the recommended amendments were only to bring the MOI into consistency and compliance with the Companies Act.

The members will be called to adopt these amendments at this AGM.

CRIMINAL PROSECUTION

I had previously reported that we had been informed that a criminal charge had been laid against the Owl House Foundation.

Some of you may recall that just prior to the commencement of the AGM in 2021, a Detective Warrant Office arrived and asked me, as Chairman, to submit a statement to the charges of Contravention of the Companies Act.

As the Detective's arrival was minutes before the commencement of the AGM, it was agreed with the Detective that I would submit a statement through our attorneys at a later point.

Our statement was submitted at the beginning of March 2022.

It is important to note that at the time of submitting the statement, we had not seen who had laid the criminal charges nor had a copy of the SAPS file.

At the end of March 2022, we were informed by the Detective Warrant Office that the local prosecutor in Graaff Reinet, after reviewing the various statements in the docket had declined to prosecute the case.

We had thought this had finalised and resolved this issue.

Unfortunately in September 2022, we received a letter from the local prosecutor informing us that the complainants had petitioned the Director of Public Prosecutions – Eastern Cape Division and a senior prosecutor from this office had decided to prosecute The Owl House Foundation and myself in my personal capacity as Chairman of the Owl House Foundation.

As this prosecution was proceeding, we were allowed access to the SAPS docket for the first time.

I can report on the following:

1. Piet Scholtz laid a charge against the Owl House Foundation for not affording him access in 2021 to
 - a. The Members List of the Owl House Foundation
 - b. The Memorandum of Incorporation and any amendments
 - c. The Register of Directors of the Owl House Foundation
2. Piet Du Plessis laid a charge against the Owl House Foundation for not affording him access in 2021 to
 - a. The Members List of the Owl House Foundation
 - b. The Memorandum of Incorporation and any amendments
 - c. The Register of Directors of the Owl House Foundation
 - d. Annual Financial Statements for the previous 7 years
 - e. Notices and Minutes for the AGMs and any special members meetings for the previous 7 years
 - f. General written communications for the previous 7 years
3. Ruan Lombard laid a charge against the Owl House Foundation for not affording him access in 2022 to
 - a. The Draft Minutes of the AGM held in 2021

Criminal prosecution of the entire Board of Directors of the Foundation was sought by the complainants.

This matter was debated by the Board who believed that the charges could be defended.

However the costs and time to defend such a matter could severely damage the financial viability of the Foundation.

As such, the Board resolved to pay the admission of guilt fine imposed on the charges of R2000.

The complainants have received all the information available from the Foundation and the matter has been finalised. The charges against me in my personal capacity have been withdrawn.

Crucially, the Board has now employed the services of a Secretary who is tasked with handling all such requests in a process and manner that is compliant with the Companies Act.

CONCLUSION

It has been a privilege to work alongside the Directors of the Foundation a dedicated group of people who have ensured that the Foundation is in a stronger position that it was 4 year ago.

I remind our members that the Directorships of the Foundation are volunteer positions and are not remunerated. It is truly a commitment to the Owl House that motivates these Directors to contribute their valuable time and expertise.

I must thank and acknowledge my fellow Directors on the Board of the Foundation over the last 4 years.

I will look back at this Symphony with great affection and pride. It has had all 4 movements; an opening Sonata, then a slow Andante, even a Scherzo and finally the Allegro in the end.

It has been without a doubt a great honour to facilitate the improvements of Miss Helens' creation – her spirit has been an inspiration.

I am hopeful that the incoming Board will take further strides to improve Helen Martins' legacy not only locally but internationally.

I would like to Thank all the Nominees who have put themselves forward for election this year – your passion for The Owl House is acknowledged and your expertise is essential.

Remember the advices of Seneca, the Roman Philosopher, who said :

“It is not because things are difficult that we do not dare,
It is because we do not dare that they are difficult.”

May your endeavours be guided by principle, passion, compassion and good sense always with the understanding that Miss Helens' legacy is integrated into a much broader narrative of our country's past, present and future.

May your time as custodians of this Jewel of the Karoo be true and integrous.

I thank you for your time and consideration of this report.

Thank you

FULVIO DE STEFANIS
Chairman
Owl House Foundation
12 November 2022

