

BUSINESS PLAN PROPOSAL

FOR DE HOOP SA
MARCH 2022



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1.0 Executive Summary

De Hoop Township is located about 15km west of Oudtshoorn, on the R62 between Oudtshoorn and Calitzdorp. The main feature of De Hoop is the majestic sandstone church building, very prominent and visible from the R62.

The town originally consisted of 228 erven, but after a railway line was built, there are now 212 erven with two ownership categories, nl privately owned erven and church owned erven.

Chart: Ownership Percentage

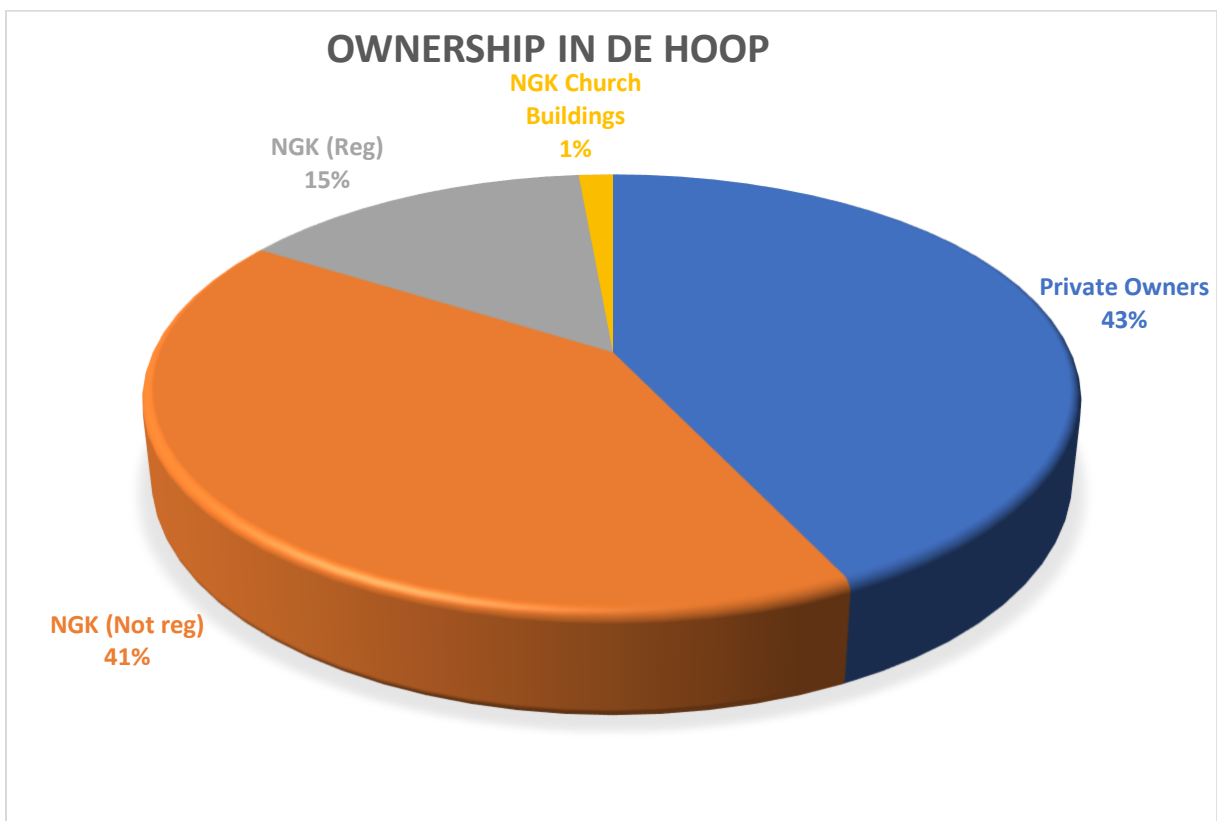
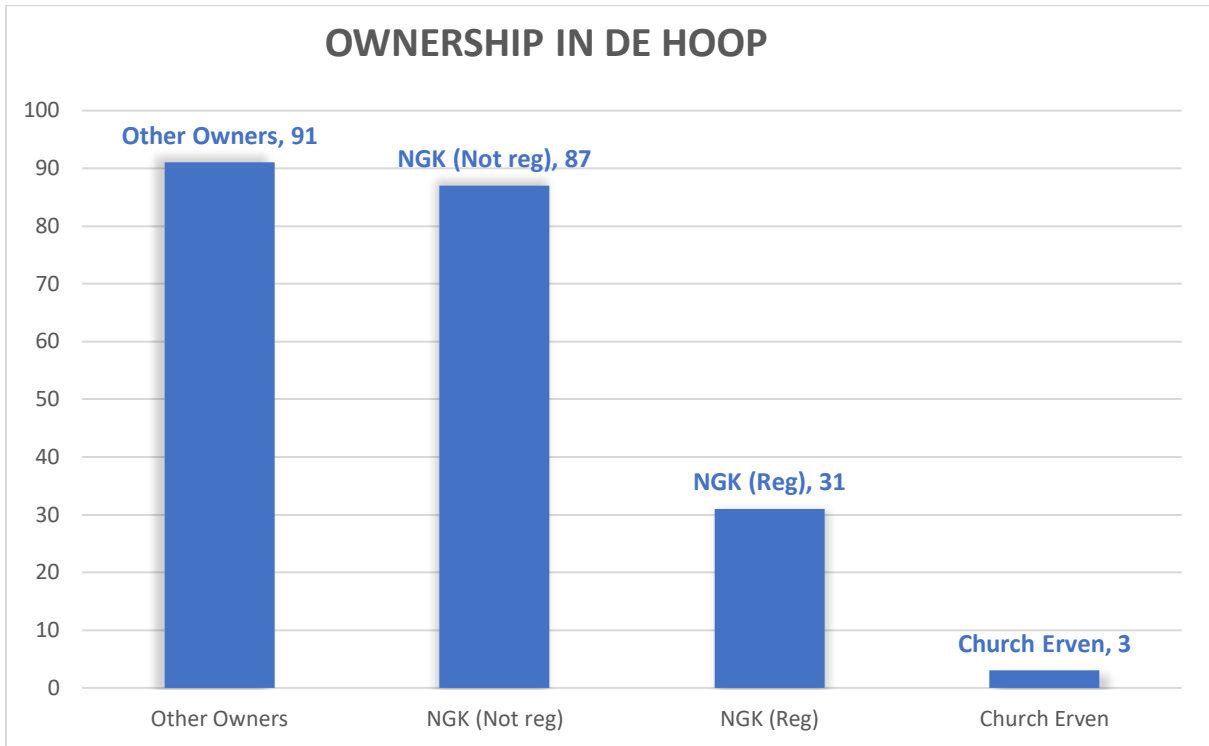


Chart: Ownership Number



1.1 Objectives

1.2 Mission

De Hoop SA wants to develop a vibrant community at De Hoop, where poverty can be alleviated through preserving the existing assets as working and income generating tourism projects, while also building unique, dignified housing and creating job opportunities for the beneficiaries.

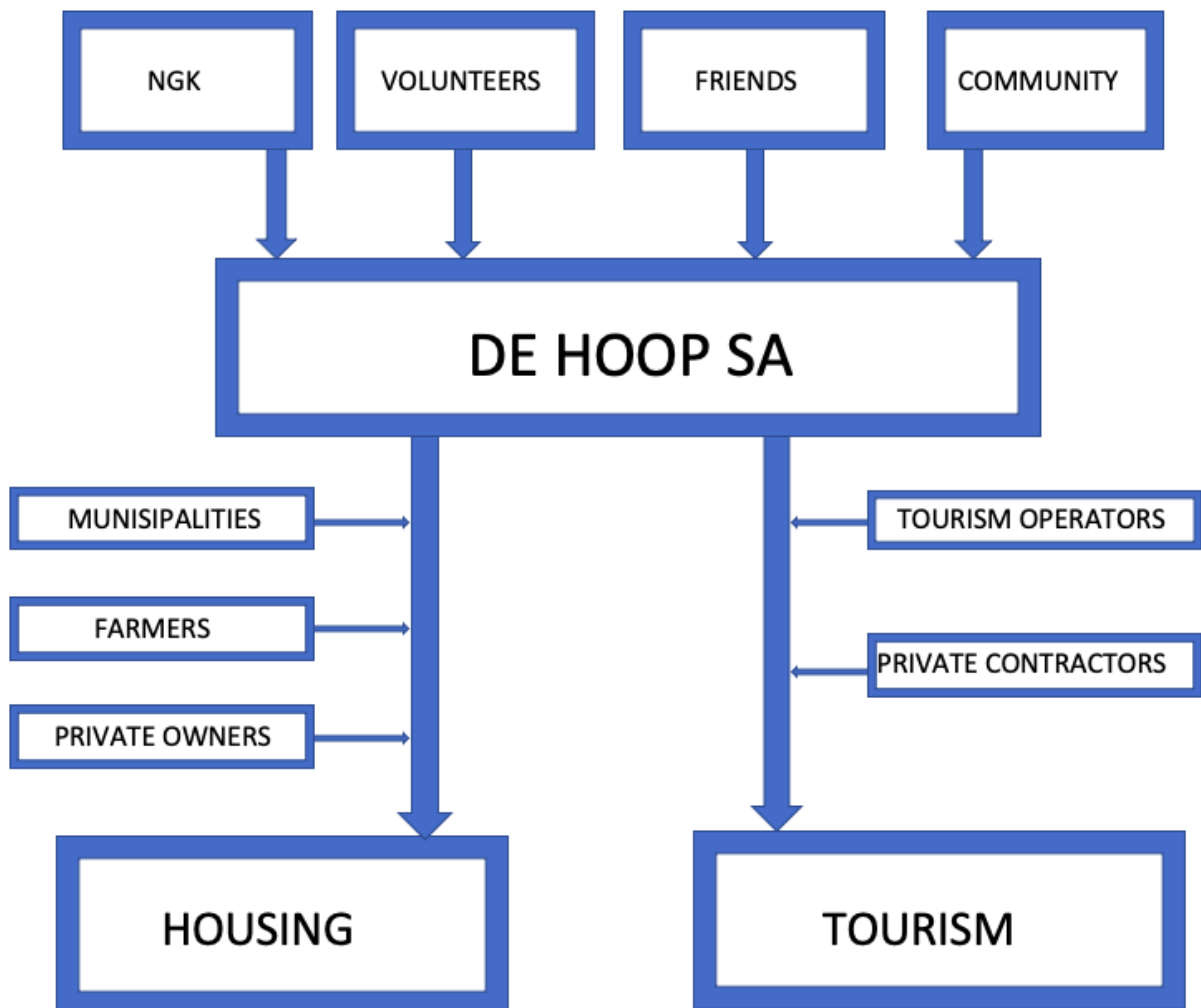
1.3 Role Players

De Hoop SA is a Non-Profit organization, consisting of representatives of the Dutch Reformed Church, Volunteers, Friends of De Hoop and members of the local community.

In the Housing Development process, De Hoop SA will involve the Local Municipalities, the Farming community and the private land owners at De Hoop.

Converting the historical church buildings into income generating assets through tourism projects, De Hoop SA will involve tourism operators and private contractors.

The Dutch Reformed Church (NGK) will use the facilities and opportunity to develop a ministry of Hope at De Hoop.



1.4 Keys to Success

- De Hoop SA has the support of a growing base of “Vriende van De Hoop / Friends of De Hoop”.
- The social/political risk at De Hoop is relatively low and the project enjoys the support of the local community.

- The church as landowner (NGK) has the desire to bring hope to people in need and not to profit financially from it
- The township of De Hoop is established and the zoning of the erven to be developed is residential
- De Hoop SA has 3 volunteers to operate the project
- While De Hoop SA will tend to the development of the project, the church (NGK) will have the opportunity to establish a ministry of hope.
- The local community, farmers and municipality support the project
- De Hoop SA will generate income by selling some residential erven, selling “souvenir plots” on the 11ha comanage area, run project crowdfunding and market tourism opportunities at De Hoop

2.0 De Hoop: Summary

De Hoop Township is located about 15km west of Oudtshoorn, on the R62 between Oudtshoorn and Calitzdorp. The main feature of De Hoop is the majestic sandstone church building, very prominent and visible from the R62.



The De Hoop Township originally consists of a proposed 228 plots.

Nine plots were consolidated to form a larger plot and were earmarked for a school. There are thus 220 plots in De Hoop, plus the remainder of Plot 229 (30,8965 hectares).

Most of these 220 plots were planned as residential plots of roughly 990 square meters each.

Three larger plots (Erven 129, 130 and 131) were earmarked for a church, a church hall and a parking area.

A railway was subsequently built running from east to west through the southern part of the town. Eleven of the original residential plots were used by Transnet for the railway and several other plots were partly used, thus reducing the original size of the plots.

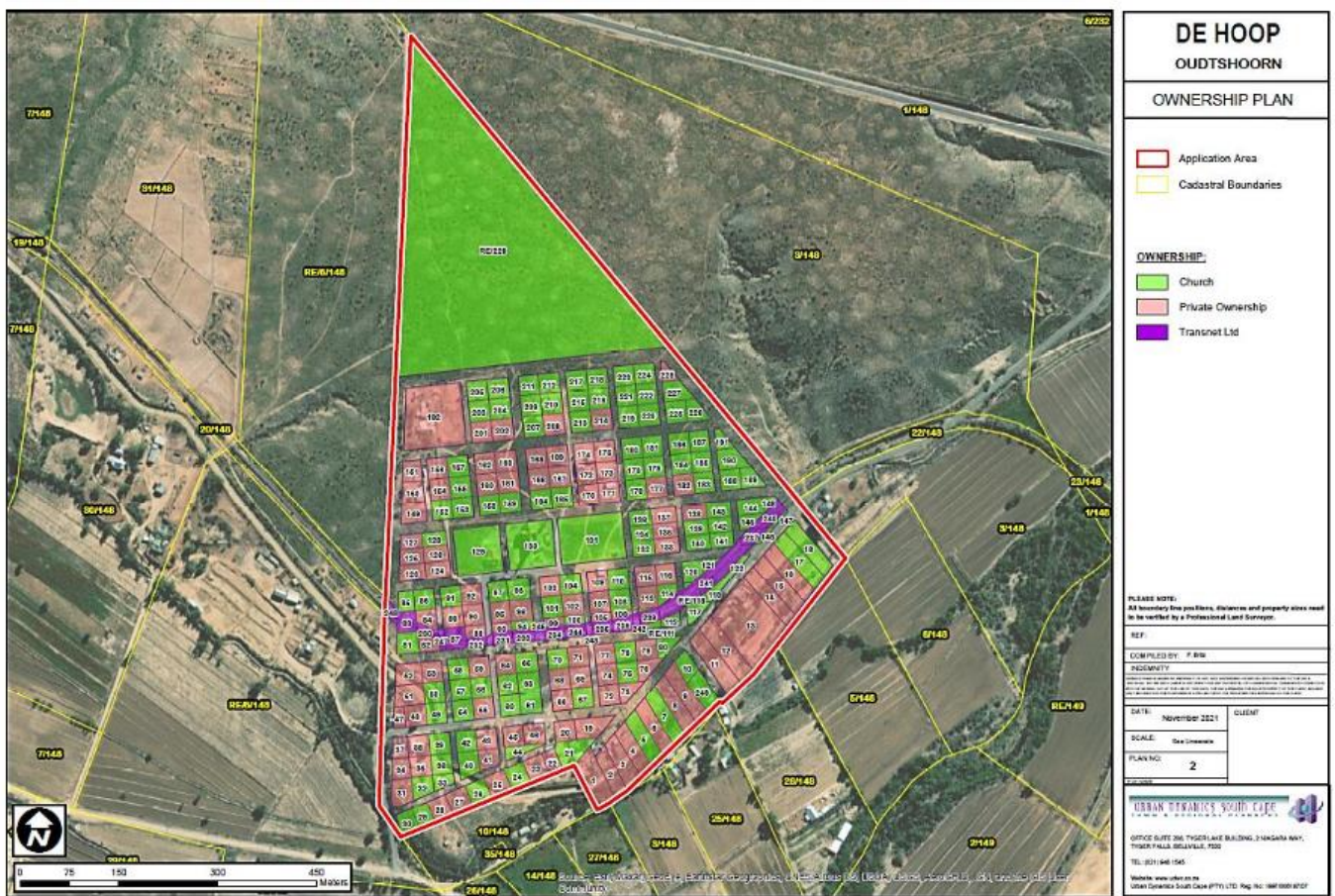


2.1 De Hoop: Ownership

The NEDERDUITSE GEREFORMEERDE KERK IN SUID-AFRIKA (NGK) is the owner of 31 of the registered residential plots and the remainder of Erf 229.

Another 74 of the plots are registered in the name of other legal entities: individuals, trust, farms and businesses. Houses and other structures were built on some of these registered plots.

87 of the plots are not yet registered and the ownership of another 17 plots, south of Long Street, are uncertain.



Source: ASLA Report February 2022

2.2 De Hoop: History

De Hoop used to be a congregation of the “Nederduitse Gereformeerde Kerk” (Dutch Reformed Church)

De Hoop's congregation, town and grounds have come a very long way for the past couple of decades now. The founding fathers built the De Hoop church for

the surrounding agricultural community and hoped that town development could come thereafter.

The town was indeed surveyed and several plots were sold, but unfortunately, these plots were never developed for a variety of reasons. The congregation gradually withered and later merged with the DRC congregation, Oudsthoorn Park.

At one stage it was decided that De Hoop should be dismantled of its total property. As a result, the church building, plots, and hall ended up on the market.

The Dutch Reformed Synod of the Western Cape heard about this and decided that De Hoop was too precious to alienate. As a result, the church, buildings, and land were taken over by the synod.

Since the synod took over the properties, the church and the plots were left unused. With the help of the Rupert Foundation, the church was upgraded at one stage and is currently in a fair condition.

Informal settlers began to squat on the railway line right in front of De Hoop Church. The land the squatters settled on belongs to PRASA but the situation dramatically affects the beautiful ambience of the area. The situation cannot be salvaged if nothing is done, it can only worsen.

Several meetings with the informal settlers, farmers, the presbytery and other relevant role-players were held during 2021-22 on the way forward with De Hoop.

The result was that the synod decided to transfer the day-to-day management of the fixed assets at De Hoop to the Hope and Reconciliation Trust for an interim period, until a proper local management structure (De Hoop SA) is put in place to take De Hoop forward.

Also, discussions took place with the municipality and district municipality, and as a result ASLA was appointed to do a feasibility study on De Hoop.

3.0 Bulk Services

Oudtshoorn Municipality confirmed that there are no bulk services available in the area in terms of sewer and water reticulation.

4.0 Market Analysis Summary

According to research done and data provided, the immediate beneficiaries on De Hoop are approx. 22 families living on De Hoop Railway Station, as well as around 5 families living on the close by Kerkrand Railway Station - totaling **27 households**

Furthermore, the local Agricultural community provided a list of **70 families** as next in line to benefit from a housing project.

The housing need for local beneficiaries at De Hoop is **97 affordable houses**.

The beneficiary ages vary from young people up to pensioners. All of these families fit into the very low demographic in terms of income.

4.1 Market Segmentation

The market of interest for De Hoop exists for both **low income** and **middle income** (privately owned properties) families.

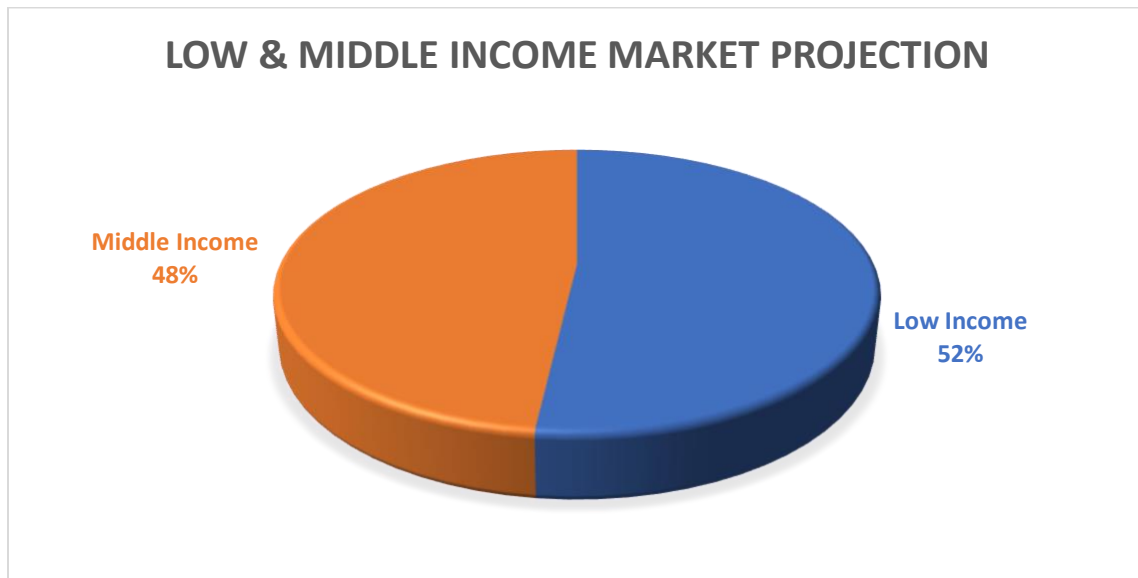
Both sectors provide an ample supply of prospective tenants seeking affordable, clean, and dignified houses.

Table: Market Analysis

<i>Market Analysis: Low Income</i>		
	Families	People
De Hoop Station	22	70
Kerkrand Station	5	20
Farming Community	70	320
Total	97	410

<i>Market Analysis: Potential Middle Income Market</i>	
	Owners
Private Owners	74
Uncertain	17
Total	91

Chart: Market Analysis



4.2 Target Market Segment Strategy

The Target Market Segment Strategy consists of the following:

- Build unique and dignified low-cost housing for the beneficiaries living on De Hoop Station and Kerkrand Station
- Build unique and dignified affordable (low & middle income) housing for beneficiaries from larger farming community
- Facilitate the building of middle-income housing on the privately own erven

This strategy will not only increase the value of the current properties, but also attract middle income families that can afford larger houses on the privately owned erven. All new homes should be unique in that they are eco-friendly, energy-efficient and esthetically pleasant. Homes that fit these criteria are a rarity for low- and middle-income tenants and will be in high demand.

4.3 Service Business Analysis

The **church** does not want to make profit from the properties owned by them. As the major role-player and land owner, the church wishes to provide dignified housing to beneficiaries in need, preserve the historical church buildings and

establishes a meaningful ministry of hope in De Hoop. To achieve this goal, the church made available R100 000 per annum, over a period of 3 years (totaling R300 000) – starting 2022.

Private land owners adopted a “wait-and-see” attitude, forced by the lack of services (especially water) not to proceed with any major house building at De Hoop.

The **Oudtshoorn Municipality and the Garden Route District Municipality** will support a subsidy funding application by ASLA to develop a minimum 250-300 houses on church-owned property. The application process will be a lengthy one, as it will include a full Environmental Impact Assessment.

De Hoop SA already constituted with a management committee and is currently on site in De Hoop with an office, active website, community programs and active projects.

5.0 De Hoop SA - Strategy and Implementation Summary

The **primary focus** of De Hoop SA will be to facilitate low- and middle-income housing for 97 families, tuning De Hoop into a unique and vibrant community.

The **secondary focus** will be to turn the historical church buildings into income generating tourist attractions to enhance and compliment this vibrant community.

Turning De Hoop into a tourism destination of note will then offer a unique opportunity to the church to establish a **Ministry of Hope**.

5.1 SWOT Analysis

The following SWOT analysis captures the key strengths and weaknesses within De Hoop, and describes the opportunities and threats facing De Hoop SA.

5.1.1 Strengths

- The social-political risk concerning the illegal informal settlers are relatively low
- The church is the owner of a sizable number of erven at De Hoop and wish to make these available for affordable housing, without making a profit

- The prominent church building is a valuable tourist attraction and can easily be turned into a unique tourist destination
- The church hall provides excellent support infrastructure to the church building and tourist activities
- The buildings are in good condition
- De Hoop is located on the very popular R62 tourism route, 15 km from Oudtshoorn, a well-established tourism destination
- The Church assets can be turned into income generating assets

5.1.2 Weaknesses

- No bulk services available, especially water
- The church or De Hoop SA does not have the money to fund a development at De Hoop
- The profile of the identified beneficiaries does not fit an entrepreneurial and “do-it-yourself” community, but rather that of a “welfare community”

5.1.3 Opportunities

- The De Hoop church building can provide the unique selling point (USP) for a successful tourism destination
- An eco-friendly, unique and dignified housing option could further enhance the USP to develop De Hoop into a vibrant tourism hub
- It is possible to source a limited water supply to De Hoop from current municipal sources, as well as possible boreholes on church property
- By turning De Hoop into a tourism destination, numerous tourism related job opportunities can be created
- The profile of the De Hoop project fits the criteria for numerous international fundraising opportunities e.g. crowdfunding (for specific projects), sponsors and donations.

5.1.4 Threats

- Time is running out - there is a real threat that should a project not get going soon, that illegal land occupation could continue
- There is a lack of enthusiasm for the development of De Hoop from the surrounding farming community and land owners
- A downturn in the local economy and a struggling farming community makes local fund raising very difficult
- Apart from odd seasonal farming job opportunities, there is no job opportunities at De Hoop

5.2 Housing Strategy for De Hoop

To address the current Housing need at De Hoop, the following strategy must be implemented:

- The **27 families** living on the railway line must be permanently relocated to the 23 church-owned erven south of the main road (**See par 5.2.1**)
- The **82 church-owned** erven north of the main road must be sold to farmers / private owners. De Hoop SA will facilitate housing for the surrounding farmworkers, together with farm owners and private land owners. (**See par 5.2.2 & par 5.3**)
- De Hoop SA will facilitate basic minimum services to both areas south and north of the main road (**see par 5.4**)

5.2.1 Families current living on the Railway line

The **first priority** is to relocate the 27 households currently living on the railway line at De Hoop and Kerkrand stations and upgrade their living conditions.

- All these families must be relocated to the church properties south of the main road and the railway line must be cleared
- This relocation should be permanent.
- De Hoop SA will sponsor / subsidize the houses for beneficiaries
- With the help of NPO organizations such as "The Shackbuilder", the relocation should be done in phases

- First phase should be to move the families into upgraded shacks, providing that the new top structures will be an upgrade from the current shacks and living conditions
- Oudtshoorn Municipality must continue with providing of water and toilets, but must also do refuse removal for the relocated area.
- The land earmarked for this relocation is 23 church-owned erven south of the main road – see all erven marked in **green** in the demarcated area below:



5.2.2 Families currently living in the surrounding farming area

Although there certainly is a need to house farmworkers from the surrounding farming area at De Hoop, it is less urgent than the illegal dwellers on the railway line. During our research and while compiling the list of potential beneficiaries it

became clear that most of the people living on the farms are quite happy to be there.

- The position of most of the farm owners are that they would like to assist farm workers to move into dignified housing in a De Hoop town.
- Many of the privately owned erven in De Hoop already belongs to farm owners.
- De Hoop SA should therefore sponsor/subsidize & facilitate the construction of houses for the identified beneficiaries on church-owned as well as on some privately owned erven
- The land earmarked for this is 83 church owned residential erven marked in **green**, as well as the privately owned erven marked in red, demarcated in the area on the map below



5.3 Housing Option for De Hoop

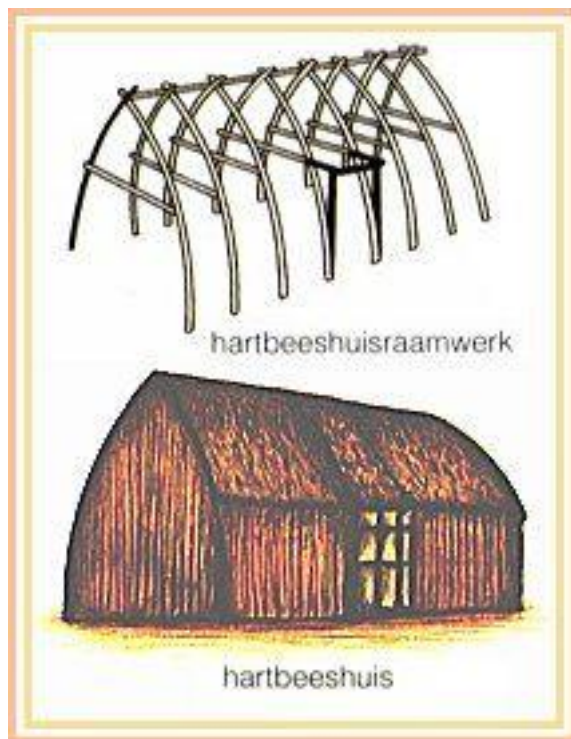
De Hoop SA set the following criteria for affordable housing options at De Hoop:

- Affordable
- Contribute to human dignity
- Esthetically pleasant and eco-friendly
- Unique “look & feel” – contribute to the USP as a tourism destination
- Incremental & modular
- Running water and internal flushing toilet
- The same building method must provide for both the low- and middle-income housing options

The following housing option complies with all the above criteria:

5.3.1 The “Ark” Housing Structures

The “Ark” structure is a modern re-design of one of the earliest concepts of affordable housing in South Africa – the “Hartbeeshuisie”:



Whereas the “Hartbeeshuisie” was built with a wooden frame, covered with whatever local natural material was available, the modern “Ark” structure is done with light steel frame, covered with Chroma deck on the outside and can be isolated on the inside with whatever material is available.



This tiny home structures can be pre-manufactured and delivered in complete units on site.

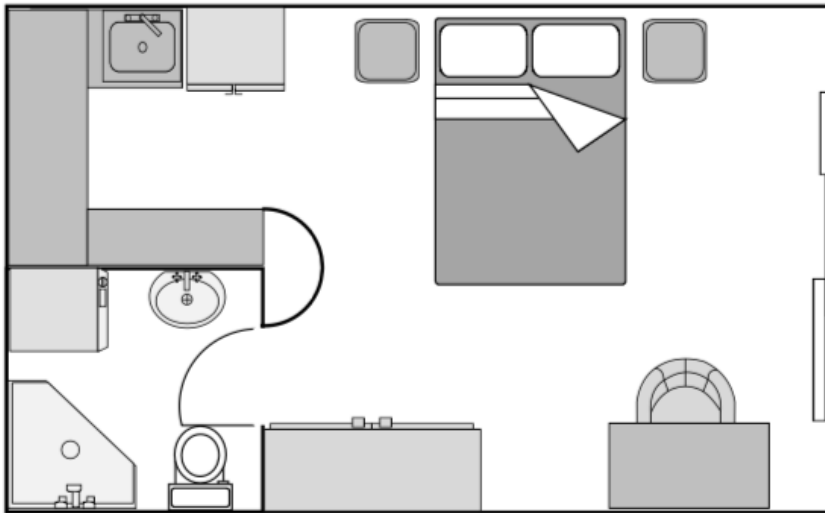
It is easy to erect and unskilled labor can be trained to put it up.

It has a unique, beautiful “look & feel”. Houses can be customized and provide options from the tiniest little house up to 4-bedroom, double story luxury units.



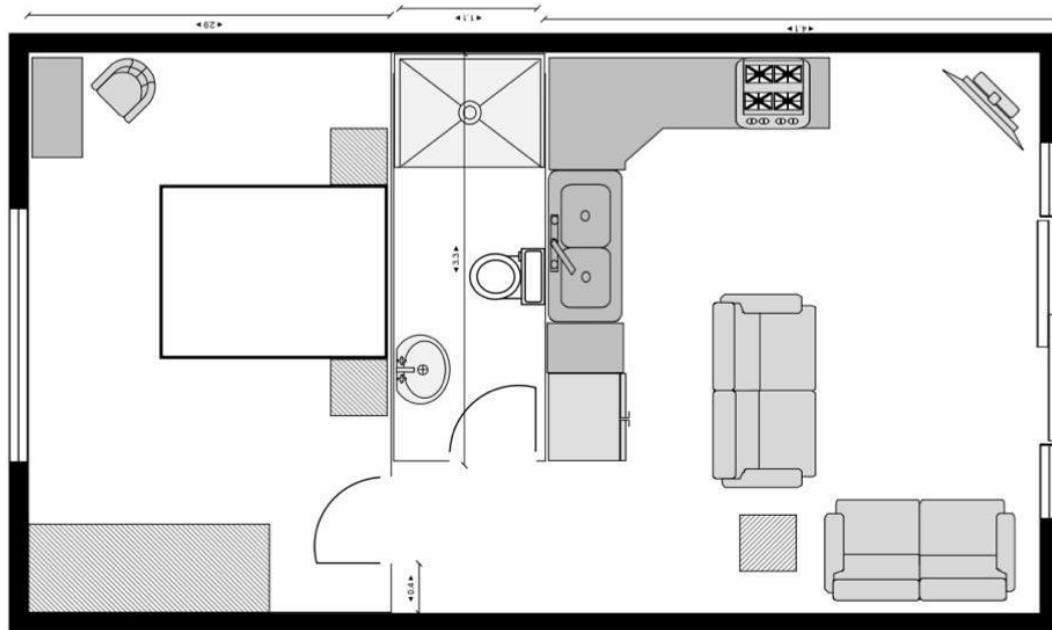
5.3.2 "Ark" Structure options for De Hoop

OPTION 1: Batchelor Unit – 32 m² (4m x 6m)



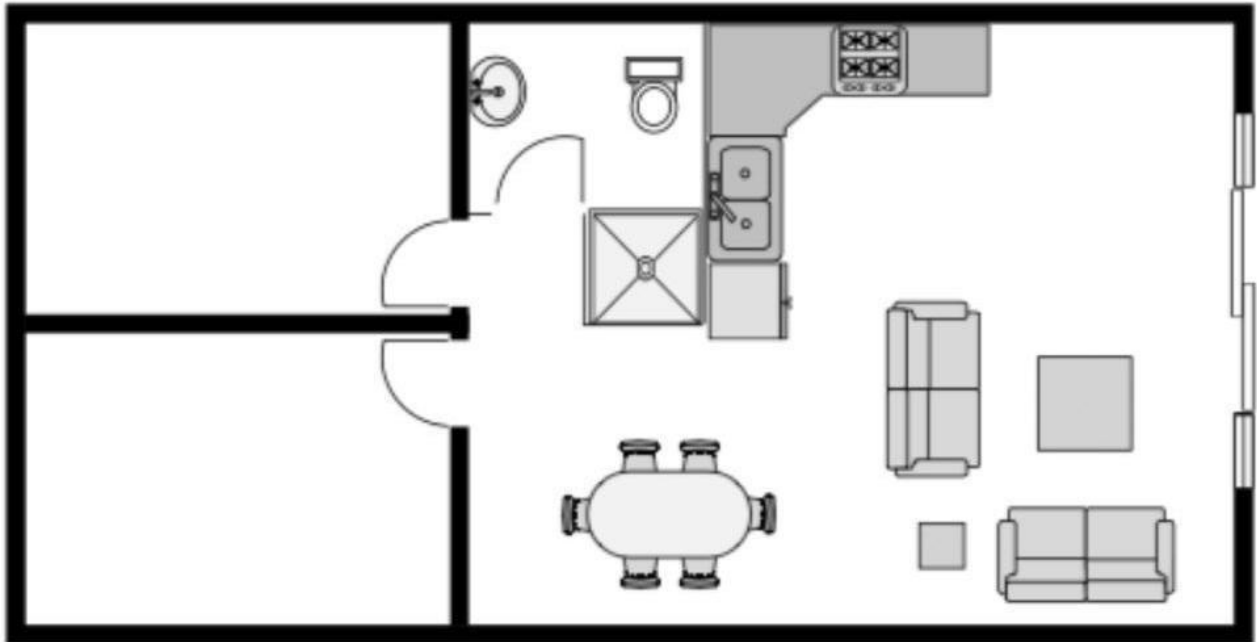
Quote: (unit discription)		
Dimensions: L6m x W4m x H3,2m		
DESCRIPTION	Unit	R
Area assumed level. No provision for ground works		
FLOOR FRAME AND RIDGE		
Channel	75x50x20x2x9m	3 032,00
Ridge runner, material		750,00
Floor : steel mesh and water barrier		1 200,00
Concrete supply and install		8 400,00
Manufacturing and labour		3 360,00
STRUCTURE		
Ribs	38mm x 1,6mm	5 670,00
Façades - steel	38mm x 1,6mm	1 701,00
	32mm x 1,6mm	144,00
Rolling of ribs		1 980,00
Roof cover (0,5mm Chromadek)	Widespan	14 532,00
Façades - chromadek sheeting	38,88	4 844,00
Ridge plate		1 365,00
Screws and fixing		400,00
Front door and 2 windows (provision)		6 450,00
Manufacturing of steel structure (assembly ready)		11 500,00
Assembling of superstructure complete including labour		4 200,00
Bathroom walls, door and painted (dry wall system)		7 400,00
Shower door, pan, mixer, shower head and arm		4 850,00
Toilet, basin, mixer, waste and trap		3 200,00
Plumbing, pipe work, installation and fitment (including stop valve)		5 200,00
No cladding and insulation included		
TOTAL (VAT Included)		91 958,00
TOTAL (VAT excluded)		79 963,48

OPTION 2: 1 Bedroom Unit – 45m² (5m x 9m)



Quote: (unit discription)		
Dimensions: L9m x W5m x H4,8m		
DESCRIPTION	Unit	R
Area assumed level. No provision for ground works		
FLOOR FRAME AND RIDGE		
Channel	75x50x20x2x9m	4 548,00
Ridge runner, material		810,00
Floor : steel mesh and water barrier		2 250,00
Concrete supply and install		15 750,00
Manufacturing and labour		4 725,00
STRUCTURE		
Ribs	38mm x 1,6mm	7 560,00
Façades - steel	38mm x 1,6mm	2 268,00
	32mm x 1,6mm	144,00
Rolling of ribs		2 400,00
Roof cover (0,5mm Chromadek)	Widespan	27 680,00
Façades - chromadek sheeting	38,88	4 844,00
Ridge plate		1 950,00
Screws and fixing		680,00
Front door and 3 windows (provision)		8 600,00
Manufacturing of steel structure (assembly ready)		13 950,00
Assembling of superstructure complete including labour		4 500,00
Room and bathroom walls, 2 doors and painted (dry wall system)		18 500,00
Shower door, pan, mixer, shower head and arm		4 850,00
Toilet, basin, mixer, waste and trap		3 200,00
Plumbing, pipe work, installation and fitment (including stop valve)		5 200,00
No cladding and insulation included		
TOTAL (VAT Included)		136 409,00
TOTAL (VAT excluded)		118 616,52

OPTION 3: 2 Bedroom Unit – 60m² (6m x 10m)



Quote: (unit discription)		
Dimensions: L10m x W6m x H4,6m		
DESCRIPTION	Unit	R
<i>Area assumed level. No provision for ground works</i>		
FLOOR FRAME AND RIDGE		
Channel	75x50x20x2x9m	5 306,00
Ridge runner, material		900,00
Floor : steel mesh and water barrier		3 000,00
Concrete supply and install		21 000,00
Manufacturing and labour		4 200,00
STRUCTURE		
Ribs	38mm x 1,6mm	8 111,25
Façades - steel	38mm x 1,6mm	2 433,38
	32mm x 1,6mm	144,00
Rolling of ribs		2 400,00
Roof cover (0,5mm Chromadek)	Widespan	30 448,00
Façades - chromadek sheeting	43,2	5 190,00
Ridge plate		2 340,00
Screws and fixing		1 020,00
Front door and 4 windows (provision)		10 800,00
Manufacturing of steel structure (assembly ready)		16 200,00
Assembling of superstructure complete including labour		6 000,00
Room and bathroom walls, 3 doors and painted (dry wall system)		29 600,00
Shower door, pan, mixer, shower head and arm		4 850,00
Toilet, basin, mixer, waste and trap		3 200,00
Plumbing, pipe work, installation and fitment (including stop valve)		5 200,00
No cladding and insulation included		
TOTAL (VAT Included)		162 342,63
TOTAL (VAT excluded)		141 167,50

5.3.3 Specifications Summary

<i>Specifications</i>			
	Batchelor	1 Bedroom	2 Bedroom
Length	6m	9m	10m
Width	4m	5m	6m
Height	3,2m	4,8m	4,6m
Size	32m ²	45m ²	60m ²
Overhang on both sides	400mm	400mm	400mm
Height lends to possible loft area to increase units size up to:		65%	65%

5.3.4 Cost Summary

<i>Cost</i>			
	Batchelor	1 Bedroom	2 Bedroom
TOTAL (Excluding VAT)	R 80 000	R 120 000	R 140 000

5.4 Services – Water, Sewer & Electricity

Oudtshoorn Municipality confirmed that there are no bulk services available in the De Hoop area in terms of sewer and water reticulation. It is also clear that any future application for such services would need to provide evidence that alternative technologies had been considered for engineering infrastructure such as sanitation solutions.

5.4.1 Water

De Hoop is a water scarce area and it speaks for itself that water supply and use should be managed with the utmost care.

- For the relocation of the 27 families south of the main road, a municipal water connection is currently available. Apart from this available connection, the Oudtshoorn Municipality is currently providing water with a tanker to these households and should continue as such.
- For the housing development north of the main road, the current municipal water supply to the church buildings will be upgraded and feed into a reservoir, from where it will be reticulated to the new houses as they are constructed.
- The municipal water supply will be supplemented with supply from a borehole situated on Erf 18 (church-owned property). This borehole was

sunk by a neighbor on church owned property and De Hoop SA will negotiate the handover of the borehole and compensate the neighbor.

- Every house will have a properly designed greywater system. The system collects wastewater from washbasins, showers, and baths. This water is fed into the greywater system to be filtered and fed into a storage tank. Here it sits until there is a demand e.g., irrigation or toilet flushing.

5.4.2 Sewer

There are no bulk sewer services available at De Hoop. Current house owners make use of a septic tank system.

De Hoop will make use of a combination of septic tank and a "honey sucker" to dispose of sewer.

A septic tank is a tank found underground in which sewage is collected and allowed to decompose. Decomposition happens through the process of promoting the growth of anaerobic micro-organisms which then partially degrade the waste water before draining by means of a soak away.

In addition, a "Honey sucker" is a truck is equipped with a storage tank, vacuum pump as well as an extraction pipe. The extraction pipe is lowered into the septic tank, where after sewage is extracted into the storage tank by way of the mechanical vacuum pump. The raw sewage is then disposed of at designated sewage plants.

5.5 Tourism Strategy for De Hoop

Tourism creates great economic benefits such as income and substructure development, especially from economical aspects for marginal and under developing regions. Tourism can provide organic economic growth and small trade for rural areas such as de Hoop.

Christian tourism is a subcategory of religious tourism which is geared towards Christians. As one of the largest branches of religious tourism, it is estimated that seven percent of the world's Christians—about 168 million people—are "on the move as pilgrims" each year.

Historically, the architecture and decoration of religious buildings across the world have always been accorded the finest workmanship and artistry available,

and in Europe today the larger cathedrals and abbeys are among the most visited attractions.

A good, well written guide to the history of the De Hoop historical church building, its contents and its surrounding is perhaps the minimum requirement for encouraging people to visit this historic place of worship. Heritage interpretation requires careful consideration of the needs of the visitors, why they are there, and what is likely to interest them.

While the historical church building will be the main tourist attraction for De Hoop (or the Unique Selling Proposition), the tourism strategy for De Hoop will include support facilities and tourism activities such as:

- Letting the church hall & kitchen as a coffee shop / restaurant to serve tourists and visitors
- Letting the church building as a conference facility
- Developing the church hall site into a small camping / accommodation facility
- Developing the 6 erven behind the church into tourism accommodation
- Building an Arts & Crafts Centre
- Organized visits to De Hoop by touring operators
- Organized visits & events by Christian churches and groups
- Annual conferences
- Making the facilities available to the KKNK
- Organized events such as hiking and cycling
- Building a unique community with unique housing structures to support De Hoop as a tourism destination

A tourist attraction is a place of interest that tourists visit, typically for its inherent or an exhibited natural or cultural value, historical significance, natural or built beauty, offering leisure and amusement.

De Hoop is situated right in the middle of an established tourism hub in the Klein Karoo and has all the attributes to develop into a very successful tourist attraction.

5.6 Funding Strategy for De Hoop

Raising the funds to pay for services such as water, sewer, to build top structures, to do the upkeep of the historical church buildings and cover the monthly overhead costs will be a combination of the following:

- Selling off 80 of the church owned residential erven
- Selling of “souvenir plots” on the 11ha commonage area
- Generating income from tourism activities and letting of church buildings
- International crowd fundraising for specific projects

5.6.1 Funding Forecast

As the following table shows, De Hoop SA plans to deliver revenues of approximately R3 mil in the first year, R4 mil in the second year, and R4 mil in the third year

Table: Funding Forecast

<i>Funding Forecast</i>			
INCOME	2022	2023	2024
Sales of residential erven	R 1,265,000	R 1,650,000	R 1,650,000
Sales of Souvenir Plots	R 1,100,000	R 1,650,000	R 1,650,000
Project Crowdfunding	R 550,000	R 770,000	R 660,000
Rental Income & Tourism Activities	R 110,000	R 220,000	R 220,000
Receive from church (NGK)	R 100,000	R 100,000	R 100,000
TOTAL INCOME	R 3,125,000	R 4,390,000	R 4,280,000
DIRECT COSTS OF SALES	2022	2023	2024
Commission: Sales on erven	R 126,000	R 165,000	R 165,000
Commission: Sales Souvenir Plots	R 100,000	R 165,000	R 165,000
Commission: Project Crowdfunding	R 50,000	R 70,000	R 60,000
Commission: Tourism activities	R 10,000	R 20,000	R 20,000
SUBTOTAL DIRECT COSTS OF SALES	R 286,000	R 420,000	R 410,000

5.7 Milestones

The following table lists the important program milestones, with dates and Role-players in charge. The milestone schedule indicates De Hoop SA's emphasis on planning for implementation.

Table: Milestones

<i>Milestones</i>			
Milestone	Start Date	End Date	Role-player
All Role-players agree to Business Plan	01/4/2022	30/4/2022	All
Relocate 27 families from railway line	01/4/2022	30/9/2022	De Hoop SA
Upgrade municipal water supply	01/4/2022	30/6/2022	De Hoop SA
Install borehole water supply	01/4/2022	31/7/2022	De Hoop SA
Relocating farmworkers to private erven	01/06/2022	01/05/2025	Private Farm Owners
Selling church-owned residential erven	01/05/2022	01/04/25	De Hoop SA
Activate tourism activities	01/4/2022	ongoing	Tourism Operators

6.0 Management Summary

De Hoop SA is presently managed by a committee of 9 members and operated by 3 volunteers.

De Hoop SA can appoint any volunteers of choice as project, funding, and site managers. A bookkeeper will also need to be appointed from April 2022. Additionally, De Hoop SA will appoint independent contractors to manage all other activities, including tourism activities.

Table: Personnel

<i>Personnel Plan</i>			
	2022	2023	2024
Project Manager	R 143,000	R 210,000	R 205,000
Funding Manager	R 143,000	R 210,000	R 205,000
Site Manager	R 120,000	R 120,000	R 120,000
Bookkeeper	R 36,000	R 36,000	R 36,000
Total People	4	4	4
Total	R 442,000	R 576,000	R 566,000

7.0 Financial Plan

The financial plan is based on conservative estimates and assumptions. De Hoop SA's income is based on the assumption that the Dutch Reformed church will make all church-owned properties available for the purposes set out in this business plan.

7.1 Important Assumptions

- De Hoop SA is assuming that the church will make all church-owned residential properties available to the project at no cost
- All church-owned historical buildings will be made available for income generating tourism activities, at no cost
- De Hoop SA, as NPO, will not profit from this project, but will use all income to fund and subsidize infrastructure and housing development for the identified beneficiaries
- The cost for generating income will be covered by commission earned on sales and will not be fixed monthly expense to De Hoop SA
- The church will continue to make available R100,000 per annum for 3 years, totaling R300,000

7.2 Projected Cash Flow

De Hoop SA shows a positive cash flow and the analysis is outlined in the following table.

Table: Cash Flow

<i>Pro Forma Cash Flow</i>			
	2022	2023	2024
Cash Received			
Cash from Operations			
Cash Sales	R3,025,000	R4,290,000	R4,180,000
Cash from Receivables	R100,000	R100,000	R100,000
Subtotal Cash from Operations	R3,125,000	R4,390,000	R4,280,000
Additional Cash Received			
VAT Received	R0	R0	R0
New Current Borrowing	R0	R0	R0
New Other Liabilities (interest-free)	R0	R0	R0
New Long-term Liabilities	R0	R0	R0
Sales of Other Current Assets	R0	R0	R0
Sales of Long-term Assets	R0	R0	R0
New Investment Received	R0	R0	R0
Subtotal Cash Received	R0	R0	R0
Expenditures	2022	2023	2024
Expenditures from Operations			
Cash Spending	R2,750,000	R3,850,000	R3,800,000
Bill Payments	R240,000	R250,000	R260,000
Subtotal Spent on Operations	R2,990,000	R4,100,000	R4,060,000
Additional Cash Spent			
VAT Paid Out	R0	R0	R0
Principal Repayment of Current Borrowing	R0	R0	R0
Other Liabilities Principal Repayment	R0	R0	R0
Long-term Liabilities Principal Repayment	R0	R0	R0
Purchase Other Current Assets	R0	R0	R0
Purchase Long-term Assets	R0	R0	R0
Dividends	R0	R0	R0
Subtotal Cash Spent	R0	R0	R0
Net Cash Flow	R135,000	R290,000	R220,000
Cash Balance	R135,000	R425,000	R645,000

Chart: Cash Balance

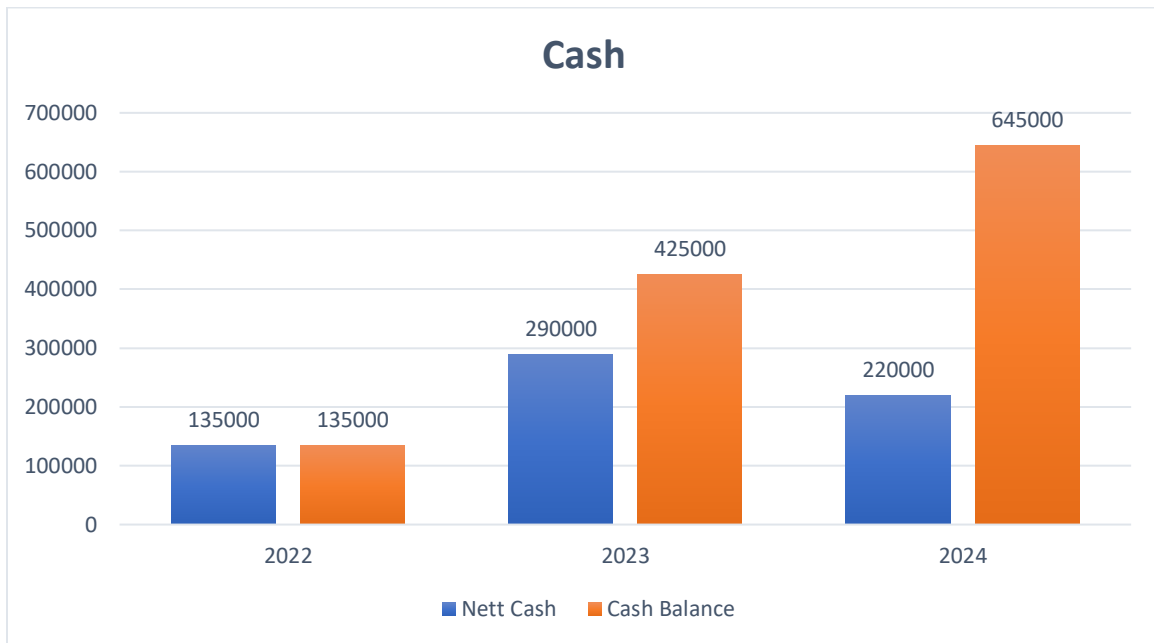


Chart: Cash Received / Expenditure

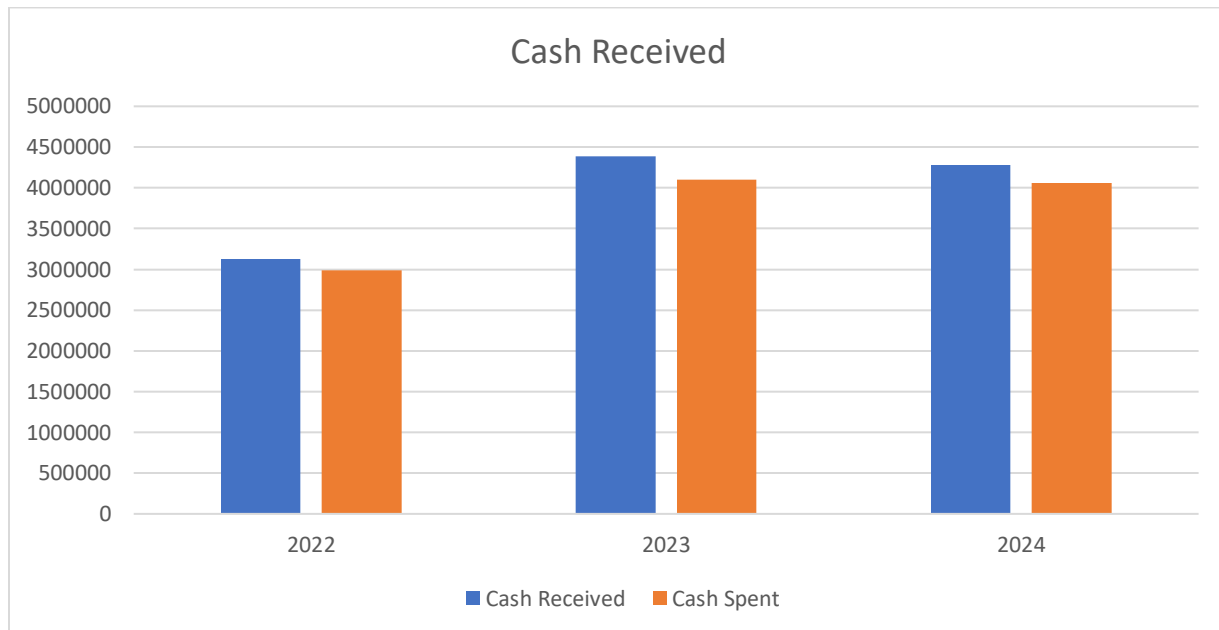
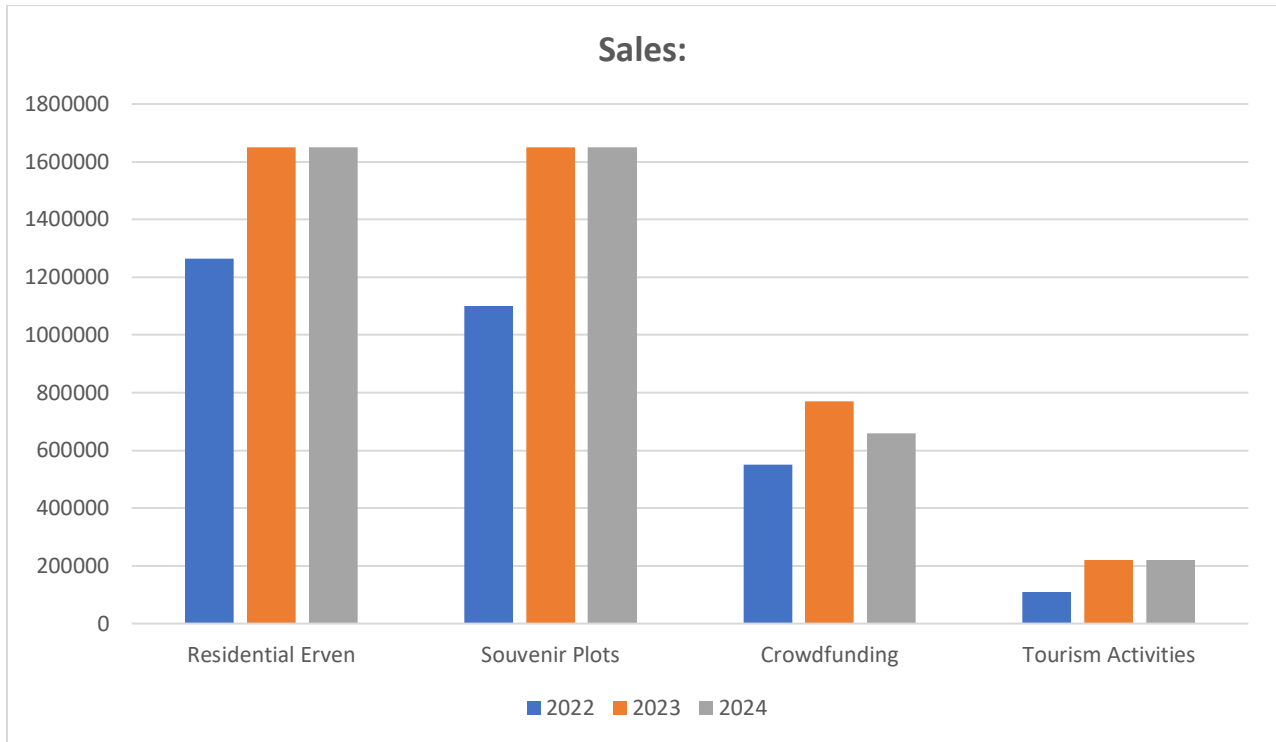


Chart: Cash Sales Forecast:



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