

2019 INTEGRATED
ANNUAL REPORT
Cape Town International Convention Centre



SHAPING TOMORROW
TODAY!



WESTIN

Westin International Convention Centre

SHAPING TOMORROW, TODAY: FORGING A POSITIVE PATH INTO OUR FUTURE

The Cape Town International Convention Centre (CTICC) has significantly stimulated economic development and job creation in the City of Cape Town since it first opened its doors 16 years ago. In that time, we have generated 130 465 jobs, cultivated community development, acted as a catalyst for the Foreshore and made significant contributions to the Western Cape's GGP (R39.6bn) and South Africa's GDP (R47.3bn). We are building a sustainable legacy that will serve the City of Cape Town's citizens well into the future.

We continue to provide an inspiring platform for people to connect, share and collaborate around ideas. Through these engagements, we drive innovation and the knowledge economy, shaping the future of business tourism, our city, our province and the South African economy.

In essence, every event, job, community and environmental initiative leaves an enduring impression on the hundreds of thousands of people who engage with us every year: clients, delegates, stakeholders and staff. For our delegates and stakeholders, this might be in the form of new business, technological advancements and partnerships, while for staff, this could be career development and personal growth – contributions that will serve them well into their futures and, ultimately, support and grow their communities and the country's economy.

In speaking to these visionary contributions, the theme of this report is 'Shaping tomorrow, today'. The document outlines where we positively influence an outcome and, therefore, make our mark on the future. To illustrate this, we have used a fingerprint, encompassing an embedded map of Africa, with biometric markers running through the design to symbolise the waves of innovation we stimulate.

DRIVING SUSTAINABLE JOB CREATION

Since our inception, we have consistently and extensively contributed to job creation in the region and beyond. 14 620 jobs were created over the past financial year alone.

We contributed a total of R4.5bn to the Western Cape GGP and R6.5bn to the South African GDP in the 2018/19 financial year. These contributions are achieved through a fierce commitment to commercial viability and consistent strategic alignment with the City of Cape Town and the Western Cape Government.

We focus on growth and investment areas identified by the Western Cape Government, which are further augmented by the City of Cape Town's catalytic sectors. Consequently, our daily commitment to excellence influences the future of our economy and every person who comes in contact with us.

A FUTURE-FIT BUSINESS

Our triple-bottom-line approach ensures that all areas of the business interconnect, not only internally but externally, to create a conscientious and sustainable business. Focused on people, planet and profit, we invested R1.6m in Corporate Social Responsibility (CSR) initiatives and a further R8m in water-saving technology, bringing our reverse osmosis plant online to allow us to go 'off grid'.

As a leading state-owned enterprise, we influence and are shaped by our clients, delegates, stakeholders, communities and staff, as well as environmental and economic factors. Our understanding of these symbiotic interactions is what allows us to be an inspiring and recognised business leader.

We have created 130 465 jobs in 16 years, and made a cumulative contribution to the national economy of over R47.3bn.

ABOUT THIS REPORT: ITS SCOPE AND PARAMETERS

This report is compiled annually and contains data for the 2018/19 financial year, which runs from 1 July 2018 – 30 June 2019.

As at the end of 30 June 2019, the CTICC consists of two operational buildings (CTICC 1 and CTICC 2) and the report reflects on the performances of both.

The most recent previously compiled report was made available at our Annual General Meeting on 11 December 2018 and contained information from the previous financial year, 1 July 2017 – 30 June 2018.

The contact person for questions regarding this report is Olivia Bruce (olivia@cticc.co.za), who is contactable on the following number: +27 (21) 410 5000.





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HIGHLIGHTS 2018/19

In the past financial year, we achieved a turnover of R277m, an impressive 11% growth in revenue compared to the previous financial year. We have continued to make substantial economic, environmental and social contributions, including the generation of 14 620 jobs. We are also consistently upskilling our employees, delivering excellent customer service and uplifting locally-based suppliers.



ECONOMIC IMPACT



R6.5bn
Contribution to SA
National GDP



R4.5bn
Contribution to
Western Cape GGP



R47.3bn
Cumulative contribution
to SA National GDP



R39.6bn
Cumulative
contribution to
Western Cape GGP



14 620
Total jobs created
in 2018/19 financial
year



87%
Of total procurement
spend with locally-based
suppliers



112 out of 217 (52%)
Women employed in the business



OPERATIONS & FINANCE



560
Total events (25
events above the
target of 535)



R277m
Revenue (including
other income)



R57.5m
EBITDA
(R49.5m or 622% above
the target of R8m)



84%
Customer Satisfaction
Index (4% above the
target of 80%)



ENVIRONMENTAL FOOTPRINT



86%
Waste diverted from landfill
(6% above the target of 80%)



SOCIAL CONTRIBUTION



R1.6m
Corporate Social
Responsibility spend



AWARDS

**Winner: 2018 Lilizela
Tourism Awards**
Regional Lilizela
Universal Accessibility
Award

**Winner: 2018 Lilizela
Tourism Awards**
National Lilizela
Universal Accessibility
Award

**Winner: Finance
Monthly Award**
2018 CEO Award

**Winner: Finance
Monthly Award**
Game Changers Finance
Monthly Award

**Winner: AIPC
Innovation Award
2019**
2019 Delegate Choice
Award for Innovation

**Winner: Meetings
Africa 2019 – Event
Greening Forum**
Medium Stand Award

**Winner: MEA Markets
Africa Business
Excellence Awards 2019**
African Business Centre
of the Year 2019

**Named: Top 40
Women in MICE Award**
Olivia Bruce, Adele Eloff
and Arnolette Frecks

**Qualified: Top
Performing Companies
& Public Sector**
2019 Leading Performer

**Qualified: Top
Women Leaders**
2019 Top Gender
Empowered Company



ACCREDITATIONS

**ISO 9001
(Quality Management)**

**ISO 14001
(Environmental
Management)**

**OHSAS 18001
(Occupational Health &
Safety Management)**

**ISO 22000
(Food Safety
Management)**



FOREWORDS

MESSAGE FROM THE EXECUTIVE MAYOR OF CAPE TOWN

The CTICC has grown into an iconic and world-class conference centre on the Foreshore, one of Cape Town's busiest tourism hubs, and sets a shining example of the City of Cape Town's commitment to local economic growth and the creation of jobs.



DAN PLATO

Executive Mayor of Cape Town

My personal thank you, therefore, to the CTICC and its hard working team. Not only do you create a place where ideas can be shared and implemented, but you are also shaping an environment where we can all make a difference and positively inform the future. Thank you for keeping our city flag flying high and proud.

Figures from the Western Cape Convention Bureau show that the value of business events brought to the city and province was approximately R1bn in the first half of the 2018/19 financial year, reaffirming that Cape Town is indeed the most popular destination for conferences in Africa.

As a catalyst for development on the Foreshore, the construction of the CTICC opened the door for new and commercial developments over 16 years ago. Today, the 2017 expansion of CTICC 2 reaffirms the centre's commitment to the City of Cape Town. This additional capacity has stimulated further business for the CTICC, reflected in the impressive economic contribution that the centre has made to our province over the last financial year, to the tune of R4.5bn.

With Cape Town's growing film industry, the CTICC has also featured in a number of local and international film and television productions and continues to provide opportunities for production companies and filmmakers.

In 2019, the International Congress and Convention Association (ICCA) again confirmed Cape Town as the number one meetings destination of choice in Africa and last year, the City of Cape Town was named the 'World's Leading Festival and Events Destination' at the 2018 World Travel Awards, an accolade highly deserved.

The increasing popularity of the CTICC has seen 71 international events already secured and scheduled to take place at the centre between now and 2026. With a new direct flight from New York to Cape Town starting later this year, I am sure we will be welcoming even more business and leisure tourism.

The CTICC and the events that it hosts provide critical leverage in our quest to share Cape Town with the world, not only as a city or as a country, but as an African region. And as we continue to build a globally competitive tourism and business destination, the CTICC plays an essential role as our strategic partner.

My personal thank you, therefore, to the CTICC and its hard working team. Not only do you create a place where ideas can be shared and implemented, but you are also shaping an environment where we can all make a difference and positively inform the future. Thank you for keeping our city flag flying high and proud.

Dan Plato

Executive Mayor, City of Cape Town

MESSAGE FROM THE PREMIER OF THE WESTERN CAPE

One of the Western Cape Government's key priorities is to create an enabling environment in which the economy can grow, and we can create more jobs. The CTICC has, since its inception, been an important partner in helping us achieve our economic goals.



ALAN WINDE

Premier of the Western Cape

We commend the CTICC and their staff for their excellence and commitment to the Western Cape Province and look forward to their positive contributions to the province, in the year ahead.

The theme of this year's annual report, 'Shaping tomorrow, today', ties into our government's commitment to improving the lives of our residents by supporting the creation of new economic opportunities.

In the last decade, the Western Cape has created more than 500 000 jobs, which is why we have the lowest real unemployment rate in South Africa.

The tourism sector has the ability to significantly grow our economy and the CTICC, as a world leader in conferencing and business tourism, plays a major part in the further development of tourism in our province.

The City of Cape Town has been named the events capital of Africa and, as government, we are committed to maintaining that status. For me, this means creating a business-friendly environment that embraces innovation and all the technological advancements of the Fourth Industrial Revolution because once we do, there is tremendous room for development and further job creation in all catalytic sectors.

The CTICC has not only been a driver for both direct and indirect job creation in our province but, by opening its supply chain to small businesses, has also contributed tremendously to the development of the SMME sector in our province.

Despite the low ebbs of our national economy and other economic headwinds, the CTICC has remained profitable year-on-year.

Suffice to say, the CTICC continues to make extraordinary strides when it comes to building a sustainable business and creating extraordinary experiences. By making travel simpler for tourists, doing business easier and faster, and offering conferencing that is seamless from arrival to departure, the centre is the perfect example of an innovative venue.

We commend the CTICC and their staff for their excellence and commitment to the Western Cape Province and look forward to their positive contributions to the province, in the year ahead.

Alan Winde

Premier of the Western Cape

MESSAGE FROM THE CHAIRPERSON OF CONVENCO

At its founding, the CTICC was intended to cement the reputation of Cape Town as the continent's leading business tourism destination. We have not only achieved this goal but, each year, we surpass many of our stakeholders' expectations, as well as exceed several of our KPI targets. In so doing, we are shaping a sustainable future, today.



DEON CLOETE

Chairperson, Convenco

Together, we are creating a template for the future of the meetings sector in our province. Again, thank you to all that make this possible.

Since opening, we have made significant financial and economic development contributions to the City of Cape Town, the Western Cape and South Africa as a whole. Our year-on-year revenue growth has increased by 11%, and the jobs we create, 14 620 of them in the last year, help to bring hope and make a difference in many people's lives, not only those in our employ. This, as you can imagine, has a knock-on effect. We are opening doors and helping build a brighter future for all.

Our CSR projects also deliver real benefits to the communities we work with, going well beyond our core business and reaffirming our position as a catalyst for development in the City of Cape Town. In the last year, we contributed R1.6m to CSR, predominantly in the Khayelitsha, Lavender Hill and Mitchell's Plain areas. These are the legacies we are constructing, and I am very proud to chair an operation that fulfils this task with diligence and commitment.

For a complex as big as ours, sustainability is a key focus for us, especially in terms of water, so one of our proudest achievements in the last year is switching over to our reverse osmosis plant, which is able to produce 200 000 litres of drinking water in a 24-hour cycle. With an extra storage capacity of 400 000 litres, we can cater for the centre's maximum demand scenarios without having to tap into the municipal supply.

Each year, we win a number of prestigious awards, and in the year under review, one of the most important of these was the 2019 Top 40 Women in MICE Award for three outstanding managers at the CTICC – Olivia Bruce, Head of Marketing and Public Relations, Adele Eloff, Business Development Manager: National, and Arnolette Freeks, Event Manager. These are the calibre of leaders at the CTICC who maintain our reputation as a world-class MICE destination, so a heartfelt thank you to them.

After another extraordinary year, I'd like to thank our CEO, Julie-May, and executive team, Rob, Tracy, Craig and Wayne, as well as every employee whose dedication ensures that we remain a beacon of excellence in our city. Additionally, I want to thank our shareholders for their continued support, and the Board for their hard work and commitment.

Together, we are creating a template for the future of the meetings sector in our province. Again, thank you to all that make this possible.

Deon Cloete
Chairperson, Convenco

REVIEW BY THE CHIEF EXECUTIVE OFFICER



JULIE-MAY ELLINGSON

Chief Executive Officer

Here's to many more years of building this outstanding business and creating an inspiring legacy for our beloved City of Cape Town, the Western Cape Province and South Africa.

The year in review: the important figures

2018/19 was the first full year of operation for our expanded complex. CTICC 2 has proven to be very popular with our clients and has allowed us to host more events, significantly expand our venue offering, and provide the necessary capacity for our clients to grow their events.

As in all businesses, the numbers tell the story. For the year under review, our figures remain impressive. We hosted a total of 560 events in the 2018/19 year, welcoming almost 420 000 delegates and generating a total of 877 129 delegate and visitor days.

From a financial perspective, we generated revenues of R277m, which represents an 11% growth compared to the previous year. We also achieved an operating profit (EBITDA) of R57.5m, which was R49.5m above our target of R8m, despite a full year of operating costs being incurred for CTICC 2.

Our ongoing economic contribution

Most importantly, we created and sustained 14 620 direct and indirect jobs, which represents a 71% increase over the last financial year, with our own staff complement growing by 19% from 182 staff members in 2017/18 to 217 in 2018/19. Since opening our doors in 2003, we have created and sustained 130 465 jobs.

In terms of our measurable economic contribution, the CTICC contributed R4.5bn to the Western Cape GGP and R6.5bn to the South African GDP. Our cumulative economic contributions over the past 16 years stand at R39.6bn to the Western Cape GGP and R47.3bn to the South African GDP.

In line with our ongoing commitment to support B-BBEE and women-owned businesses, we spent R328m or 86% of our total spend with B-BBEE suppliers. In addition, 39% of our suppliers are women-owned businesses, some of whom are highlighted in this year's report (see pages 62 to 64).

These impressive figures are testament to the passionate and dedicated CTICC team, supportive clients, and the support and leadership of our Board and shareholders.

Empowering our staff

Our staff are the most important asset in our business and we remain committed to investing in their training and development. In the last financial year, we spent a total of R3.6m (6% of total salary bill) on training, and assisted 25 students and graduates to gain much-needed on-the-job training and experience.

We are proud to see our staff grow within the company and are very pleased to report an increase in internal promotions, from eight in 2017/18 to 15 in 2018/19, up by an impressive 88%.

We celebrate our staff's achievements: they are a vital voice in our business, and are dedicated to both uplifting themselves and those around them, as you will read on pages 85 to 96.

Saluting our clients and your feedback

Our clients are the centre of our business so we are very proud to have achieved an independent overall client satisfaction score of 84% for the year under review. We sincerely appreciate our clients taking the time to provide feedback directly, and through our

independent customer experience research company, N'Lighten. We recognise that this feedback is vital to our continued success and is used to actively address any shortfalls identified, as well as reaffirm what is being done right. Thank you for taking the time to ensure our performance today can only get better tomorrow.

Uplifting communities and changing lives

The CTICC supports the City of Cape Town's strategic focus to be an inclusive, caring and opportunity city. Our commitment extends beyond financial support of deserving causes to creating opportunities for our staff to experience the immense personal growth that comes from volunteering their time and talents in the service of others.

In the past financial year, we contributed R1.6m to Corporate Social Responsibility (CSR) activities. A significant portion of this funding is invested in our local community partners, namely Abalimi Bezekhaya, Foundation for Alcohol Related Research (FARR), Ikhaya Le Themba, Journey of Enrichment, and Mothers Unite.

In addition to our community partners, we also support a number of other charities and non-governmental organisations (NGOs) working with the elderly, our youth and those at risk, including Jireh Community Projects, Neighbourhood Old Age Homes (NOAH), Haven Night Shelter, the National Institute for Crime Prevention and Reintegration of Offenders (NICRO) and schools, such as Zeekoevlei High School in Lotus River.

Ensuring a sustainable future

Our commitment to environmental sustainability is well known. The Nurture Our World (NOW) team, which is composed of representatives from across the company, continued their excellent work of informing, driving and monitoring our sustainability initiatives. A key focus for the year remained minimising our water and energy usage as much as possible: the drought may be receding but the risk remains.

One of the highlights for the year was the commissioning of our reverse osmosis plant, which has already proved to be a highly effective water-saving intervention. The plant produces 200 000 litres of purified and fully potable water in a 24-hour cycle and is able to supply sufficient water to meet all of our needs. Importantly, we can now host events without placing any burden on the municipal water supply.

In this report, we also illustrate the importance of partnering with our clients to divert waste from landfill to benefit our environment and our local communities. In our case study on the 2019 Investing in African Mining Indaba, we provide insights into how, by collaborating with the event organisers, the ITE Group, we were able to successfully donate all event wood to our partners, the Orion Organisation and Cabrico Genuine Clay Face Brick and Pavers, as well as pass on waste fabric to Sealand Gear. See pages 116 to 118 for the full story.

Shaping tomorrow, today

Looking to the future, the Fourth Industrial Revolution is upon us, and we need to keep ahead of technological developments to maintain our status as a state-of-the-art events destination. Some of the ways we

are doing this are through the automation of CTICC 1, our tap-in-tap-out system, cashless cards, the continuous upgrades to our WiFi, and of course, our new website, which integrates e-commerce and digitises some of the supply chain elements, including RFQ submissions.

Over the next five years, we are also planning to become more independent energy-wise by harnessing more solar energy and installing heat pumps: this will future-proof our energy usage. We will also strive to improve on our own waste diversion from landfill rates, seeking to better our already impressive 2018/19 rate of 86%.

A heartfelt thank you

In this my last review as CEO, I would like to take the opportunity to thank a number of people who have made my time at the CTICC so rewarding.

Firstly, to the incredible executive team, Robert Hatton-Jones, Tracy Mkhize, Craig Barrington and Wayne De Wet. Thank you for your support, guidance and, most importantly, your great sense of humour.

To the MANCO, Leadership and CTICC staff who continue to go beyond the call of duty to ensure the delivery of exceptional experiences for our clients, you are, and will remain, the heart and soul of the CTICC. There is no doubt that our excellent results are due to your unwavering passion and commitment, not only to the centre but also to the broader Cape Town community. You always make sure we are not just on top of our game, but way ahead of it.

To our Board (past and present) and shareholders, thank you for your support and direction over the past five years. Your guidance has been paramount to my own and the centre's success, and I am incredibly appreciative of every opportunity you have afforded me.

To our suppliers, whose efforts contribute immeasurably to our success story, we are forever grateful to you for working with us to deliver and exceed our clients' expectations.

To our clients, we thank you for choosing us. We know that you have choices, and we thank you for trusting us to successfully host your events. None of our achievements would have been possible without your steadfast support.

Here's to many more years of building this outstanding business and creating an inspiring legacy for our beloved City of Cape Town, the Western Cape Province and South Africa.

Julie-May Ellingson

Chief Executive Officer

ABOUT THE CTICC



ALWAYS FACING FORWARD

An iconic building on the Cape Town Foreshore, the CTICC is designed to host international and local conferences, exhibitions and trade shows and, in the process, create jobs and drive the local economy – now and into the future.

Our complex consists of two buildings, CTICC 1 and CTICC 2, which are connected by a Skybridge. We offer a world-class venue for conferences, exhibitions, trade fairs, banquets, concerts, film shoots and stage productions. Additionally, we have large auditoria and exhibition halls, as well as state-of-the-art private boardrooms and cafés.

The centre is ideally located in the central business district of Cape Town and is a 20-minute drive from Cape Town International Airport. It is close to a number of MyCiti bus stops, which offer efficient and safe public transport to both locals and visitors. Additionally, the conference centre is surrounded by a myriad of hotel options, countless restaurants and the internationally acclaimed V&A Waterfront, all within walking distance.

OUR PURPOSE, MISSION AND VALUES: OUR BUSINESS BLUEPRINT

Purpose

“We connect people to create economic opportunities and jobs by attracting events in key economic sectors and exceeding our clients’ expectations.”

We impact lives through the creation of economic opportunities and jobs by providing a platform for events that connect people. This is achieved by strategically aligning ourselves with the Western Cape Government’s trade and investment areas, which are further augmented by the City of Cape Town’s catalytic sectors.

As a result of this collaboration, the centre has consistently made significant contributions to the Western Cape GGP and the South African GDP, created jobs, influenced the country’s knowledge economy, and grown business and leisure tourism.

At the same time, we have built a reputation that sets the global standard for excellence in conscientious business practices, hospitality and event hosting, both locally and internationally.

Mission

Making our purpose a reality through:

- Maximising economic spin-off and job creation;
- Focusing on innovation and exceeding expectations;
- Service excellence by building capable and quality staff;
- Commitment to triple bottom line sustainability practices.

Values

Our values are founded on:

- **Passion** – we live to go beyond;
- **Integrity** – we are transparent in everything we create;
- **Innovation** – our commitment gives us the edge;
- **Excellence** – we create superior experiences;
- **Gratitude** – we are appreciative of the opportunities provided by the CTICC, the City of Cape Town and the country we live in;
- **Caring** – we care for one another, our clients, our business, our building and our equipment.



Built a reputation that set the global standard for excellence



OUR STRONG FOUNDATION: SHAREHOLDERS, SERVICES AND FACILITIES

The Cape Town International Convention Centre Company (Convenco) owns and manages the business of the CTICC, a complex made up of two facilities, namely CTICC 1 and CTICC 2. It is jointly owned by the City of Cape Town (71.4% shareholding), the Provincial Government of the Western Cape (23.2% shareholding) and SunWest International (Pty) Limited (5.4% shareholding).

Our principal departments are Commercial and Business Development, Food and Beverage and Operations, Facilities and Operations, Finance, and Human Resources.

We are primarily an event venue, offering event-related services required to hold any event or conference. A Skybridge links the CTICC 1 and CTICC 2 buildings, creating a seamless complex that can host a variety of events concurrently.



International conference services



National conference services



Event management services



Operational services



Marketing and corporate communication services



Food and beverage services



Event-related services such as IT, audiovisual and cleaning



CTICC 1 facilities comprise:

- Two modern raked auditoria, which can seat 1 516 and 612 guests respectively;
- A sub-divisible, multifunctional ballroom of 2 000m²;
- Over 11 339m² of dedicated sub-divisible exhibition and trade show space;
- 33 breakout rooms varying in size and able to accommodate 25 to 320 people;
- A roof terrace meeting room that seats 250 people banquet-style, with an independent foyer and terrace;
- Three conservatories flooded with natural light and containing indigenous flora;
- A Marshalling Yard of 5 000m² with easy, drive-in access to exhibition halls;
- Dedicated hot, cold and pastry kitchens, with 14 satellite kitchens;
- An in-house coffee shop called Coffee on the Square;
- Old Pier Café, a café-style restaurant.

CTICC 2 facilities comprise:

- 10 000m² of sub-divisible exhibition halls over two floors;
- Seven meeting rooms varying in sizes that can host 130 to 320 people, and overlooks the city;
- Three meeting suites in differing sizes, with the ability to hold 25 to 50 people, looking out over the ground floor halls;
- An executive boardroom;
- Two rooftop terraces with breathtaking views of Table Mountain and the harbour;
- An in-house coffee shop, Coffee on the Circle.

Mountain View Roof Terrace overlooking the city



OUR FUTURE BUILDERS: OUR MARKETS, OUR CLIENTS, OUR STAFF AND OUR STAKEHOLDERS

We serve various markets based on seven key offerings: international conferences and events, national conferences, exhibitions, trade fairs, banquets, special events, film and photo shoots and other events. A total of 560 events were held during the past financial year, of which 34 were international conferences. This is the highest number of international conferences hosted in any city in Africa.

In the 2018/19 financial year, we hosted events and clients from numerous geographic locations, including the United States of America, the United Kingdom, the Netherlands, Australia, Belgium, Botswana, the Cayman Islands, China, Cote d'Ivoire, Germany, Kenya, Mauritius, Saudi Arabia, Senegal, and Switzerland.

In total, we provided the platform that positively shaped the lives of almost half a million attendees over this period.



EXECUTIVE TEAM

Left to right: Craig Barrington, General Manager: Facilities & Operations, Tracy Mkhize, General Manager: Operations - Food & Beverage, Julie-May Ellingson, Chief Executive Officer, Wayne De Wet, Chief Financial Officer, Robert Hatton-Jones, General Manager: Commercial & Business Development.

Our incredible CTICC team

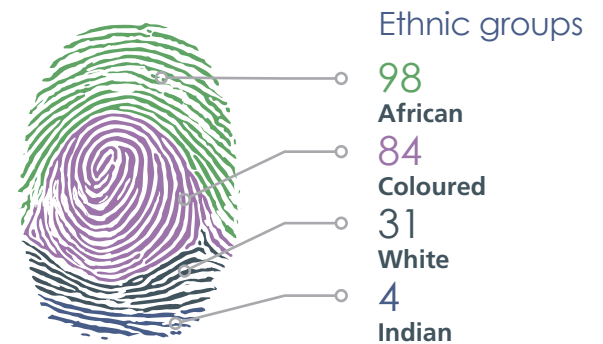
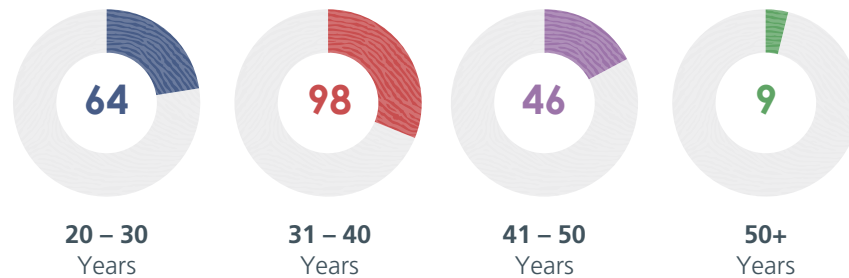


Our people

In 2018/19, we employed 217 employees (204 permanent and 13 temporary staff), as well as a fluctuating group of contract staff managed by additional service providers. The majority of our staff are skilled and semi-skilled, and our dedication to upskilling and training our staff is consistent and comprehensive.

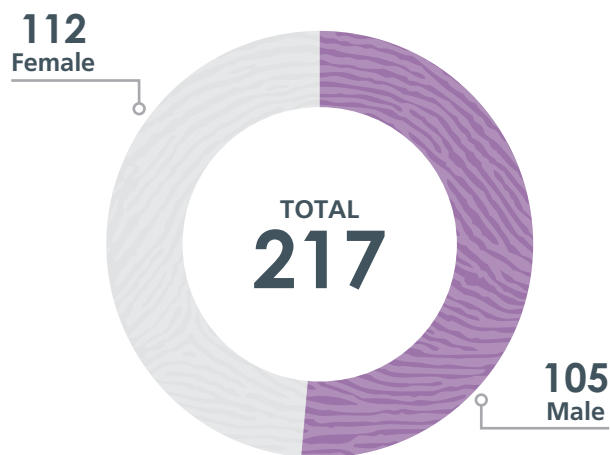
We are committed to maintaining a diverse staff complement that is representative of South African demographics, with a focus on historically disadvantaged individuals.

Age groups

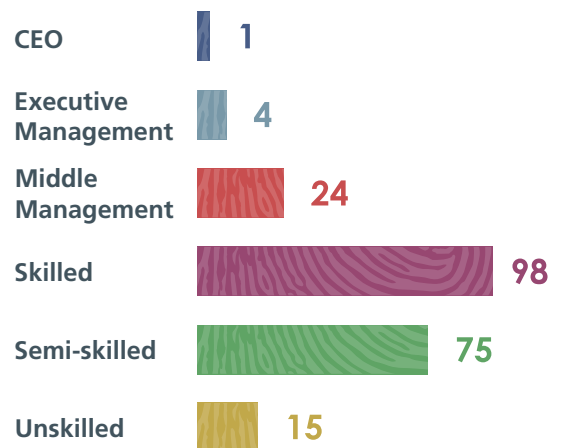




Gender breakdown



Employment level



Creating jobs and optimising work conditions

Our commitment to our people and the country is demonstrated in our Employment Equity and Training Committee (EE&TC) and Employee Relations Forum (ERF). These fora ensure that we are achieving equitable representation of employees from designated groups, and that we are empowering our staff with the abilities and opportunities they need in order to grow their careers and futures within the company.



Employee Relations Forum (ERF)

The Employee Relations Forum (ERF) consists of 10 employees drawn from different departments and levels within the company. The ERF represents the interests of all employees regarding employment conditions. The ERF continued to be proactive and solution-driven in the 2018/19 financial year and ensured any concerns raised were addressed and staff engagement remained high.

Employment Equity & Training Committee (EE&TC)

The Employment Equity & Training Committee's (EE&TC) mandate is to monitor employment equity across the company to ensure compliance with the EE Act, as well as oversee training and skills development, including reviewing and approving the Workplace Skills Plan (WSP).

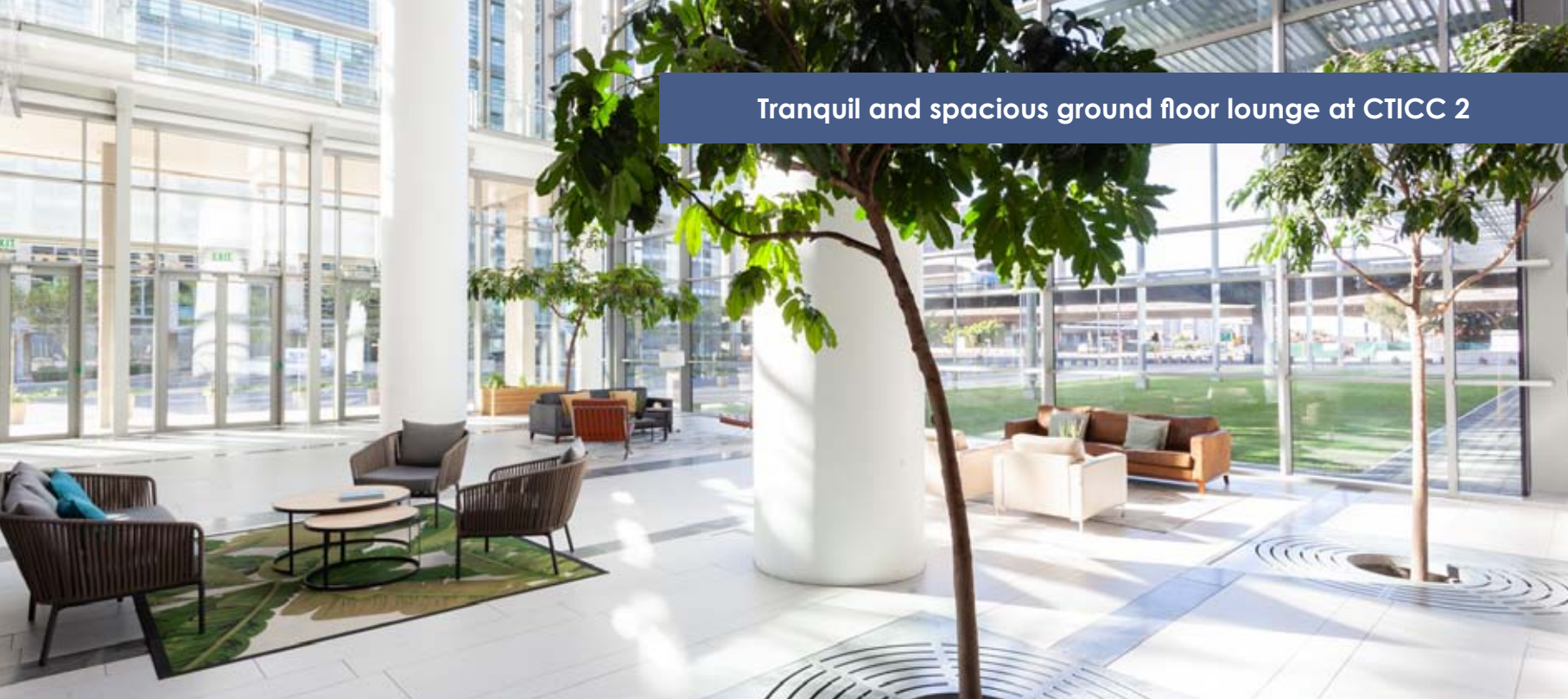
The appointed EE senior manager completes the monthly workforce profile, which is used to monitor under-represented groups in line with the Economically Active Population (EAP) of the Western Cape.

The 2018 EE plan was submitted to the Department of Employment and Labour in December 2018 for the reporting period. In May 2019, the centre received communication from the Department of Employment and Labour acknowledging receipt of the EE report for the 2018 reporting period and verifying that we would appear on the EE public register for 2018 in terms of Section 21 of the EE Act No. 55 of 1998, as amended.

The WSP was submitted to the Culture, Arts, Tourism, Hospitality and Sports Sector Education and Training Authority (CATHSSETA) in April 2019. We received communication and confirmation from CATHSSETA that the centre's Mandatory Grant Application had been evaluated and was approved.

As of the end of the 2018/19 financial year, 80% of our employees in the three highest levels of management (including EXCO, MANCO and Leadership) were from the designated groups. In other words, 24 out of 30 employees, which is on par with the centre's KPI target and complies with our approved employment equity plan.

Tranquil and spacious ground floor lounge at CTICC 2



Our planet

We are dedicated to reducing the carbon footprint left by our daily operations, meetings and events, and continually rethink the way we do business in order to minimise our imprint on the environment.

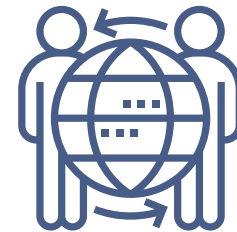
Our profit

We are committed to running a profit-driven, transparent operation, with an emphasis on best business practice and maximising economic spin-off through innovation, and contributing to the economic strategies of the City of Cape Town and the Western Cape in a variety of ways.



A place where people connect

We are not only a financially viable and sustainable business but one that shapes the future. Clients from diverse communities from across the globe choose to converge at the CTICC in order to exchange ideas, knowledge and products. It is these collaborative meetings which facilitate and culminate in interconnected trading and capital injections that positively impact on our local community and economy.



SALUTING OUR WINNERS: CERTIFICATIONS AND AWARDS

As a leader in the industry, it is important for us to benchmark ourselves at an international level and, as such, we are actively aligned to the United Nations Global Compact (UNGC) principles. We also operate an Integrated Management System (IMS) through the application of the International Standards Organisation (ISO) to ensure that quality assurance and sustainability management are regulated at an advanced level.

The centre's health and safety certification is of equal importance, demonstrating our commitment to our clients and visitors through adhering to the highest possible standards in food safety and preparation.

Not only do these strict standards ensure that we operate as a world-class establishment, but it also serves to illustrate to our delegates, clients, stakeholders and staff that we are committed to delivering top-quality service with a recognised stamp of approval.

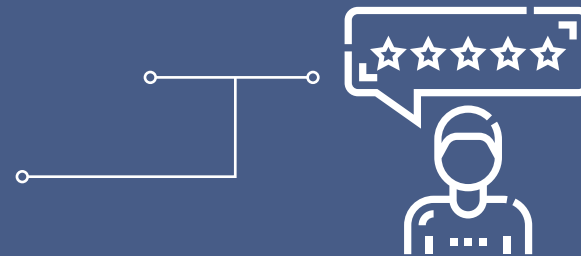
We continue to maintain our ISO accreditation through the South African National Accreditation System (SANAS) certification body for the following standards:

- Quality Management System – ISO 9001;
- Environmental Management System – ISO 14001;
- Occupational Health and Safety Management System BS – OHSAS 18001;
- Food Safety Management System – ISO 22000.

We are the first convention centre to achieve all of the following ISO certifications: 9001, 14001, 18001 and 22000.

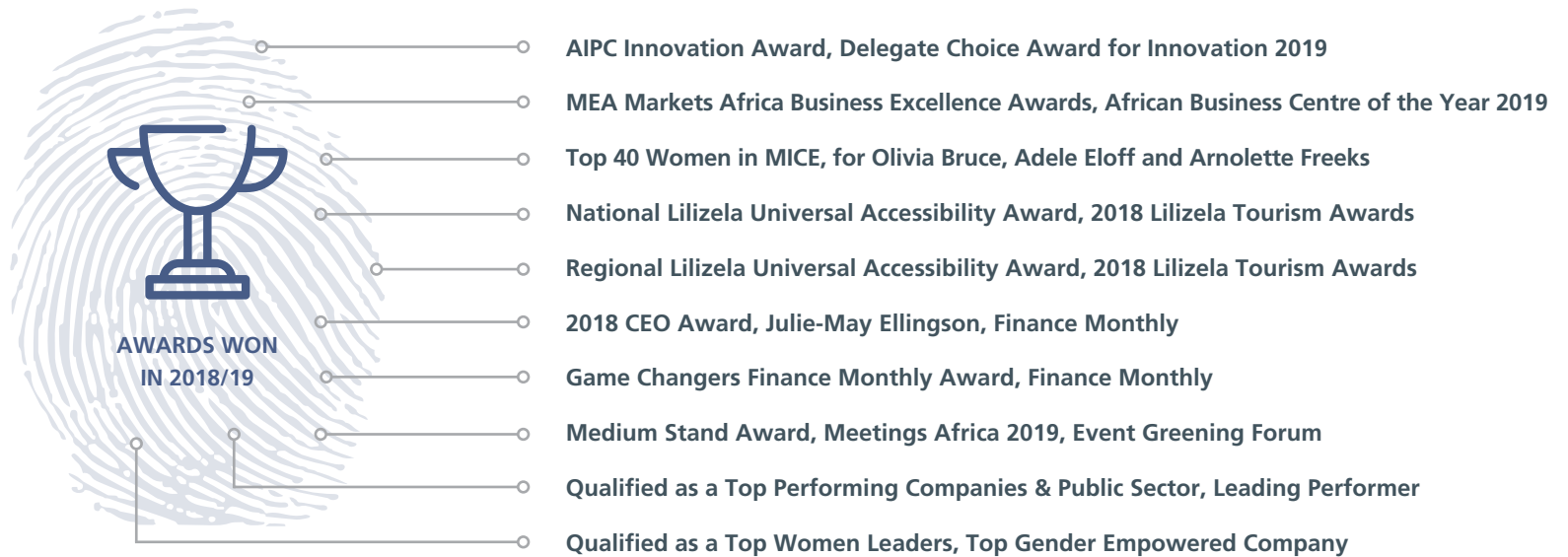
Continuing our 5-star Grading by Tourism Grading Council of South Africa (TGCSA)

The Tourism Grading Council of South Africa (TGCSA) has once again classified the CTICC as a five-star establishment. This includes the retention of our Mobility Level 1 score for our commitment to ensuring accessible facilities in the centre.





Awards won in 2018/19



TRANSFORMATIVE FUTURE PARTNERSHIPS: ASSOCIATIONS AND MEMBERSHIPS

Our membership to international and local associations is vital to remaining a global leader in the conferencing sector. During the year under review, we were a member of the following associations:



Mountain View Roof Terrace





OUR LEGACY

INCREASING OUR POTENTIAL, TODAY AND FOR THE FUTURE

BUILDING A LEGACY THROUGH JOB CREATION

Over the past 16 years, the CTICC has made economic and social contributions that we can be proud of. This includes the creation of almost 130 465 jobs since 2003, with nearly 15 000 of them generated during the 2018/19 financial year. We are consistently training and investing in the future workforce through our graduate and student programmes, providing 25 student and graduate opportunities in the past two financial years. In 2018/19, our R3.6m investment in the training and upskilling of our own and external staff contributed to the success of the CTICC and the tourism sector as a whole – and the benefits of that investment are long-term.

We continue to be a driver of the knowledge economy through the hosting of events in key economic sectors identified by the City of Cape Town and Western Cape Government.

The City of Cape Town and the Western Cape Province also benefit in countless ways from the thousands of people who engage with us, be they conference delegates, clients, employees or service providers, as well as from the significant economic spin-offs that the centre generates in respect of local enterprise and employment. It is in these countless ways that we shape tomorrow, today.



130 465
Jobs created since 2003

GROWING THE KNOWLEDGE ECONOMY: INFLUENTIAL EVENTS

The CTICC is a place where people meet and exchange knowledge. For that reason, we aim to attract events aligned to the key catalytic sectors identified by the City of Cape Town and the Western Cape Government as priorities for trade and investment growth.

The international conferences that the centre attracts related to these sectors serve as pivotal drivers of the knowledge economy. In 2018/19, we hosted a total of 560 events at the CTICC and welcomed almost 420 000 attendees, 31 277 of them being international delegates.

All catalytic sectors were covered, which aligns with our aim of boosting the knowledge economy and embracing the Fourth Industrial Revolution, through the successful delivery of the full ambit of events and retaining our position as a business leader in the City of Cape Town.



560
Total events at the CTICC



877 129
Total delegate and visitor days in 2018/19

CARING FOR OUR COMMUNITIES: ADVANCING COMMUNITY DEVELOPMENT

We have five local community partners (LCPs), namely, Abalimi Bezekhaya, Foundation for Alcohol Related Research, Ikhaya Le Themba, Mothers Unite, and Journey of Enrichment.

We work together with our LCPs to support and develop the communities where they work, while our CSR activations and venue sponsorships are focused on empowering the disadvantaged and providing resources to vulnerable citizens and children.

Through our partnership with these LCPs and surrounding communities, we are changing lives and shaping futures. In every moment spent and each donation we make, we are able to transfer skills and provide the raw materials and the support that they need to uplift themselves and others and, therefore, increase their ability to contribute positively to the economy. These transformative interactions have the power to impact their own communities and the country for years to come.

PEOPLE THAT MOVE US FORWARD: INVESTING IN THE FUTURE

Training and upskilling our people is a fundamental part of the CTICC's mission, and has a direct and long-term impact not only on the individuals whose lives are affected but on the events and hospitality sector as a whole.

The education and guidance provided better prepares our staff for their current and potential roles within the company and industry. We believe that we have a responsibility to empower our staff so that they can grow in their own careers and deliver exceptional experiences for our clients.

Additionally, investing in our internal and external staff training demonstrates that we value their contribution. We believe that nurturing our staff also has the ability to influence their journey – both personally and professionally.

Ultimately, service is about people, and it is quality service that leaves an impression of the CTICC as a world-class, award-winning events destination, one that continually and increasingly attracts top-tier business events that, in turn, contribute to our local economy.



- Abalimi Bezekhaya
- Foundation for Alcohol Related Research
- Ikhaya Le Themba
- Mothers Unite
- Journey of Enrichment

Creating job opportunities one bead at a time





ENLIGHTENING

ING

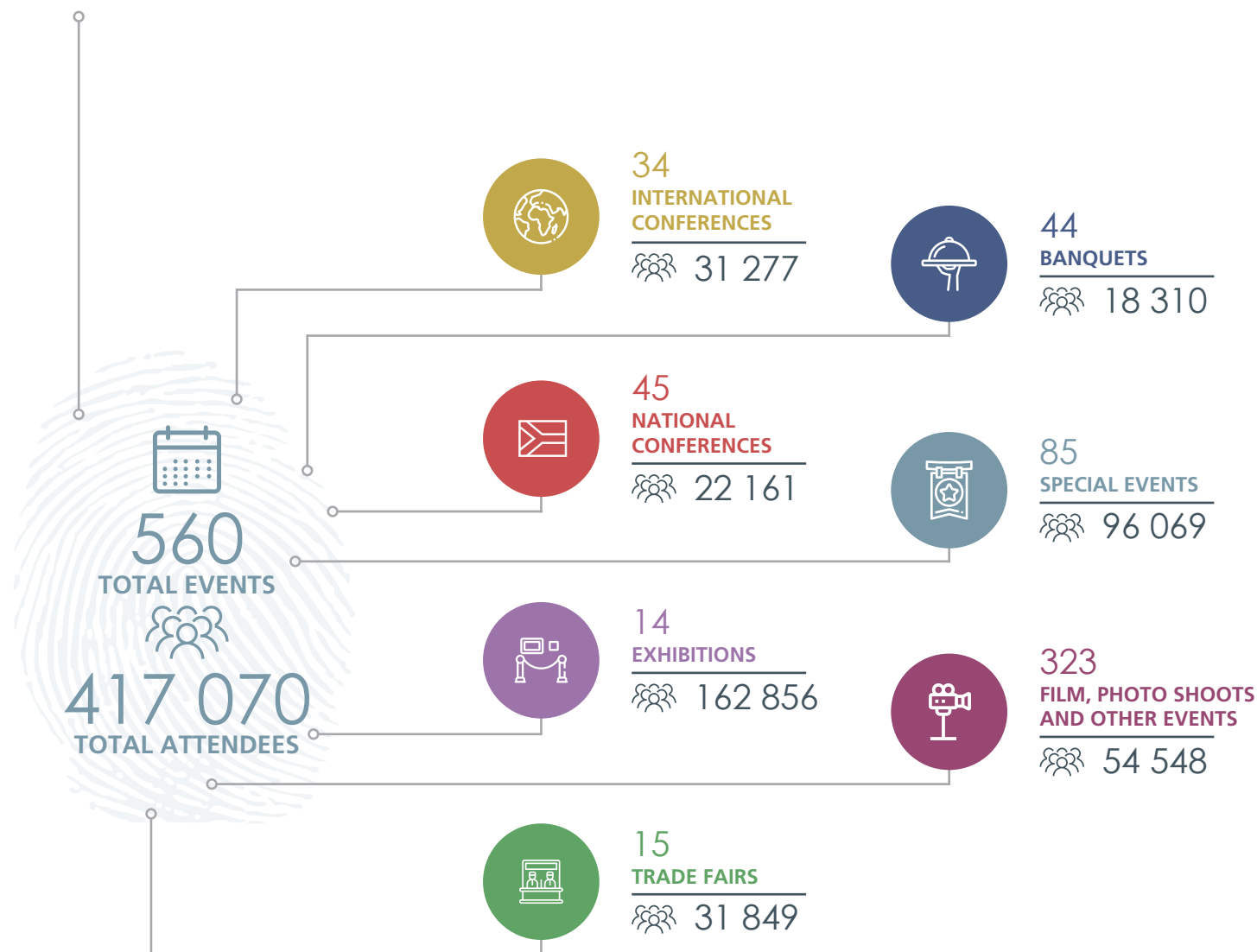
ABERDARE
— A MEMBER OF HENG TONG GROUP —

CTICC EVENTS



MAKING MEMORIES AND FORGING NEW CONNECTIONS

REVIEW OF EVENTS HOSTED IN 2018/19





HOW WE INFLUENCE OUR INDUSTRY: THE IMPORTANT FIGURES

In 2018/19, we hosted 560 events at the CTICC, growing the total number of events by 7% compared to the previous year. In terms of international conferences, this equated to 34 international events, which represents a 6% increase on the prior year.

The CTICC attracted almost 420 000 attendees over the 2018/19 financial year, with 31 277 of them being international delegates.

The number of events hosted at the CTICC resulted in a total of 877 129 delegate and visitor days. This figure represents the number of guests attending an event multiplied by the duration of the event and encompasses the additional days that guests spent in Cape Town, the Western Cape province or South Africa as a result of an event.

Of the 34 international client events, six were hosted by the United States of America, four by the United Kingdom, and one each by the Cayman Islands, China, Cote d'Ivoire, Mauritius and Senegal.

As Cape Town's premier conferencing and events venue, we succeed in maintaining a steady stream of coveted international conferences and meetings. Our reputation, along with our facilities, allows us to secure exciting events, which confirms the CTICC as a world-class business tourism destination and positions Cape Town as a city to which to return.

These figures allow us to boost the South African GDP and the Western Cape GGP, creating jobs and giving back to our environment and communities, all of which positively shapes tomorrow, today.

Every one of our event attendees contributed to our economy in some shape or form, either by visiting our centre or through additional spend while staying in the region. This continues to have a positive impact on the future of our centre, as well as South Africa.

The following pages illustrate our performance for the year under review across the seven segments we use to record our event statistics. These include international conferences, national conferences, exhibitions, trade fairs, banquets, special events, and, finally, other events and film shoots.

International conferences

Among the largest and most significant international conferences, contributing to the global knowledge economy and aligned to the key growth sectors, were the World Congress of Internal Medicine 2018 (WCIM); the 2019 YPO Global Leadership Conference (GLC); AfricaCom 2018, Africa's largest telecoms, media and technology event; African Peace Summit; and the 2019 Investing in African Mining Indaba, which is the biggest mining investment conference in the world and is hosted by the CTICC every year.

Other important topics covered in the international conferences segment were education, oil and power, nutrition, endocrinology, audiology and women in innovation and entrepreneurship.

National conferences

The CTICC successfully hosted 45 national conferences, drawing 22 161 attendees. Again, a wide range of important sectors was represented in the national conferences, including pharmaceuticals, law, agriculture, optometry, education, finance and investment, and technology.

The largest national conference was the WorldVentures Bootcamp, followed by Gartner IT Symposium/Xpo 2018 and the Actuarial Society 2018 Convention.

Exhibitions

Exhibitions attract thousands of visitors to the City of Cape Town and provide excellent platforms for a robust exchange of ideas between exhibitors and their customer bases, as well as the general public.

Almost 163 000 attendees visited exhibitions hosted at the CTICC over the past financial year, enjoying the likes of the Old Mutual Two Oceans Marathon Expo, Decorex Cape Town 2019, Cape Homemakers Expo, Investec Cape Town Art Fair, and MamaMagic Baby Expo 2018.

Trade Fairs

Trade fairs are essential business-to-business (B2B) expos, and in the last year, 15 trade fairs were held, drawing 31 849 visitors. The largest trade fair was African Utility Week 2019, followed by Africa Travel Week and Cape Wine 2018.

Other trade shows included Spar Trade Show; Future Energy Africa 2018, advancing future oil, gas and energy solutions for the African continent; the first Cape Automotive Forum; Source Africa; and ATF 2019, the premium sourcing event for textiles, apparel and footwear on the African continent.

Banquets

Banquets are a growing segment due to the CTICC's outstanding food and beverage offering. A total of 44 banquets were hosted in 2018/19, attended by 18 310 guests, for corporate events like annual dinners, year-end functions and awards ceremonies, as well as weddings, sports awards ceremonies and matric balls.

The biggest banquets hosted in the year under review were the EOH Mthombo Year End Function 2018, the PSI Hockey Awards banquet, and the 1 000 Women 1 Voice event, which supports social movements for gender justice.

Special Events

Special events are largely entertainment events, for example, concerts and festivals, as well as product launches, wine tastings and church services.

In the last year, we hosted 85 special events and, as in years past, our biggest special event was the Cape Town International Jazz Festival, followed by the MTN Joyous Celebration 23 Live Recording. Overall, this sector brought in 96 069 visitors for what were mostly one-day events.

Other Events and Film and Photo Shoots

Other events and film and photo shoots, attracting 54 548 attendees, include a variety of roadshows, lectures, exams, breakfasts, AGMs and other one-day forums and meetings.

One of the larger events was the Amazon Web Services event. Other events and film shoots, numbering 323, included nationally important proceedings, such as the State of the Nation breakfast, COSATU WC Proudly SA Conference and the National Empowerment Fund Annual Business Expo. A total of 70 film and photo shoots took place, including one for Amnesty International.

EVENT HIGHLIGHTS: REACHING INTO THE FUTURE

Thanks to the addition of CTICC 2, we were able to attract new events and continue to accommodate numerous large-scale events, including the Cape Town Ramadan & Lifestyle Expo, the Property Buyer Show Cape Town, AfricaCom and African Utility Week.

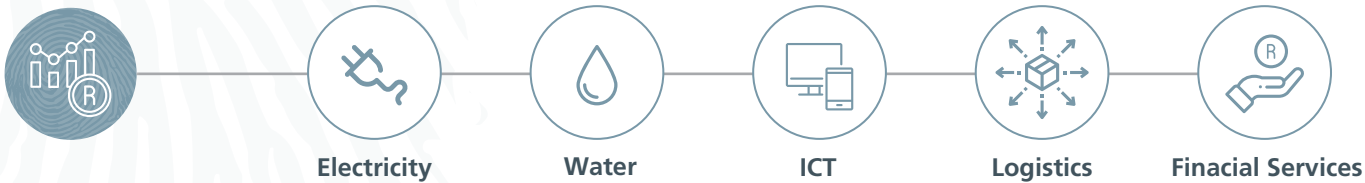
The CTICC is also looking forward to welcoming the International Congress of Human Genetics in 2021 with an expected 7 000 attendees, the 18th International Congress of Immunology in 2022 with over 8 000 attendees, and the General Assembly of the International Astronomical Union (2024), which will draw 2 500 attendees.

Most importantly, many of our events are aligned with the trade and industry sectors identified by the Western Cape as priority future growth sectors, and further augmented by the City of Cape Town's catalytic sectors:

PRODUCTIVE SECTORS



ENABLING SECTORS



SOCIAL SECTORS







HOSTING A WORLD-CLASS EVENT SUCCESSFULLY YEAR-ON-YEAR

Old Mutual Two Oceans Marathon Expo



Exhibition

This year, the Old Mutual Two Oceans Marathon (OMTOM) expo received nearly 40 000 visitors over three days, and 102 companies exhibited, with 19 new exhibitors occupying a total of 174 stands.



Dates:

17 – 19 April 2019

The CTICC venue offers an efficient framework in which to interface with runners, sponsors, stakeholders and exhibitors. Visitors are able to test and purchase the latest running gear on the market and meet up with friends.



Sector:

Sport

It is also at this event that the 30 000 runners who entered for the marathon, held on 20 April 2019, collected their race packs.



Visitors:

39 243

“We have a good relationship with the CTICC. Not only can the venue meet our visitor number requirements, but the space also has a certain look and feel that is perfect for such a high-profile event.” – Debra Barnes, OMTOM Chief Marketing Officer.



HEARING THE INTERNATIONAL VOICE OF AUDIOLOGY FOR THE FIRST TIME

World Congress of Audiology



International conference

The World Congress of Audiology in 2018 provided a global platform to showcase clinical audiology science from around the world. It created a unique opportunity to advocate and promote audiology and hearing health across the continent.



Dates:
28 – 31 October 2018

The congress was held in association with the SA Society of Otorhinolaryngology Head and Neck Surgery and the World Congress on Cochlear Implantation in Emerging Countries, and attracted leading researchers, academics and clinicians from across the globe.



Sector:
Medical

The conference attracted around 1 100 delegates, of which 376 were from South Africa and other African countries.



Delegates:
1 085

The organisers of the World Congress of Audiology, Eastern Sun Events, have hosted many national and international congresses at the convention centre.

“The CTICC is a top-class and well-maintained venue and the staff seamlessly deliver on our conference requirements. Furthermore, the CTICC is the most versatile venue in the city, particularly with the addition of CTICC 2.” – Denise Kemp, Eastern Sun Events.



THE FUTURE OF AFRICAN TOURISM – SEVEN YEARS IN A ROW

Africa Travel Week



Trade Fair



Dates:

10 – 12 April 2019



Sector:

Tourism



Delegates:

6 263

Africa Travel Week embraces three travel industry events, which are co-located shows at the CTICC. They encompass Africa's inbound and outbound markets for three sectors: general leisure tourism, luxury travel and the MICE/business travel sector. It is organised by Reed Travel Exhibitions and Reed Exhibitions.

This show is a platform for local and international B2B travel professionals to connect and do business that, in turn, supports the tourism industry in Africa by encouraging business opportunities and business growth.

This year, there were 738 exhibiting companies and 914 buyers, representing different companies. These numbers exclude private visitors and general admissions.

Africa Travel Week has been hosted at the CTICC for six years, and the venue has become an integral part of its success. It has the required space and our team is equipped with the knowledge and skills to host it seamlessly. In pleasing confirmation of this, the CTICC has again been booked for WTM and IBTM Africa for 2020.

The amount of business generated at these interlinked travel events is \$442m, equivalent to R6.63bn, to date. African travel is big business.

"We have learnt that it's imperative to listen to the industry and our key players to understand what the market needs are so that we can keep improving and getting better." – Reante Naidoo, marketing and hosted buyer GM, Reed Exhibitions.

INVESTING IN THE INNOVATION AND ACHIEVEMENTS OF FUTURE LEADERS

Sanlam Future Leaders



National conference



Dates:
13 – 14 June 2019



Sector:
Financial services



Delegates:
300+

Sanlam, a diversified financial group that is committed to putting their customers first, hosted their annual Future Leaders conference at the CTICC in June 2019.

This conference was for internal staff and was attended by over 200 different businesses within the Sanlam group from across the globe, with the aim of identifying and acknowledging individuals in the group for their leadership potential and excellent service delivery.

The event has been hosted at the CTICC for the last five years, and this year, more than 300 delegates attended the event at CTICC 1.

“Staff are eager to give us the best possible experience, they are very professional and are able to provide solutions to the challenges that sometimes arise during the execution of our events,” says Sanlam Events Manager, Maudé Hugo, who adds that the CTICC is one of the only large capacity venues in Cape Town that is able to accommodate unconventional requests, and its central location close to hotels is ideal.

The Sanlam Future Leaders conference was African themed and, accordingly, the catering was unique for the event. “The chef researched and went to great efforts to ensure that the food matched the theme,” she said. “The presentation and quality of the food were well-received, and Sanlam gained great feedback in this regard.”

An unconventional room layout was requested and the CTICC staff rose to the occasion. “The best part was working with the banqueting team. They really went out of their way to accommodate us and execute the event as effortlessly as possible,” Maudé says.

The Sanlam Group has already booked the CTICC for next year’s conference, and some of the businesses in the Sanlam stable will also book events at the CTICC.

“This year, we learnt that we could hold themed conferences with unusual and extraordinary food requests without a hitch. The CTICC delivered above our expectations and came up with suggestions for things we did not even consider.” – Maudé Hugo, Sanlam Events Manager.

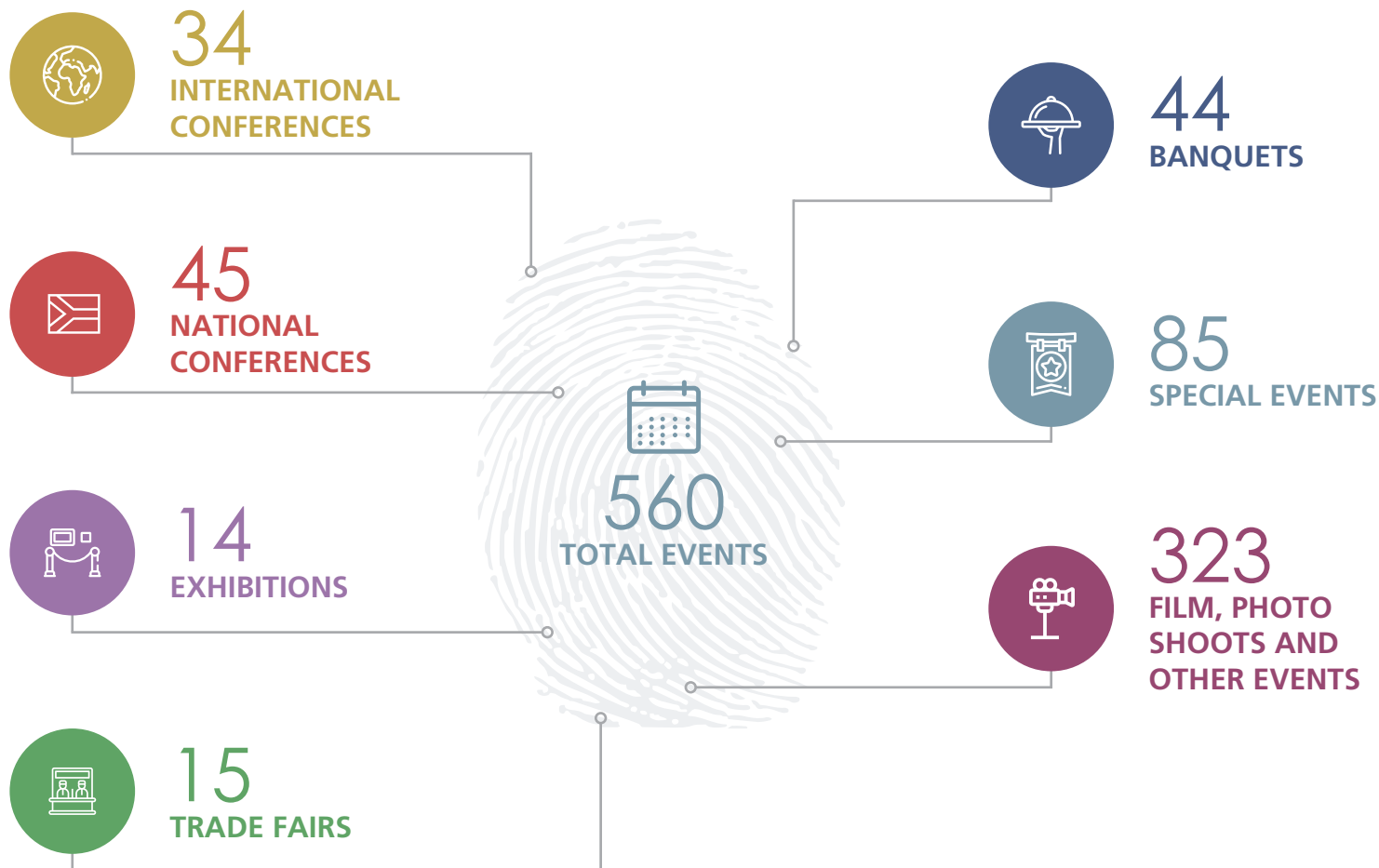


877 129

TOTAL DELEGATE AND
VISITOR DAYS IN
2018/19

A SPOTLIGHT ON OUR PERFORMANCE THIS YEAR

OUR 2018/19 EVENT CALENDAR ACCOMPLISHMENTS



Investing in African Mining Indaba 2019



34

TOTAL EVENTS



6 050

HIGHEST ATTENDANCE

Investing in African Mining Indaba 2019

OUR BUSINESS

OUR PURPOSE

We are reimagining mining to

OUR STRATEGY

Our strategy is to create value and bring the highest returns to our shareholders through

Portfolio

We focus on securing high quality projects

Innovation

We are more focused on creating value for our shareholders through superior value for our

People

Our people are critical to our success and we focus on

OUR VALUE CHAIN

From mine to market, it is our focus to create value for all our stakeholders

OUR VALUES

The blueprint for our way of working

Safety

Integrity

Stakeholder Engagement

Operational Excellence

Environmental Stewardship

Community Development

Leadership

Resilience

Transparency

Accountability

Compliance

Quality

Efficiency

Productivity

Customer Focus

Employee Engagement

Shareholder Value

Operational Excellence

Environmental Stewardship

Community Development

Leadership

Resilience

Transparency

Accountability

Compliance

Quality



INTERNATIONAL CONFERENCES

JULY 2018		JANUARY 2019	
20th International Congress of Linguists (ICL20) 2018	500	Partnership for Action on Green Economy (PAGE) Ministerial Conference	550
AUGUST 2018		FEBRUARY 2019	
ICAO Global Aviation Gender Summit	469	Sanofi Pasteur Gulf & Middle East Conference 2019	94
SEPTEMBER 2018		MARCH 2019	
Congress of the Liga Medicorum Homoeopathica Internationalis (LMHI) 2018	375	YPO Edge & Global Leadership Conference	2 500
Africa Oil & Power 2018	400	Bonds, Loans & Sukuk Africa 2019	482
Conference of the International Union of Marine Insurance (IUMI) 2018	391	Global Trade Review (GTR) Africa 2019	300
OCTOBER 2018		APRIL 2019	
GSA Sourcing Summit & Awards in Partnership With BPESA	220	4th Annual Meeting of the New Development Bank (NDB)	450
BIOMIN World Nutrition Forum 2018	730	International Actuarial Association (IAA) Colloquium 2019	600
International No-Dig South Africa 2018	200	ISGE - ESGE South African Conference	300
World Congress of Internal Medicine (WCIM) 2018	2 000	MAY 2019	
International Inorganic-Bonded Fiber Composites Conference (IIBCC)	200	JODI Energy Data Transparency Workshop for Sustainable Future	210
World Congress of Audiology (WCA) 2018	1 042	SETAC Africa 9th Biennial Conference	60
NOVEMBER 2018		Society for Risk Analysis (SRA) 5th World Congress on Risk Development and Resilience	
American Association of Petroleum Geologists (AAPG) International Conference & Exhibition 2018	650	World Law Group Conference	110
25th Africa Oil Week Conference 2018	1 350	JUNE 2019	
4th Africa Women Innovation & Entrepreneurship Forum (AWIEF)	600	144th IATA Slot Conference	1 000
AfricaCom 2018	2 200		
Africa Peace Summit	3 500		
DECEMBER 2018			
18th International Congress of Endocrinology (ICE) 2018	2 035		
EOS Global Hackathon Grand Finale	130		



NATIONAL CONFERENCES

JULY 2018			FEBRUARY 2019		
Southern Africa Herbalife Leadership Development Weekend	407	👤	Technical & MINMEC Conference	110	👤
Roche Pharmaceuticals Oncology Conference	190		The World Bank Conference on Batteries, Energy Storage & the Renewable Future	200	
SEPTEMBER 2018			MARCH 2019		
Gartner IT Symposium/Xpo 2018	1 460	👤	Knowledge Resources (KR) 2019 HR Directors Conference	200	👤
Coca-Cola Southern & East African Business Unit Leadership Conference 2018	180		SPF Senior Management Conference	110	
Organisation for Economic Cooperation & Development (OECD) & Western Cape Government (WCG) Behavioural Insights Conference	250		DataCon Africa 2019	225	
FoodNext.Africa	82		eCommerce Africa	212	
OCTOBER 2018			49th National Congress of the Ophthalmological Society of South Africa (OSSA) 2019	1 000	👤
Association for the Advancement of Black Accountants of Southern Africa (ABASA) National Convention 2018	147	👤	Herbalife Leadership Development Weekend 2019	750	
Library and Information Association of South Africa (LIASA) Annual Conference	670		Western Cape Education Department Future Focus Education Conference	600	
MoodleMoot Africa 2018	145		APRIL 2019		
South African Planning Institute (SAPI) Planning Africa Conference 2018	500		Santam Group Annual Leadership Conference	200	👤
Sanlam BlueStar Business Conference 2018	346		Cradle of Human Culture Launch	60	
DigiCon Africa 2018	100		MAY 2019		
Smollan SA Service	334		SingularityU South Africa Exponential Finance Summit	500	👤
Actuarial Society of South Africa Convention 2018	1 425		JUNE 2019		
Specsavers Clinical Conference (SCC)	622		After School Game Changer	250	👤
NOVEMBER 2018			Sanlam Senior Leaders Conference 2019	346	
54th South African ENT Congress/4th World Congress on Cochlear Implants in Emerging Countries	455	👤	Sanlam Future Leaders Conference 2019	209	
Windaba 2018	230		South African Property Owners (SAPOA) Annual Convention and Property Exhibition	800	
			WorldVentures Bootcamp	6 650	
			JULY 2019		
			Aspen Pharmacare Global Conference 2019	350	👤



45
TOTAL EVENTS

230
ATTENDANCE
Windaba 2018

SAP

Customer Experience Management



The Int
Enter
Optim
Exter
Trans



14

TOTAL EVENTS



39 233

HIGHEST ATTENDANCE

Old Mutual Two Oceans
Marathon Expo 2019



15

TOTAL EVENTS



10 692

HIGHEST ATTENDANCE

African Utility
Week 2019



EXHIBITIONS

JULY 2018		👤
Electronic & Gaming Expo (EGE)	4 880	
Mega Deals Expo 2018	1 500	
SEPTEMBER 2018		👤
Cape Homemakers Expo 2018	29 235	
India Instyle Shopping Festival	5 000	
OCTOBER 2018		👤
MamaMagic Baby Expo 2018	11 790	
DECEMBER 2018		👤
Everything Beauty Cape Town 2018	1 200	
Cape Town Natural Hair Fest 2018	1 600	



TRADE FAIRS

AUGUST 2018		👤
Spar Trade Show	500	
ViniMark Trade Fair 2018	500	
SEPTEMBER 2018		👤
Cape Wine 2018	3 200	
OCTOBER 2018		👤
Future Energy Africa 2018	107	
Cape Automotive Forum	350	
NOVEMBER 2018		👤
International Apparel, Trade, Textile, Footwear Trade (ATF) Exhibition	667	
African Agri Investment Indaba 2018	700	

FEBRUARY 2019		👤
Investec Cape Town Art Fair 2019	15 650	
APRIL 2019		👤
The Property Show	2 000	
Cape Town Vape Festival	4 000	
Old Mutual Two Oceans Marathon Expo 2019	39 233	
MAY 2019		👤
Decorex Cape Town 2019	37 768	

JANUARY 2019		👤
Cape Premier Yearling Sale 2019	2 100	
MARCH 2019		👤
Seamless Africa	1 270	
APRIL 2019		👤
Spar Trade Show	700	
Africa Travel Week 2019	6 263	
MAY 2019		👤
African Utility Week 2019	10 692	
JUNE 2019		👤
Sign Africa Expo 2019	2 000	
Source Africa and ATF Expo 2019	2 500	
EST Africa 2019	300	



SPECIAL EVENTS

JULY 2018		👤
Christ Embassy Cape Town Sunday Church Service	1 453	
Neha Kakkar Live in Cape Town	1 400	
BRICS Photographic Exhibit Launch	100	
Atif Aslam Live in Concert	2 700	
A Day With Ustadha Yasmin Mogahed	1 350	
AUGUST 2018		👤
The Daily Music Show Launch	240	
Mind Power Cape Town	400	
Hope Church Graduation Ceremony	800	
Blacks Only Comedy Show - Joke Appropriation Without Compensation	890	
Muhammad: How He Can Make You Extraordinary – Dr Hesham Al-Awadi	600	
Samsung Note 9 Launch	180	
Airports Company South Africa (ACSA) Enterprise Supplier Development (ESD) Meeting	400	
SEPTEMBER 2018		👤
Discovery Health and Vitality Launch	821	
Bonitas Product Launch	360	
A Second Chance Theatre Production	360	
OCTOBER 2018		👤
Medihelp 2019 Product Launch	140	
Old Mutual National Choir Festival	1 500	
Veritas Public Tasting	670	
Deloitte Veritas Wine Tasting	520	
Cape Town Great Big Challah Bake 2018	1 500	
NOVEMBER 2018		👤
Calum Scott	1 350	
DECEMBER 2018		👤
South Africa Hip Hop Dance Championships	1 500	
South African Open Dance Championships	800	
The Outlawz Motherland Tour	120	
MTN Joyous Celebration 23 Live Recording	4 200	
JANUARY 2019		👤
World Universities Debating Championships 2019	650	
Jim Gaffigan	650	
FEBRUARY 2019		👤
Saudi Cultural Night in Cape Town	300	
Shalimar Promotions - Indian Idol Concert	1 500	
Cultures of China: Festival of Spring	1 500	
Sinai Indaba	850	
MARCH 2019		👤
Blacks Only Comedy Show – Truth or Dare	900	
Cape Town International Jazz Festival 2019	30 000	
APRIL 2019		👤
Cape Town Fashion Week	3 800	
JUNE 2019		👤
Cape Town National Hip Hop & Performing Arts Championships 2019	1 500	
African Grassroots Hoops Basketball Tournament	250	
International Pentecost Holiness Church Conference	800	



85

TOTAL EVENTS



30 000

HIGHEST ATTENDANCE

Cape Town International
Jazz Festival 2019



323

TOTAL EVENTS



827

ATTENDANCE

100 for the 100th and
Mandela Rhodes
Foundation 15



FILM, PHOTO SHOTS AND OTHER EVENTS

JULY 2018		
Amazon Web Services	2 607	
100 for the 100th and Mandela Rhodes Foundation 15	827	
Allan Gray Investment Summit	1 350	
COSATU Senior Citizens Day	800	
AUGUST 2018		
Moonlighting Film Shoot	60	
Lays TVC	30	
Daily Maverick's The Media Gathering	800	
Cape Winemakers Guild	800	
City of Cape Town Women In Leadership Seminar	400	
SEPTEMBER 2018		
Deep State Film shoot	107	
Liberty Roadshow Challenge	900	
Momentum Health Summit Launch	463	
OCTOBER 2018		
Bloodshot Film Shoot	60	
Moonlighting – Deep State Film Shoot	80	
Ethics 4 All Annual MPS Ethics Event 2018	1 750	
COSATU WC Proudly SA Conference	800	
Jireh Community Projects	1 500	
NOVEMBER 2018		
Black Mirror Productions Film Shoot	130	
KITT Film Shoot	50	
Discovery November Launch	621	
Canon Roadshow	800	
DECEMBER 2018		
Bonnet Road TVC Shoot	90	
BMW M Town Commercial Shoot	33	
VIP Suitcase TVC	32	
JANUARY 2019		
Barrier Film Shoot	50	
Peugeot Shoot	50	
Garnier Ambre Solaire Film Shoot	40	
VinPro Inligting Dag 2019	900	
Queen Elizabeth I Passenger Turn Around	963	
Western Cape Post Indaba Stakeholder Engagement Event	500	
FEBRUARY 2019		
Mr Price Still Shoot	15	
Suunto Shoot	20	
BDO Budget Speech Event	850	
9th Wood Conference: Modular Timber Construction	750	
MARCH 2019		
Wavebreak – Media Still Shoot	30	
YPO Opening Event	1 100	
National Empowerment Fund Annual Business Expo	317	
APRIL 2019		
The Big Picture – Coke Mexico	50	
Colgate Commercial Shoot	90	
Queen Victoria II Passenger Turn Around	682	
City of Cape Town Leadership Conference	700	
MAY 2019		
DHL Stills Shoot	14	
Funds At Work Launch	400	
Canon Student Roadshow 2019	400	
JUNE 2019		
Kissing Booth Feature Film	30	
CFA Institute June Exams 2019	768	
Business Events Showcase Western Cape	500	



BANQUETS

JULY 2018		♂
Standard Bank 3 July WC Graduation	100	
AUGUST 2018		♂
HomeChoice Mid-Year Awards	606	
Table View High School Matric Dance	300	
ATB Group Conference	67	
Wedding Reception Dinner of Deeraj & Dakshita	95	
The South African Institute of Chartered Accountants (SAICA) Southern Region Annual Dinner 2018	325	
SEPTEMBER 2018		♂
WWF South Africa 50th Anniversary Gala Dinner	300	
UCT College of Accounting PGDA Formal	362	
Raymond Dyers 50th Birthday Celebration	70	
ID Mkhize High School Matric Ball	100	
Symphony High School Matric Ball 2018	117	
Sinenjongo High School Matric Dance	100	
OCTOBER 2018		♂
Sanlam 25 Year Club	900	
Veritas Wine Awards 2018	650	
University of Stellenbosch Business School Post Graduate Diploma in Leadership	71	
Blaahs Society Cape Town 40th Anniversary Gala Dinner 2018	400	
RCS JAG Dinner	180	
Woolworths CEO Awards	860	
NOVEMBER 2018		♂
Walk Through Africa Tours Gala Dinner	250	
Western Cape Educational Department Long Service Awards 2018	492	
Transnet National Port Authority Long Service Awards Event	270	
RCS Group Year End Event	800	
Old Mutual Green Lantern Awards	360	
Kasselsvlei Comprehensive High School Matric Ball 2018	100	
NOVEMBER (cont.) 2018		♂
Transnet National Ports Authority Port Managers Awards	308	
DECEMBER 2018		♂
Good Hope Seminary High School Matric Ball	100	
TNPA - Port Managers Awards	290	
EOH Mthombo Year End Function 2018	1 966	
PSI Hockey Awards Banquet	1 300	
OLX End of Year Event	58	
JANUARY 2019		♂
TIA GCIP-SA Awards Ceremony & Gala Dinner	170	
Oasis Group 20th Anniversary Event	892	
Raging Bull Awards	360	
FEBRUARY 2019		♂
Presidential Golf Challenge Gala Dinner	400	
MARCH 2019		♂
AstraZeneca Near East Cycle Meeting Dinner	326	
South African B.A.R Awards	260	
APRIL 2019		♂
New Development Bank 4th Annual Meeting Country Host Dinner	400	
Western Cape Caterers Annual Graduation & Long Service Awards 2019	149	
LogixX Pharma Dinner Symposium	16	
MAY 2019		♂
1 000 Women 1 Voice 2019	940	
JUNE 2019		♂
Ithuba Investment Bank Launch	90	
Signing Ceremony of South Africa-China Trade Cooperation Projects	350	
Dell Technologies APJ & GC President's Club	760	



44

TOTAL EVENTS



362

ATTENDANCE

UCT College of Accounting
PGDA Formal



SPACE AND TECHNOLOGY: HOSTING THE FOURTH INDUSTRIAL REVOLUTION

Our second building, CTICC 2, officially opened in 2018, with a soft opening in late 2017. CTICC 2 allowed us to host larger events and more concurrent events, providing the necessary capacity for clients who wished to grow their events.

In the last year, we attracted various international events to the combined space created by CTICC 1 and CTICC 2, including AfricaCom and African Utility Week, which drew approximately 12 800 delegates.

The new facility has significantly strengthened Cape Town's reputation as a global business events destination. This position was confirmed this year by ICCA, which ranked Cape Town as the number one host destination for international meetings in Africa.

We also increased our focus on the Fourth Industrial Revolution in the year under review as new technologies, such as artificial intelligence, robotics and self-driving cars, are fast evolving into ever-stronger economic drivers in the future.

Among the conferences we hosted in this sector were AfricaCom, BIOMIN World Nutrition Forum 2018, the Cryptocurrency Investor Summit, eCommerce Africa and Amazon Web Services.



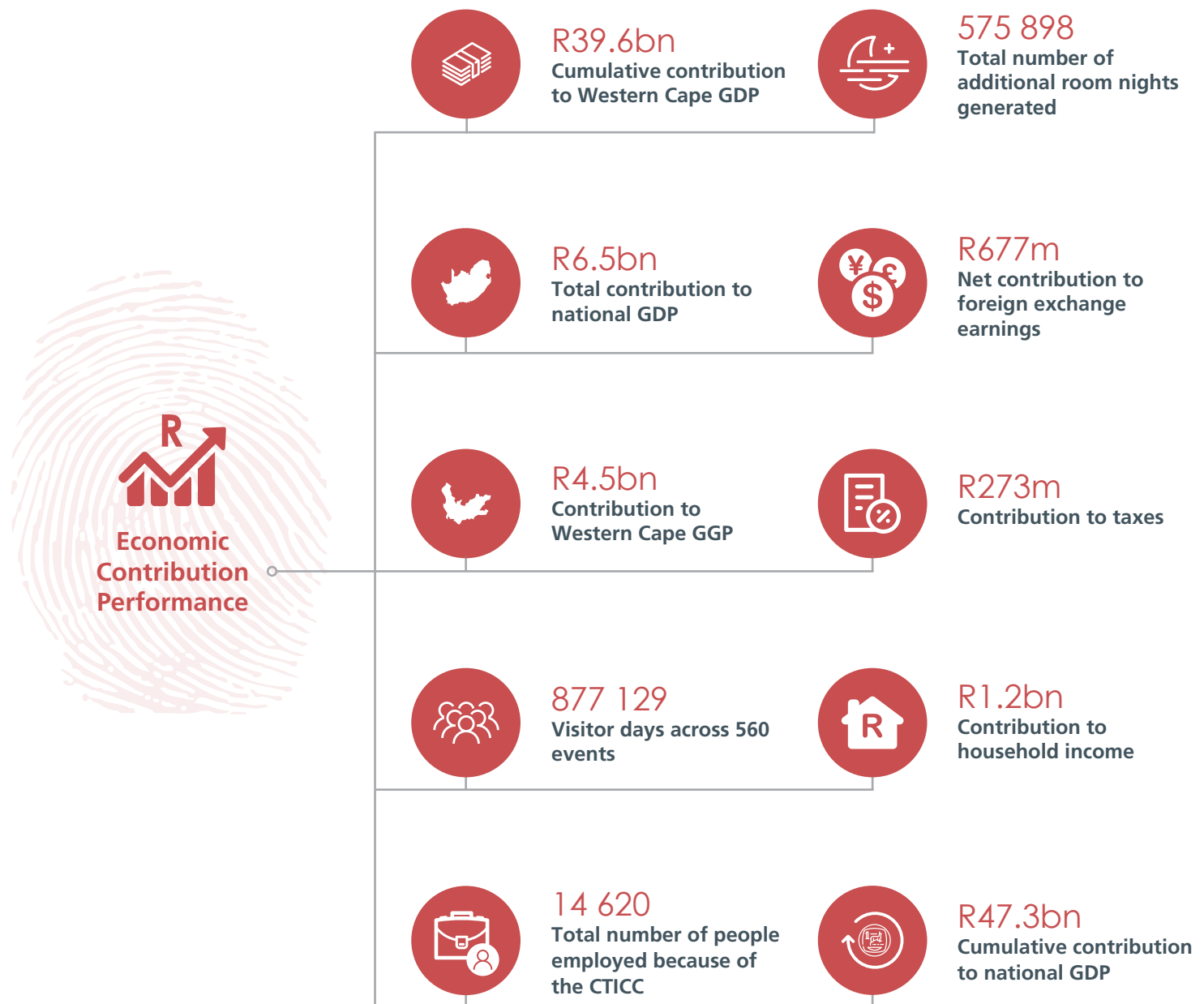


ECONOMIC IMPACT

SHAPING OUR ECONOMIC FUTURE

CTICC'S ECONOMIC IMPACT: GROWTH AND PERFORMANCE

Despite an economy that is shedding jobs, our contribution to the Western Cape GGP and South African GDP, as well as job creation and local business development, remained impressive in the year under review. Comprehensive figures follow below.



Our contribution to the South African Gross Domestic Product (GDP) and Western Cape Gross Geographic Product (GGP)

GDP is the total value of all final goods and services produced in the country during a period of time, usually one year. It is most commonly used to measure the economic activity and quality of life of all South African citizens. GGP refers to the economic contribution within the province only.

Our contribution to the Western Cape GGP was R4.5bn, while the contribution to the South African GDP was R6.5bn, over the last financial year, and since opening our doors in 2003, we have cumulatively contributed R39.6bn to the Western Cape GGP and R47.3bn to the South African GDP.

Over the past five years, revenues have grown by more than 30% from R172m in 2013/14 to R277m during the last financial year. We achieved an operating profit (EBITDA) of R57.5m in the year under review, which was R49.57m above the target of R8m, representing a 69% increase from the R35.4m achieved in 2013/14.

We were able to increase our revenue through the almost 420 000 delegates hosted over the 560 events, which contributed to the sustainability of both the CTICC and the tourism sector as a whole.

In the year under review, expenditure produced by delegates amounted to R1.7bn, 59% of which came from international delegate spend. Our foreign exchange earnings totalled R677m.

Our contribution to government taxes was R273m. We also achieved a B-BBEE spend of R328m, which equated to 86% of total expenditure. Further to this, expenditure with women-owned businesses stood at R133m, which represents 39% of the total spend. Expenditure with SMMEs came in at a high of R229m, making up 60% of total expenditure.

Job creation and community development

We are committed to growing the employment rate in South Africa and shaping the future of our country's workforce. This can be clearly seen in the number of direct and indirect jobs we have created and sustained in a range of industries, including the wholesale, retail, trade, catering and accommodation services, as well as the construction sector, as a result of the expenditure generated by the CTICC.

We sustained approximately 14 620 temporary and/or permanent jobs in the South African economy in 2018/19 (8 754 direct and 5 866 indirect/induced). Of these, approximately 10 127 jobs were for people in the Western Cape (6 063 direct and 4 063 indirect/induced). This is in part thanks to the addition of the CTICC 2 building, which increased our permanent staff complement from 182 in 2017/18 to 217 in 2018/19.

Impact on the tourism industry

We make a significant contribution to the tourism industry in that we attract international delegates to South Africa, in particular, the Western Cape and the City of Cape Town.

It is estimated that we generated an additional 566 057 room nights in the Western Cape and 575 898 in South Africa in 2018/19. The main beneficiaries of the additional room nights are the accommodation, food and beverage, and retail sub-sectors.

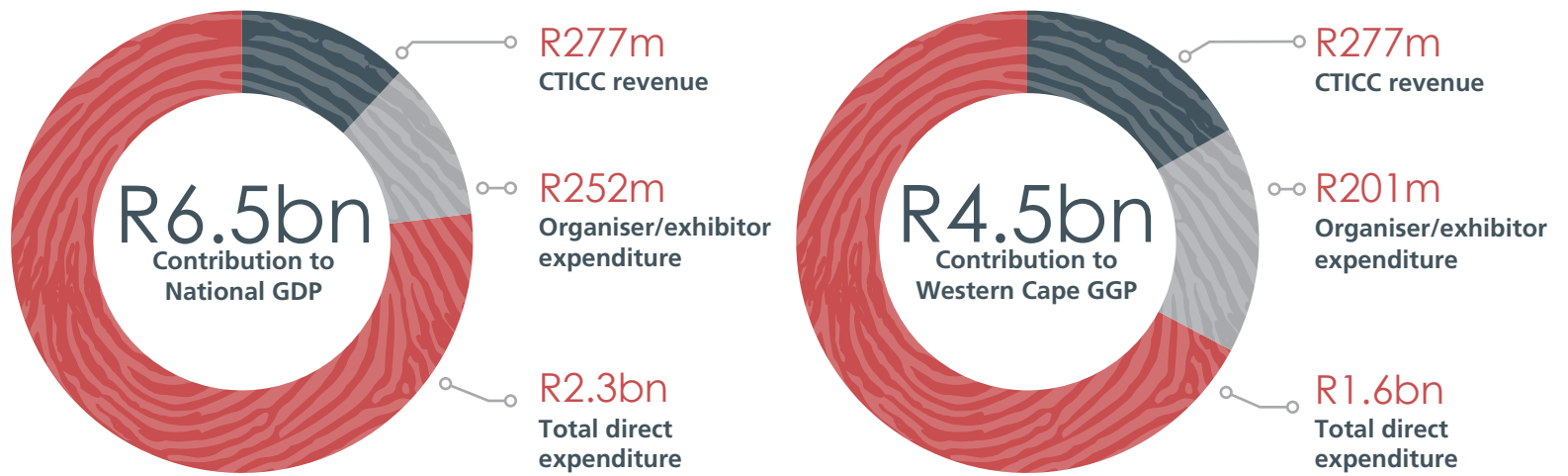


566 057
Room nights generated
in Western Cape

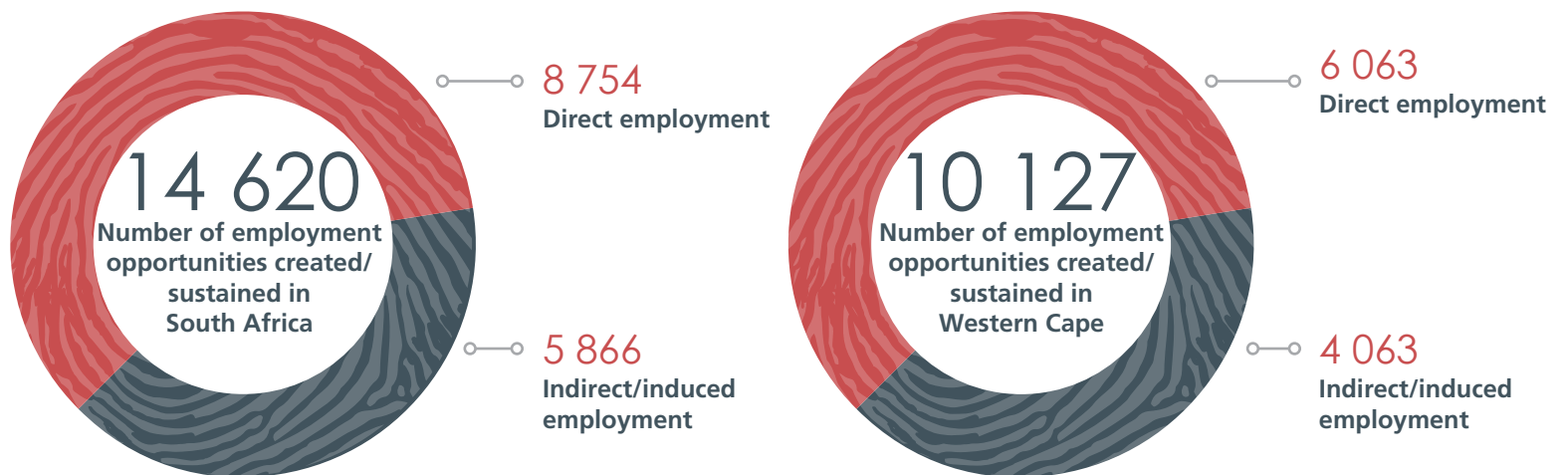


575 898
Room nights generated
in South Africa

Graph 1: Contribution to the South African GDP and the Western Cape GGP in 2018/19



Graph 2: Number of employment opportunities created/sustained by the CTICC in 2018/19





CTICC AGM 2018 – another year of meeting and exceeding our KPIs

OUR STAMP OF APPROVAL: KEY PERFORMANCE INDICATORS

The Key Performance Indicators (KPIs) agreed between Convenco and the City of Cape Town ensure that we fulfil our role as a core strategic asset of the City of Cape Town, the Western Cape Government and SunWest International. The responsibility to deliver on these targets is closely aligned with the centre’s economic contribution mandate. The KPIs inform not just our overall performance but the roles, goals and performance assessment criteria of each department, team and individual who works with us.

We achieved and exceeded many of our KPIs, despite a tough economic environment, and have already made a healthy return on the investment made in the CTICC 2 (expansion), which officially opened in January 2018.

Category	Measurement	Target 2018/2019	Actual 2018/2019
International events	Number of international events hosted compared to annual budgeted target	32	34
Total events hosted	Number of events hosted compared to annual budgeted target	535	560
Human Capital Development	Percentage of annual total salary cost spent on training of permanent and temporary staff	5%	6.4%
Customer Centricity and Service Excellence	78% of minimum aggregate score for all CTICC internal departments and external suppliers	80%	84%
Supply Chain Procurement from B-BBEE Suppliers measured in terms of the B-BBEE Act	Percentage spend not lower than 60%	60%	86%
Student Programme: Contribution to Youth Employment and Skills Development	Number of student opportunities provided	6	14

Category	Measurement	Target 2018/2019	Actual 2018/2019
Graduate Programme: Contribution to Youth Employment and Skills Development	Number of graduate opportunities provided	6	11
Number of people from the employment equity target groups employed in the three highest levels of management in compliance with the municipal entity's approved employment equity plan	Percentage of EXCO, MANCO and leadership positions held by persons from designated groups	80%	80%
Quality Offering	Maintain Five-star Tourism Grading through effective management of maintenance quality service delivery	Achieve Five-star Tourism Grading Council Rating	Achieved Five-star Tourism Grading Council Rating
Budget			
Operational Profit ⁽¹⁾	Percentage achievement of annual budgeted operating profit	100%	722%
Capital Projects	Percentage of the total number of capital projects for the year completed or committed	90%	97%
Capital Expenditure (CTICC 2 Expansion Programme)	Percentage of total capital expenditure spend	100%	100%
Governance			
External Audit Report ⁽²⁾	Clean audit report ⁽²⁾	Clean audit ⁽²⁾	Clean audit ⁽²⁾
Minimum Competency Level	Number of senior managers registered for MFMA Competency Course	7	12
Financial Ratios			
Ratio of Cost Coverage maintained (RCC)	Total cash and investments, less restricted cash for monthly operating expenditure	5 times	10 times
Net Debtors to Annual Income (ND) ⁽³⁾	Net current debtors divided by total operating revenue	7%	1.30%
Debt (Total Borrowings) to Annual Operating Revenue (DC)	Total annual operating revenue divided by total debt	0%	0%

KPI definitions and notes

- (1) Operating profit is defined as earnings before interest, taxation, depreciation and amortisation
- (2) Clean audit is defined as an unqualified audit report with no material findings on compliance of laws, regulations and predetermined objectives
- (3) Net debtors is defined as gross debtors less refunds



IMPACTING LIVES: B-BBEE AND SMME SUPPLIER STORIES

In line with our ongoing commitment to help develop local businesses in our sector and beyond, we prioritise procurement from SMMEs that are B-BBEE accredited, provided they meet the Municipal Finance Management Act (MFMA) regulations and our competitive pricing requirements.

60% of the total spend this financial year went to SMMEs, which amounts to R227m, with a cumulative spend of R1.2bn over the past 16 years. In supporting the development of localised economies and enterprise development, we are making a significant contribution to growing Cape Town and the Western Cape's SMME economy.

Local procurement

A total of R382m of goods and services were procured over the past financial year.

Of this, R331m or 87% of total expenditure was with local businesses (defined as businesses located in the Western Cape). In the 2018/19 financial year, we increased our local spend by an impressive R48m, which is an increase of 2% on the prior year.



87%
Total spend on locally based suppliers

Women-owned enterprises

During this financial period, 39% of our total procurement spend was with women-owned enterprises. We highlight two women-owned businesses that stood out, namely, Essential Printer Consumables and AFTA Africa Tours.



39%
Total procurement spend with women-owned enterprises

Case study: Essential Printer Consumables

Essential Printer Consumables (EPC) was established in August 2001 by Merlyn Pietersen and grew from a one-owner women-owned entity into a small business with a staff complement of nine.

Their mission is to empower and grow those associated with their company, build relationships that hinge on honesty, trust and integrity, and embrace the challenge of competition by providing unsurpassed service and efficiency to all their clients and customers.

In 2017, EPC won a contract with the CTICC by meeting our SMME requirements. Their turnover increased from R10 714 prior to the contract to R38 900 per month during the contract, which represents a growth of 263%.

Further to this, we provided them with a written reference, which has resulted in EPC tendering on and winning projects with Metrorail (PRASA) and the Department of Social Development.

"Working with the CTICC has enabled our company to grow financially and has also assisted us in successfully acquiring new contracts," says Pietersen.

The contract with the CTICC has allowed EPC to increase their competitiveness in the marketplace, as they are now able to negotiate better prices with manufacturers and suppliers and buy in much larger quantities, thus benefitting from bulk pricing.

The future looks bright for Pietersen, and she and her team are excited about upcoming prospects. "Thank you so much to the CTICC for giving us the opportunity to become a supplier. We look forward to continuing doing business together," she concludes.

"Working with the CTICC has enabled our company to grow financially and has also assisted us in successfully acquiring new contracts," says Pietersen.



263%
Growth in turnover per month during the contract

Janice Davids – AFTA Africa Tours



Case Study: Introducing AFTA Africa Tours

AFTA Africa Tours is a small, woman-owned tour operator in the City of Cape Town that was established in 2008 by Janice Davids to provide responsible, safe and secure, and cost-effective tourism solutions for the discerning traveller.

The company was appointed as a new partner to the CTICC in the year under review and moved into our building earlier this year.

"When we started at the CTICC in May 2019, we had no idea how much we would grow. Over the last six months, we have employed two extra tour guides and one permanent operations manager. We have also streamlined our service," says Davids.

We provide AFTA Africa Tours with space and equipment so that they can sell their services to delegates, as well as provide shuttle and tour services; a benefit to both the supplier and visitors.

"As the CTICC is often the first point of contact for delegates, this location gave us a platform to have one-on-one interactions with them and offer a convenient service on their doorstep. We took advantage of this by creating a full package that maximises the small window period that many of our delegates have to explore and experience our city," she told us.

AFTA Africa Tours strives towards job creation and empowering micro-enterprises. Expanding on this, Davids notes, "The CTICC assisted us in making this a reality. We have since outsourced tours and transfers to four owner-managed companies due to overflow, we work closely with the onsite taxi service, and we have improved our website. On top of this, we are in the process of starting a learnership programme where high school Travel and Tourism students can ride along and learn from us."

Davids and her team have been overwhelmed by all the support and concludes with the following:

"Thank you doesn't even begin to capture the true essence of our gratitude. Being part of the CTICC team has brought us so much more than we expected. Thank you for all the assistance, support, advice, guidance and tools that you have extended to us. Thank you for believing in us. We are humbled to be part of this journey. We hope to continue flying the CTICC flag high and proud!"

"As the CTICC is often the first point of contact for delegates, this location gave us a platform to have one-on-one interactions with them and offer a convenient service on their doorstep. We took advantage of this by creating a full package that maximises the small window period that many of our delegates have to explore and experience our city," says Davids.



300%
Increase in staff over the
last six months



**Learnership programme for
Travel and Tourism students**

Upgraded Auditorium 1



CAPITAL EXPENDITURE PROJECTS: ENSURING WE'RE FUTURE-FIT

Building maintenance can never be neglected, particularly in a coastal climate, and it is also imperative to stay ahead of technological advancements in order to meet the needs of our clients.

An example of our forward-thinking approach and dedication to improving visitor experience includes the construction of our Skybridge, which connects CTICC 1 and CTICC 2. This project was completed in 2018 and allows delegates to easily move between our two buildings, creating a single integrated events hosting venue.

This year, key projects included the following improvements:

- A Skybridge which connects CTICC 1 on the west of Heerengracht Street and CTICC 2 on the east;
- Replacement of ballroom carpets;
- Refurbishment of the Old Pier Café (see story on page 66);
- Various air-conditioning unit replacements;
- Staff ablution facilities refurbishments;
- Installation of CTICC 1 and CTICC 2 admin office optimisation;
- Reverse osmosis plant;
- Wireless network upgrade;
- Establishment of Mountain View Terrace, including operable roof and blinds;
- Permanent AV installation in CTICC 2's meeting rooms;
- Boardroom upgrades, including drop-down screens, projectors and AV systems;
- Diligent BoardPad deployment to Board members;
- Installation of a redundant optic fibre network link between CTICC 1 and CTICC 2;
- Addition of credit card readers for parking pay stations at CTICC 2.

Embracing our heritage at the Old Pier Café



OUR NEW OLD PIER CAFÉ: A FRESH EATING OPTION BUILT ON HISTORY

The Old Pier Café is situated at the east end of CTICC 1 on land reclaimed during the construction of CTICC 2. Part of the old Cape Town harbour pier was unearthed during underground work on the tunnel connecting the new building to CTICC 1.

The pier was built at the bottom of the Heerengracht over a century ago in 1910, and included a pavilion where ballets and concerts took place. It was demolished in 1939 as the boundaries of the current Foreshore were pushed further out to sea and a large area reclaimed. So now, where the old pier used to welcome visitors to the Cape, the CTICC proudly does so in its place. Hence the inspiration for the café's name.

Through feedback and following industry trends, we noticed that some meetings are seeking to lower delegate registration costs by excluding catering from the event offering. The CTICC took the opportunity to create the Old Pier Café in response to this growing trend.

The buffet-style restaurant offers a live cooking station, hot meals, fresh salads and meals-on-the-go, as well as delicious pizzas and beverages. The restaurant will cater for both delegates and the general public, with guests only paying for what they choose.

Currently being tested by staff, with a planned public opening date early next year, the Old Pier Café positions itself as an accessible option for lunch on the Foreshore.



SOCIAL CONTRIBUTION

BUILDING BETTER TOMORROWS

CREATING OPPORTUNITIES FOR COMMUNITIES

Corporate Social Responsibility (CSR) forms an integral part of our commitment to people. We encourage the development of local communities by creating opportunities that will generate jobs. We see every encounter and connection as a chance to empower someone to change their life, whether it is through thought leadership, the transfer of skills or the donation of resources.

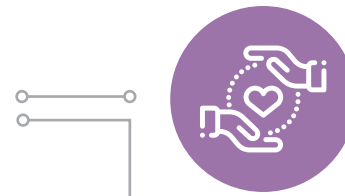
Many of these initiatives are run in partnership with our Local Community Partners (LCPs). Our CSR activations, LCP engagements and venue sponsorships are focused on empowering disadvantaged communities and providing resources to vulnerable citizens and children. In the year under review, we contributed R1.6m to CSR activities and participated in over 20 activations, which included collaborations with our LCPs and with a number of other organisations.

Through these activities and sponsorships, we positively impacted communities, predominantly in the Khayelitsha, Lavender Hill and Mitchell's Plain areas, in countless ways. Projects have included educational and income-generation initiatives; food, water and equipment donations; and assistance with urban gardening projects. Among the organisation-sponsored venues for events were the Nelson Mandela-Rhodes Foundation Trust, the National Institute for Crime Prevention and the Reintegration of Offenders (NICRO), and Jireh Community Projects.

Staff participate in all CSR programmes and internal activations, whether through the giving of their time or by donating goods. All of our programmes are voluntary, and it makes us incredibly proud and grateful to have a staff complement that is always so willing to engage and give of themselves.

This year, some of these activities were linked to Arbour Week, Mandela Day, Youth Day, International Day of Older Persons, World Homeless Day and World Water Day, while others resulted from our capacity to assist worthy causes.

In the next few pages, you can find out more about our community partners, as well as some of the activities we worked on with staff.



R1.6m
CTICC contributed to CSR



20+
Activations took place



Gardening with Abalimi Bezekhaya

HELPING HANDS: OUR COMMUNITY PARTNERS

Our contribution goes far beyond just boosting the economy. We also engage in philanthropy by strategically engaging with our five LCPs. They ensure that we are focusing on the communities across the City of Cape Town that need us most. These LCPs include Abalimi Bezekhaya, Foundation for Alcohol Related Research (FARR), Ikhaya Le Themba, Mothers Unite, and Journey of Enrichment.

Abalima Bezekhaya

Abalimi Bezekhaya, meaning 'farmers of the home' in isiXhosa, was established in 1982 as a non-profit micro-farming organisation to assist the needy with basic human necessities. Today, they also work with other community organisations, including Mzamo Women Skills Development.

The organisation works with impoverished groups and communities in the Cape Flats areas by providing them with a number of important support services. They also assist people with cultivating their own sustainable vegetable gardens. This is done by connecting these communities to the marketplace, transferring skills, supplying seeds, and financing infrastructure where needed and possible. This, in turn, supplements their food supply, helps them create livelihoods, and changes the direction their lives can take.

Over the last financial year, we donated bulk amounts of compost and cow manure for their urban community garden in Khayelitsha, as well as for the planting of windbreakers (trees and shrubs), which helps them protect their gardens.

At the CTICC, we are honoured to engage with this organisation and play a part in these transformative initiatives.



Our donation to Foundation for Alcohol Related Research (FARR)

Foundation for Alcohol Related Research (FARR)

The Foundation for Alcohol Related Research (FARR) was started in 1997 when Foetal Alcohol Spectrum Disorder (FASD) was not yet understood, however, the organisation saw the correlation and presented their findings on a global stage. Since then, they have been at the forefront of this movement to dramatically change the lives of children affected by alcohol during pregnancy.

Consequently, FARR is dedicated to uplifting South African communities and building positive futures, which mirrors our very own objectives. They do this by driving social awareness programmes, conducting world-class research and offering a range of diagnosis, management, support, training, and educational and mentorship services to those who are at risk and children who have birth defects caused by alcohol consumption.

Over time, FARR has become a hub for experts, community members and everyday South Africans who are looking for ways to uplift children and adolescents affected by FASD, in addition to their families and caregivers.

In the year under review, we supported FARR by commemorating International Foetal Alcohol Syndrome Day. We made a donation of teddy bears, blankets, backpacks, stationery and toiletries for distribution to various early childhood development crèches in the West Coast region of the Western Cape. The centre also sponsored a venue for their AGM in August 2018.

In doing so, the CTICC was able to put a smile on many children's faces, and we are further humbled by the fact that we can help impact these communities in a positive and thoughtful way.



Water awareness with Mothers Unite

Mothers Unite

Mothers Unite was founded in 2007 and is a registered non-profit organisation that operates in Seavinds, Lavender Hill. By providing nutritional, educational and emotional support, Mothers Unite is able to heal, empower, uplift and support vulnerable children and their families from this community. They also offer positive alternatives to anti-social behaviour, which goes a long way to steering the youth in the right direction.

This community initiative first started with a soup pot in Carol Jacobs's kitchen. Carol had had enough of seeing hungry children, so with the help of an oversized soup pot, she started making food to feed the youth in her neighbourhood. Soon, she realised that these children needed more than just food – they needed physical and emotional nourishment and, thus, Mothers Unite began.

Education and upliftment are close to our hearts, and we are privileged to say that during the 2018/19 financial year, the CTICC was able to make a difference. We repaired the toilets at Mothers Unite and provided new toilet seats and signage, all of which are vital to improving the dignity of South Africans. We also imparted knowledge about the importance of saving water on World Water Day.

Journey of Enrichment

Journey of Enrichment is a non-profit organisation that started as 'Joe's Feeding Scheme' in 2009, with just a few pots of food being fed to the hungry in the community of Bo-Kaap.

In 2015, the organisation registered as an NPO and changed its name to 'Journey of Enrichment', symbolising their desire to grow beyond filling the bellies of the needy. Their new hope was to feed the body, enhance the mind and empower the people by restoring dignity through outreach projects, education, sport and food security.

Today, Journey of Enrichment organises donors to come together several times a year to prepare and distribute food or food parcels to all impoverished communities, not just those in the Bo-Kaap. They also host donation drives for feminine products and blankets.

At the CTICC, we understand the importance that food security plays in the lives of impoverished communities, which is why we support and donate to food-related initiatives.



Supporting Ikhaya Le Themba

Ikhaya Le Themba

Ikhaya Le Themba, which translates to 'Community of Hope' in isiXhosa, was started in 2003 in order to make a lasting difference in the lives of the poor, vulnerable and needy who live in impoverished communities throughout South Africa.

At their core, Ikhaya Le Themba offers home-based care for terminally and chronically ill patients, provides support and assistance, including a community pantry, as well as a safe and nurturing place for orphans and vulnerable children.

Ikhaya Le Themba's services include youth and enterprise development, where they work towards addressing poverty and unemployment by improving on and equipping people with skill sets that will help them enter the job market. This is particularly exciting to us, as one of our aims at the centre is to increase job creation in the region.

The community pantry initiative was created to feed those who are physically unable to help themselves and, during this financial year, we were able to provide Ikhaya Le Themba with food items for this project and connect them to one of our suppliers who also donated to their pantry.



We care for our communities

IMPACTING CHANGE: COMMUNITY ACTIVATIONS

While we aim to make a significant change through our LCPs, there were many other opportunities and projects that we embraced throughout the last financial year, which positively impacted and uplifted communities beyond our LCPs. Our aim is to make a real difference in these people's lives, which will undoubtedly shape their futures. Below are a few examples of the type of work we do.



NICRO: Second Chance Project 27 – 29 September 2018

The National Institute for Crime Prevention and Reintegration of Offenders (NICRO) established the Second Chance Project in order to use compelling live theatre performances and collaborative art, produced and executed by Pollsmoor inmates, to challenge the public's perception of criminals. Through this social justice initiative, NICRO is literally giving these inmates a second chance at life.

This financial year, we are proud to have been able to sponsor Auditorium 1 to host NICRO's Second Chance Project.

Neighbourhood Old Age Homes (NOAH) 1 October 2018

We believe it is important to acknowledge the role that the elderly have played in our lives and to recognise how much they still have to offer the world. This is why, on International Day of Older Persons, we chose to honour them.

On International Day of Older Persons, we engaged with Neighbourhood Old Age Homes (NOAH), based in Khayelitsha. NOAH ensure social pensioners have their basic needs met, are given a sense of purpose, and are able to meaningfully contribute to their own families, the NOAH family and society as a whole.

To commemorate the day, staff interacted with and treated 75 seniors to a three-course meal and live entertainment at the CTICC. We also provided the elderly with bags filled with toiletries, treats, wool and blankets, and arranged transport to and from the event.

It was a pleasure to facilitate the celebratory activities for the day, and we are thankful for the opportunity to get to know these lovely senior citizens.



Haven Night Shelter 10 October 2018

Homelessness is a reality for many, but at the CTICC, we do our best to influence the course of these people's lives. To this end, we have frequently partnered with Haven Night Shelter.

Haven Night Shelter offers temporary shelter, rehabilitation opportunities, social welfare services, reunification services, physical care, and support to adults living on the streets who are committed to re-entering society.

For World Homeless Day, we joined Haven Night Shelter in Napier Street, Green Point, to share the importance of taking care of those struggling with homelessness. We provided patrons with lunch and care packs filled with toiletries. This small but meaningful contribution may help them feel more confident and positively affect their reintegration into society.

We also donated two much-needed fridges to the shelter, which will keep food fresh and safe for consumption.



Zeekoevlei High School 13 June 2019

As Nelson Mandela once said, "Education is the most powerful weapon which you can use to change the world." We are known as the platform for facilitating knowledge exchange, and we recognise schools as the starting point for the knowledge economy and as a place that cultivates our future leaders. With this in mind, we decided to commemorate Youth Day 2019 at Zeekoevlei High School in Lotus River.

We donated stationery to Grade 11 and 12 learners in order to provide them with just some of the tools they need on their education journey. We also supported these learners by donating lunch packs.

A touching moment was when one of our staff from the area who had volunteered for the day had a heart-to-heart with the students. The impromptu speech imparted knowledge, and ignited passion and possibilities, as the staff member shared her personal journey and life lessons, showcasing what can happen when you make the best decisions for yourself. It is instances like these that have the potential to truly change lives.



VENUE SPONSORSHIPS

During the 2018/19 financial year, the CTICC committed to 10 venue sponsorships, assisting various worthy causes. These included:

- Nelson Mandela-Rhodes Foundation Trust '100 for the 100th & Mandela-Rhodes Foundation 15' event: 13 – 14 July 2018;
- COSATU Senior Citizens: 24 July 2018;
- Women and Beyond – No Shame Campaign: 28 July 2018;
- FARR Annual General Meeting: 15 August 2018;
- NICRO – Second Chance Project: 27 – 29 September 2018;
- Jireh Community Project: 27 October 2018;
- Transformation Pioneers launch of Turning Point: 2 December 2018;
- Cape Town International Jazz Festival music career workshop: 9 February 2019;
- African Grassroots Hoop Youth Day event: 16 – 17 June 2019;
- South African Body of Dance Cape Town National Hip Hop and Performing Arts Championships: 15 June 2019.



10
Venue sponsorships

We have chosen to focus on the following venue sponsorships to provide an overview of the type of event venue assistance we provide:

African Grassroots Hoop Youth Day event 16 – 17 June 2019

Over Youth Day weekend, Hall 7 in the CTICC 2 was transformed into a basketball court for the African Grassroots Basketball Tournament.

This event brings together community basketball enthusiasts from underdeveloped areas in order to reach youngsters, with the aim of instilling the values of determination, sportsmanship, discipline and teamwork into the hearts and minds of our youth.

This was the second year that we hosted the event, as we understand the value of making a difference at the grassroots level in someone's life. We are proud to be part of this project that uplifts and develops youth.



Nelson Mandela-Rhodes Foundation Trust 13 – 14 July 2018

This event was a testament to the vision that Mandela had of providing education and exceptional leadership development opportunities to young trailblazers from across the continent.

The foundation offers the Mandela-Rhodes Scholarship, which is a combination of financial support for postgraduate studies and a high-quality Leadership Development Programme.

The 100 scholars chosen came from 18 African countries, including the Ivory Coast, Egypt, Nigeria, Cameroon, Kenya, Zimbabwe, Zambia, Toga and South Africa. At the same time, the Foundation commemorated its 15th birthday.

We value and encourage the exchange of knowledge, thus, sponsoring a venue for a gathering of this magnitude and nature fits perfectly with our ethos and commitment.



South African Body of Dance (SABOD) Cape Town National Hip Hop and Performing Arts Championship 15 June 2019

The South African Body of Dance (SABOD) hosted their Cape Town National Hip Hop and Performing Arts Championships for the second consecutive year at the CTICC, which took place on Youth Day in support of youth development and upliftment.

This non-profit organisation aims to bring dance to the people of South Africa, irrespective of age and background, while instilling in each member a sense of discipline, competitive spirit and determination to improve and progress, all of which are beneficial characteristics.

We offer a dynamic platform of exchange and, for us, it is exciting to be the host venue of an initiative that drives the transfer of creativity. Our inclusive space allowed for culturally rich and diverse art performances to come to life, with dancers given the opportunity to showcase their abilities, build confidence and expand their repertoire. This contribution is one that has the potential to mould many a champion.

PEOPLE, PASSION AND POSSIBILITIES

OUR PEOPLE AND THEIR POTENTIAL: WORKING TOWARDS BETTER FUTURES

R3.6m was spent on training our people during the 2018/19 financial year, affirming our commitment to changing lives by providing our staff with the means to reach their full potential. This included growing the student and graduate training programmes, and training staff. There were 14 students and 11 graduates gaining invaluable experience with us over the last financial year.

These programmes, together with staff training, skills transfer and career advancement, have a direct and long-term effect on the events and hospitality sector and are critical to maintaining our status as a world-class events destination.

Additionally, it has a massive effect on our people themselves. By having this training under their belt, our students, graduates and staff are contributing to the knowledge economy.

This type of tuition also benefits our students and graduates by providing them with the work experience they need, thereby helping them complete their degrees and making them more employable.

In the same vein, it assists our staff by strengthening and maintaining their existing knowledge, ensuring that all employees have a consistent level of experience, and providing them with new skills where necessary.

Essentially, training gives our staff the tools they need to excel in their positions and grow their careers at the CTICC. This is especially important in a time when job creation and sustainability is paramount.

Our training covers four key aspects of skills development: statutory, vocational, developmental and values-based leadership. Within these categories, we focus mainly on capacity building, leadership development, team building, change management, effective employee engagement and coaching.

Due to the opening of CTICC 2 in September 2017, we have also been able to increase the number of jobs we offer, growing our staff complement from 182 in 2017/18 to 217 in 2018/19. This is in line with our commitment to job creation.



3.6m

was spent on training
during the 2018/19
financial year

We currently have 25 students
and graduates learning with us.

OUR CURRENT TRAINING FOCUS

- Advanced Trauma Training;
- Business and Systems Analysis: Principles and Practices;
- Banqueting Training;
- Basic Fire Fighting Training;
- Cost and Management Accounting;
- Employment Equity Act Amendments Workshop;
- Electrical Module M0 - M3;
- First Aid Level 1;
- Line Manager/Supervisor Training/Workshop on Employee;
- Management Development Programme;
- Minimum Competency Training – MFMA;
- Mid-Year Payroll Seminar;
- New Managers Development Programme;
- Niagara 4 Certification;
- SAMTRAC Introduction;
- SAMTRAC;
- Senior Managers Development Programme;
- Wellness Programme.

Our friendly staff delivering excellent service



Three of our dedicated staff who underwent long-term training



LONG-TERM TRAINING

Long-term training enhances the competence of staff at management level and ensures that we run efficiently, delivering quality service to our clients and colleagues, both locally and internationally. This type of training occurs over longer periods, usually six months or more.

Long-term training also assists in staff retention, upgrading skills, achieving long-standing career goals and growing the hospitality sector as a whole. 19 individual staff received long-term training, including the following highlighted staff:

MOEMEENA BEDFORD

Procurement Assistant

Training: Purchasing and Supply Management

Date completed: March 2019

Moemeena Bedford received training in Purchasing and Supply Management from UNISA. This course provided her with knowledge of and insight into the purchasing and supply environment. It also gave her a better understanding of how she can add value to the CTICC, as well as our clients.

“This course helped me become more efficient at overseeing and managing our supply networks, as well as handling tenders and RFQs. It also showed me how a more integrated approach can improve my service overall.”

She continues, “Courses like these are so beneficial. These new skills will help me become better at my job and, with time, I will be able to apply for a higher position than what I’m currently in and grow within my department, as well as the company.”

Moemeena says her goal is to be the “best me that I can be, in whatever position I hold.”

MICHAEL HENDRICKS

Event Services Manager

Training: New Managers Development Programme

Date completed: October 2018

For Michael, New Managers Development Programme (NMDP) training helped him to understand people and solve problems, as well as develop his teamwork and managerial skills. “This course has added immense value to my life, both personally and professionally,” he says.

Not only did he learn more about how to communicate effectively in the workplace, but this training has also equipped him with the confidence and capabilities to respond effectively to current and future business challenges.

Michael says his goal is to be in health and safety auditing, and believes that the CTICC, through our various training programmes, will help him reach this dream.

SIBONGILE MAGUGWANA

Sales Executive

Training: New Managers Development Programme

Date completed: September 2018

In 2018, Sibongile Magugwana took part in the New Managers Development Programme (NMDP). This course focuses on interpreting and understanding changing environments, developing self-awareness and communicating effectively in the workplace.

She told us that a highlight of her training was the discussions around the importance of effective leadership.

“I learnt that leadership is not about giving instruction or expecting people to perform the task at hand. It showed me that people tend to engage more when they feel included in the decision-making process. It revealed that good communication is very important, especially if you are a manager or the main decision-maker,” she says.

She is also more confident when it comes to her own leadership approach, her managerial decision-making processes, as well as team and managerial competencies.

Sibongile recently moved to long-term sales and wants to learn more about exhibitions and trade fairs and believes that this type of training will continue to help her grow within the company. “My goal job is to be a Business Development Manager,” she says.



19

Individual staff received long-term training

Upskilling our staff through short-term training



SHORT-TERM TRAINING

Short-term training is essential for upgrading staff skills so that the service we deliver is always 100% up-to-date and world-class. In total, 95 individual staff underwent short-term training. Examples include the following:



DENVILLE BRUSSEL

Commercial Administrator: Business and Research Development

Training: VAT Application Process, MS Word Basic, Emotional Intelligence Training, EBMS Training, ICCA AMP Training and Ethics Training

Denville Brussel says his training has allowed him to learn everything from how to use the EBMS system effectively to improving research skills, building self-confidence and embracing good business ethics.

“I have become more efficient in my job, and the training I get to do at the CTICC progressively expands on my current skill set. Learning is a lifelong journey, and you’re never too old to learn,” he says.

Denville’s goal is to secure a position at the centre where he can continue to develop and improve himself personally and professionally. “I enjoy challenges and look forward to opportunities where I will be able to assume more responsibility.”

One of the courses he would like to participate in is the training for Supply Chain Management and Human Resources.

“My long-term goal is to move into a management role” – and he believes the CTICC can get him there.



DARRIN DE VILLIERS

Junior Electrician

Training: Electrical training and trade test

Darrin de Villiers says his training has honed his skills and taught him more about the wiring of motors and transformers. Thanks to passing his trade test and completing his electrical course, he is now doing more hands-on electrical work that he previously wasn’t allowed to do.

“I’m now planning on doing my wireman’s licence. My goal is to be a master electrician,” he says.



95

Staff members went on short-term training



SIKHULULE MBEKENI

SCM Practitioner

Training: Minimum Competency Training

Sikhulule Mbekeni enrolled in Minimum Competency Training, which enables our Supply Chain Management practitioners to make effective, efficient and economical utilisation of public funds and resources.

His training covered the interpretation of financial statements and working capital management activities, in accordance with sound financial management policy.

Improving on this expertise is essential for someone in his line of work, Sikhulule tells us. Additionally, the course addressed strategic management, budgeting implementation and performance management.

“Not only did this course improve my management style and budgeting abilities, both of which is important for someone in my role, but it also sharpened my analytical skills and critical thinking capabilities,” he says.

This type of training, says Sikhulule, will help him attain his goal of becoming a Supply Chain Management Manager.



ELVINO MACK

Sous Chef

Training: MS Word Basic, Essential Assertiveness Training and ISO 22000

Elvino Mack believes that “every course teaches you different things.” Each year for the last seven years, he has completed a training course. “These courses build on my skill set and help me grow within the company,” he says.

One of the courses that Elvino participated in was Essential Assertiveness Training. This one-day workshop explores interpersonal skills, the importance of effective communication, and techniques for developing and improving confidence.

“Essential Assertiveness Training improved my ability to communicate with my clients and peers. I’m also much more assertive, which is a good skill to have in a kitchen.”

He also took a course in ISO 22000 Food Safety Management. This is an essential course for a chef, as it proves their dedication to food safety, and teaches them about the processes and policies that need to be in place to mitigate risks.

“My aim is to keep on improving, and one day I would like to run my own business as a chef.”

This is why training is so important to us. The courses we provide will go a long way to helping him climb the career ladder at the CTICC, as well as aiding him in reaching his entrepreneurial goals.



EXTERNAL STAFF TRAINING

We are committed to training full-time staff, as well as part-time or non-permanent staff. Training for non-permanent staff included ethics training, barista training, beverage training, food safety, customer service induction, health and safety, CARE (Customers Are Really Everything) training, and waitron and usher training, amongst many others.

This type of training is voluntary, and our non-permanent staff can attend as many courses beneficial to their role as they like. In addition, they can join sessions that interest them outside of their role. As a result, we provided a total of 549 attendees with training, totalling 1 075 hours during the financial period under review.



PROMOTIONS: RISING STARS

We are proud to see our staff grow within the company and are very pleased to report an increase in internal promotions, from eight in 2017/18 to 15 in 2018/19, up by an impressive 88%.

Promotion is essential to both employee satisfaction and retention. It also encourages high service levels and superior productivity, while advancing our staff within the CTICC and enabling them to reach their full potential. Here our rising stars talk of their promotions in their own words:



OLIVIA BRUCE

Commercial Department

"I have always been passionate about marketing and the CTICC. It was a natural choice to work here, as I believe in the purpose of creating jobs through hosting events. At the CTICC, I get to build and shape the brand, create awareness around the business and ensure that we continue to be seen as a leading venue through various marketing and communications initiatives. I have learnt that no matter what, if you have grit, you can do anything in your personal and professional life. Perseverance and tenacity are other core traits that have served me and helped me reach my goals. I am grateful for the opportunities presented to me by the CTICC, and the value I have been able to add."

MANISH CHOKAWALA

Operations Department

"I really enjoy providing technical support to users and clients and overcoming the technical challenges that come with it. Every day is a learning opportunity at the CTICC, and it has taught me that anything is possible if you are willing to put in the effort. The CTICC's IT Infrastructure is also really well-developed and maintained."

**MICHAEL COLLINS**

Commercial Department

"Working at the best venue in South Africa gives me the freedom to create exceptional event experiences for my clients. The CTICC's innovation and flexibility accommodates for all our clients' needs and high expectations. We are in the business of over-delivering and are, therefore, able to maintain valuable client relationships."



CHANTAL CROASTER

Commercial Department

"I am driven by making a difference in the lives of our clients, staff and the greater CTICC community by working hard and making sure that the role I am playing in this industry is done to the best of my ability. I work by finding practical solutions to challenges so that we are able to work in a more efficient manner. As a service provider, we are at the forefront of making a direct impact on people's lives in the Western Cape by increasing business tourism to the region, and that excites me! The CTICC's sense of community and the willingness to assist, bring about change, and contribute to job creation and the economy is incredibly motivational. It pushes me to always think of what I can do to help, mentor, guide and support the next person, client or business."

SIMPHIWE DANTYI

Operations Department

"I strive to be the best person I can be. My motivation comes from interacting with my colleagues and improving my skill set. I have learnt a lot about how to deal and interact with different kinds of people, including clients and my colleagues."



DARRIN DE VILLIERS
Operations Department

"During my time at the CTICC, I have grown and matured in my role, especially when it comes to how I interact with my peers and clients. I have learnt patience and tolerance, and this has changed my entire outlook. I also look forward to coming to work and passing on my knowledge to my colleagues."



KEENIN HOOGBAARD
Food and Beverage Department

"I've learnt that at the CTICC, nothing is impossible. If you can imagine it, we can host it. Every event has its own story."



MAFIWA KOCK

Commercial Department

"I like challenging myself and advancing on a personal level. I am also driven by results. I work best when I have a concrete goal and time to come up with a strong strategy for achieving it. I have learnt to equip myself by building essential skills and, in doing so, I can now identify priorities and adopt a good attitude, which goes a long way to managing stress and growing emotional intelligence."

ADÈLE MARITZ

Commercial Department

"I like being able to make a difference and setting an example for others. In my role at the CTICC, I have a direct influence on economic impact and job creation by attracting events to Cape Town. However, this can't be done alone. Partnerships within your team and organisation, and the assistance of external stakeholders are essential to success. Adding to this, communication is vital. The more information that is shared, the better equipped one is to make an informed decision, which is exactly why I enjoy imparting my knowledge and experiences with my colleagues. Together, we are working to continue being a forward-thinking and solutions-driven service provider."



NONOPHA MASHWA

Food and Beverage Department

"The CTICC has shown me that if I perform to the best of my ability, I will continue growing in my career. Just believe in yourself and don't let a negative attitude stand in your way."

**SWEETNESS MATA**

Food and Beverage Department

"I've learnt that believing in people, equipping staff with the necessary skills, and unlocking minds with mentorship and job shadowing makes our vision a reality and has a positive effect on our daily work. Another important aspect is the ability to share important and relevant information. This is the key to success. By sharing pertinent information with the right people on my team, I am able to ensure that we are adequately prepared for any changes should they come up, which often happens in the conferencing industry. This is a simple skill but so effective and crucial when it comes to providing excellent customer service."





ASANDA MORGWEN

Food and Beverage Department

"I'm motivated by working under a positive, fair, professional and kind leadership team. I believe in dedicating my time to a company that gives me an opportunity to grow and exercises people's rights. I work with clients, as well as the senior executive team, who guide and support me."

ROBIN SEPTEMBER

Operations Department

"I value working alongside international clients and sharing industry experience while delivering a world-class service. Communication is fundamental in this volatile environment and is the number one driving force in achieving success."



ROBYN VILJOEN

Commercial Department

"I enjoy working in a dynamic environment that is exciting and challenging – and the CTICC offers that. In my time here, I've learnt that communication with your team is essential to ensuring that an event is carried out as best it can be. Keeping in touch with your client is just as important. You want them to know that you are taking care of them and working together with them to make their event a success."



TWO TALES OF DETERMINATION

As you'll have read, at the CTICC, we are fortunate enough to have a stellar workforce that is dedicated to both uplifting themselves and the centre. Below we highlight in more detail just two of our staff who represent the types of transformations taking place within our walls on a daily basis.

SHINING STAR

DIMITRI KOOPMAN

Dimitri started as a Commis (junior) chef 12 years ago and moved through the ranks, becoming Demi Chef de Partie (an assistant chef), then Chef de Partie (line cook). To achieve his current status in the kitchen, he underwent in-house training by the Executive Chef and Executive Sous Chef. "I learnt something new from each of the three Sous Chefs who've been here in my time," he says.

Dimitri also received training in food costings, staff management, labour cost management, and the Hazard Analysis and Critical Control Point System (ISO 22000). "I am always putting in the effort, and I always want to learn about functions and trends. I always want to try something new," he says.

Dimitri won the CEO Award for Employee of the Year. "When you get an award, you realise people are always watching, and they do recognise your input and value. I am now guiding and coaching other chefs. This, for me, has been very rewarding, as I have had two chefs win bursaries under my tutelage," he says.

The CTICC has fulfilled a long-held dream to be a Sous Chef and having seen other people around him grow in their careers, Dimitri has a new goal: "One day, becoming an Executive Chef would be great, and I want to start studying towards that."

At work in the kitchen, he often changes menus. "I never do the same thing over and over, which is what happens with general restaurants," he says. He hopes to get a few more certificates and complete a food and beverage management course to understand more about the business side of things.

He also enjoys training staff. "Training people is a passion of mine. I love to see people grow. Ultimately, I'd love to go to Front of House operations," he says.

Since he started at the CTICC, Dimitri has managed to purchase a house and a car. "My family started over here. The grown-up part of life all started here." At the end of day, Dimitri says, "I want to be part of helping the CTICC team synergise and integrate."



Former position:
Sous Chef



Current position:
Senior Sous Chef



TRUE GRIT

MANDY WHATFORD

Mandy trained in Project Management at Cape Peninsula University of Technology (CPUT) in 2013 via the CTICC, which helped her to understand Project Management and target deliveries.

“I’ve always wanted to make my management and peers proud and know that they can depend on me for doing what is required over and above. Most of all, I do it for myself and because I love what I do,” she says.

For her efforts, she has won a number of awards over the years, including Employee of the Month, the Excellence Award and Employee of the Year. “If you have a can-do attitude, anything is possible,” she says.

Mandy says she has gained enormous job satisfaction at the CTICC and is particularly grateful to Craig Barrington (GM: Facilities and Operations) for believing in her.

“When I started here as a storeperson, I could not drive. Five years later, I have a driver’s licence and can say that Julie-May Ellingson really encouraged me when I was struggling with this. She always told me to park with the CTICC bakkie, as on-the-job training assisted me in this problem area. The CTICC really helped me with this personal goal.”

Mandy says some of the benefits of working at the CTICC are the relationships she gets to build with other staff, and the lessons she has learnt from them. She recently achieved a long-term personal goal as well – to get her matric.

“I started my matric four years ago. I had a tough time in my first year, as I had some personal issues. My son had become addicted to drugs, but that made me more determined. I passed three subjects in my first year, and one subject in my second year, but in my third year, I finally managed to pass math literacy, which was my hardest subject. Craig Barrington helped me so much with my maths. I don’t think I could have done it without him,” says Mandy.

Mandy is now aiding two other people in her department to get their matric. “When you show that you’re determined, people notice. It’s because I was determined that I got to where I am,” says Mandy, who has now set her sights on becoming Assistant Facilities Manager.

Aside from getting her matric certificate in June, Mandy also completed a SAMTRAC course in health and safety this year.



Former position:
Technical Administrator Assistant



Current position:
Maintenance Coordinator



Recognising our loyal staff with Long Service Awards



LONG SERVICE AWARDS

Long Service Awards are one of the most important forms of recognition at the CTICC because they reward staff for loyalty to the business. Not only do these awards show our staff that we value their hard work and dedication, but it also serves to motivate, engage and retain our staff complement, which is especially important in tough economic times.

In 2018/19, 11 employees received Long Service Awards in the five- and ten-year categories.

Table 1: Long Service Awards for the 2018/19 financial year

QUARTER	EMPLOYEE	JOB TITLE	DEPARTMENT	YEARS' SERVICE
1	Amanda Van Der Heever	Credit Controller	Finance	5 Years
1	Bongani Wondo	Parking Controller	Operations: Facilities	10 Years
1	Ismail Essop	Storeroom Supervisor	Operations: Food & Beverage	5 Years
1	Katrina Stoffels	Demi Chef de Partie	Operations: Food & Beverage	10 Years
2	Moemeena Bedford	Procurement Assistant	Finance	5 Years
3	Mario Tito	Event Services Manager	Food & Beverage	5 Years
4	Kerwin Lakay	Infrastructure Handyman	Maintenance	5 Years
4	Jaclyn Petzer	Sales Executive	Commercial	5 Years
4	Keenin Hoogbaard	Event Services Manager: Beverage	Food & Beverage	5 Years
4	Dimitri Koopman	Senior Sous Chef	Food & Beverage	10 Years
4	Sharon Mfazwe	Demi Chef De Partie	Food & Beverage	10 Years

Perhaps the best example of long service goes to Hajira Essop. In February 2019, she retired after 16 years of committed service. It is safe to say that she can never be replaced, but she serves as a wonderful example of an employee with drive and kindness. She worked her way up the ranks and was part of making us the institution we are today.

HAJIRA ESSOP: AN INSTITUTION, A FRIEND AND A STALWART

Hajira Essop, fondly known as 'Aunty Hajira', started at the CTICC on 1 November 2002, a few months before we officially opened our doors. She was handpicked to join the team by the then Managing Director, Dirk Elzinga, as a tea lady, and over the years, she worked her way up to Executive Office Assistant.

But Aunty Hajira was more than just her role. She was our work mom, our friend and confidante, and a person we could go to for advice. She made everyone feel important and brought laughter to us all.

Her contribution to the CTICC over the last 16 years has been immense. She was often the first person to welcome newcomers, and she supervised the many contract workers that came through our building. She was tireless and committed, and always worked towards ensuring the company ran smoothly and effectively.

On 28 February, we said thank you to Hajira for her long service and hard work as she prepared herself for the new phase of her life – retirement.

Aunty Hajira touched each and every one of our hearts and it was with tears in our eyes that we wished her well.

Celebrating 16 years of excellent service with Aunty Hajira



FORGING BRIGHT FUTURES: STUDENT AND GRADUATE PROGRAMMES

It is crucial for us to extend our training to embrace and develop new talent in the tourism industry. This is why we run two programmes for high-performing and capable young people interested in building a career in the event management and hospitality sectors:



Student Placement Programme

Students who are studying hospitality-related courses are provided with the chance to join us on a six-month training course while they are studying. This practical placement helps students complete their studies by giving them the relevant experience they need.



Graduate Placement Programme

This placement offers graduates a full year's employment contract. These graduates learn about every aspect of our business during that year, giving them a complete overview of both the event management process and the hospitality sector as a whole.

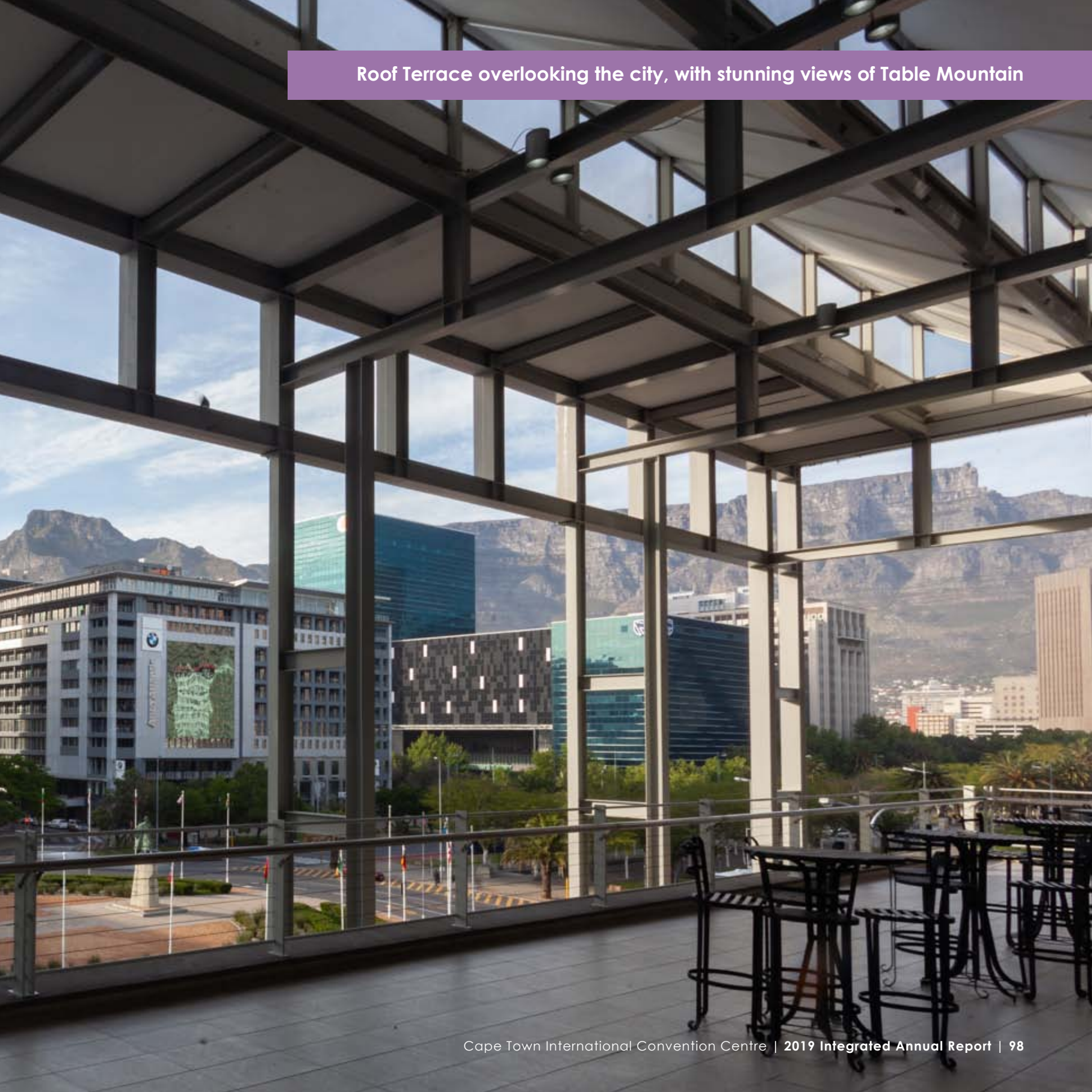
Our two programmes set up students and graduates for further study or employment opportunities.

In the year under review, we had 14 students on our Student Placement Programme and 11 graduates on our Graduate Placement Programme.

Our Student and Graduate Placement Programme candidates



Roof Terrace overlooking the city, with stunning views of Table Mountain



ANTHEA DAVIDS

Position: Financial Student

Qualification: Certificate in Business Management

Training journey: I started out as a waitron at functions during the school holidays, and when I was done with school, I started my Business Management course at college. While studying, I worked at the CTICC in the laundry room, which is how I found out about the Financial Student position.

How has being a CTICC graduate helped you in your career path?

Before I started working in the Finance department, the only thing I wanted to do was further my studies in Business Management. However, since I've been here, I've found that the financial environment is exciting, and I've realised that this is my true passion and future career path.

My colleagues are more like family to me, and although many people said, "oh finance is quiet and boring", that's so not true. We never have a dull moment here. It's truly been a huge blessing.

Ultimate goal? To further my studies within the financial field and to be successful and financially stable so that I can provide for my family in the best way that I possibly can.



JOSEPH LESHILO

Position: Supply Chain Management Graduate

Qualification: B.Com Honours in Logistics

Training journey: I joined the CTICC with a wealth of theoretical knowledge in Supply Chain Management, logistics and transport economics, but with very little experience when it came to understanding the full process of practical Supply Chain Management. At the CTICC, I was exposed to everything from registration of suppliers on the database and inventory management to evaluating requests for quotes (RFQs) and compliance checking.

I've now completed ethics training, which I found boosts morale so that employees work more effectively and harmoniously with their co-workers.

How has being a CTICC graduate helped you in your career path?

It has been so fruitful because I feel like I am now ready for any position related to Supply Chain Management, and it has equipped me with the necessary attitude needed in a work environment.

Ultimate goal? My ultimate goal is to get a permanent job with the CTICC and grow within the great leadership at the CTICC.



NKULULEKO NGCOBO

Position: Catering Graduate

Qualification: National Diploma in Catering Management

Training journey: I joined the CTICC in 2017 as a student on a six-month in-service training contract. I then went back to school to complete my diploma. I heard about the Graduate Placement Programme right after graduating and applied for it immediately because I still wanted to be part of the CTICC family. I knew there was more to learn and that I had some skills to add.

How has being a CTICC graduate helped you in your career path? The CTICC has helped me find what I really love and enjoy doing, which is being a chef. When I first came here, I wasn't sure what I really wanted, but after all the time I've spent at the CTICC, I've fallen in love with the hospitality industry. In this place, you grow every day. I've learnt everything from prepping for a function and cooking to stock taking, and briefing and supervising the staff when the Sous Chef is not present.

Ultimate goal? At this point, I still want to grow in my field, learn as much as I can and try to be the best I can be.

JAYDON VALENTINE

Position: Marketing Graduate

Qualification: B.Com Honours in Strategic Brand Management

Training journey: I have some experience as a brand strategist and have worked as a PR and event intern. Currently, I am shadowing the Head of Marketing and Communications. On a day-to-day basis, I manage stakeholder relations, an advertising schedule, and coordinate marketing activities.

How has being a CTICC graduate helped you in your career path? Working alongside the Head of Marketing and Communications has given me a holistic view of managing a marketing department, and the types of tasks that a marketing communications expert is expected to perform.

This has given me a better idea of what career I would like to pursue in the future. More than that, the time that I have spent at the CTICC has equipped me with more practical knowledge and skills than I could ever have imagined, and I know this will go a long way to helping me become more competitive in my role.

Ultimate goal? My goal is to be an entrepreneur. By having a vast knowledge of various industries, I have the potential to be an excellent corporate leader.



COMMENTS FROM OUR STUDENTS AND GRADUATES



NODEMOCRACY GQIZA

Catering Graduate
Food and Beverage Department

"I have learnt a lot from the CTICC team and have built great relationships with my managers. I was able to work in two kitchens, and I'm very grateful for the opportunity to learn. This will go a long way to growing my career in the industry."

KWANELE MAKHAYE

Graduate
Food and Beverage Department

"The departmental training offered was very informative and helpful in terms of growing professionally. I rotated around the Food and Beverage departments, which provided me with a lot of insight into how they operate and are interconnected, working to ensure the success of every event. The CTICC's social activities are a great way for one to come out of their shell and interact with co-workers."



SAMUKELO MICHAEL MHLONGO

Front of House Graduate
Food and Beverage Department

"I have learnt so much in the graduate programme. I now know how to maintain customer satisfaction and manage the Food and Beverage department as per schedule. I work with an amazing team that assists me in gaining more experience in the hospitality industry. This experience will help me shape my future."

**SIMONE DOS SANTOS**

Sales Graduate
Commercial Department

"My experience has been beneficial for personal and career growth. I am being exposed to conferences, exhibitions, banqueting and many other sectors in the hospitality industry, and working in such a diverse environment and demanding industry will assist my future endeavours."



Nurturing and uplifting our employees

STAFF WELLNESS PROGRAMME

We are committed to nurturing and retaining happy, well-adjusted employees who are able to perform optimally because they are balanced in all aspects of their lives. To this end, we appointed the Centre for Occupational and Wellness Services to implement a holistic Employee Wellness Programme (EWP) for our staff and their immediate family members over a period of 12 months.

The Centre for Occupational and Wellness Services is an independent, national human capital, learning and development, occupational health and wellness management service provider, established in 2008, and a B-BBEE Level 1 Contributor.

Through this wellness programme, we are able to provide our team with access to a variety of services, including counselling, trauma debriefing and defusing, chronic disease and illness strategy, health screening and awareness campaigns, substance abuse management, mental health services, lifestyle management campaigns, financial wellness and debt management, to name a few.

We are confident that this commitment is of great value to our employees and one that will positively influence them personally. In turn, these offerings will also benefit our business.



Centre for Occupational & Wellness Services
Health1st



Engaging with customers for a superior CTICC experience

IN TOUCH WITH OUR CLIENTS: CUSTOMER FEEDBACK

Customer satisfaction remains very high at the CTICC, and for the year under review, we received an overall Customer Satisfaction Index of 84%, which was 4% above our KPI target of 80%.

We use an independent company, N'Lighten, to measure its Customer Satisfaction Index. This is done on a monthly basis, face-to-face, telephonically or via email. It includes all the different types of events, namely, conferences, banquets, trade fairs, exhibitions, special events, other events and photo shoots. A range of topics are covered that are relevant to our business operations, such as audio-visual services, cleanliness of the venue, coffee shops, conference and exhibition services, food and beverage, service of event executives and event service managers, ease of doing business, IT and telecommunication services, service of reception staff, safety and security, service of sales executives, venue climate control and waiting services.

The results of these customer experience surveys are used to inform and elevate our training and quality of service, going beyond the expectations of our clients, visitors and stakeholders and to ensure we are seen as a world-class MICE destination.



A close-up photograph of a person's hands holding a small tree sapling with a ball of soil. The person is wearing a blue t-shirt with a yellow and red logo that says "STICC". The background is a blurred green landscape.

SUSTAINABILITY



we are a green conscious convention centre

SECURING OUR TOMORROW, TODAY

This year, our waste, energy and, in particular, water management efforts have continued to be high priority, with our R8m investment in our own reverse osmosis potable water production plant taking centre stage. Local sourcing of food for our catering offering has also been a strong focus. Details of all these initiatives follow below.

We have always been focused on sustainability as a core business practice, which is why we have strategically formulated environmental sustainability initiatives to maximise our impact while creating real value for the beneficiaries of these partnerships.

Globally, consumers and event organisers are demanding that companies follow sustainable business practices and processes. This is why waste management, energy consumption, local sourcing and water conservation are key priorities for us.

We base our operations on the ten guiding principles of the United Nations Global Compact (UNGC), of which we are a member. These principles, contained in the UN sustainability goals for the year 2030, set out strategic policies for businesses that are committed to establishing a culture of integrity and upholding basic responsibilities to people and planet.

The UNGC focuses on a company's value system in respect of its responsibilities in the areas of human rights, labour, environment and anti-corruption, and contends that in upholding these basic responsibilities, a company also sets the stage for long-term success.

The 10 UNGC principles are split into the following categories: **human rights**, which encompasses respecting human rights and ensuring we are not complicit in human rights abuses; **labour**, which includes preserving the freedom of association and the right to collective bargaining, the elimination of forced, compulsory and child labour, and the rejection of discrimination in employment and occupation; **environment**, which includes approaching environmental challenges in a precautionary manner, undertaking initiatives to promote greater environmental responsibility and encouraging the development and dissemination of environmentally-friendly technologies; and, finally, **anti-corruption**, with principle ten stating that businesses must work against all forms of corruption, including extortion and bribery.

We continually align to the UNGC's principles, in particular by seeking new ways to mitigate its impact on the environment while advancing its people and providing them with new opportunities to grow within the organisation.

Driving our triple bottom line sustainability objectives is our Nurture Our World (NOW) committee, which has implemented various practices and raised awareness around sustainability.



Human rights



Labour



Environment



Anti-corruption

The NOW Team:

- Informs, drives, and monitors our triple bottom line approach;
- Oversees the design and implementation of sustainable CSR initiatives that contribute to social growth;
- Raises the profile of the centre as a sustainability leader in its industry;
- Ensures the effectiveness of our efforts to minimise our environmental impact, while maximising the positive contribution made to a sustainable future for society.

To measure our impact on the environment, we use environmental indicators. These include our operational impact in terms of water, electricity, and fuel use, as well as the waste we produce. Our environmental indicators are a visual indicator of our commitment to minimising our own environmental footprint.

The CTICC Nurture Our World team



Natural light streaming through our minimalist and modern conservatories



Our state-of-the-art reverse osmosis plant



A COMPLETE WATER SOLUTION: WHAT IT MEANS TO THE CTICC, OUR CLIENTS AND THE PLANET

Water conservation is a key concern for us, as it is in the City of Cape Town, which experienced a drought last year. One of our most significant initiatives during 2018 was the installation of the centre's reverse osmosis plant. We also harvest greywater and rainwater for use inside and outside our building and have introduced a number of other initiatives to save water.

Reverse osmosis plant

In 2018, we installed our reverse osmosis plant, which extracts underground seawater using ultra-filtration, and reverse osmosis technology that removes the salt and contaminants from the water by pushing it through a semi-permeable membrane at high pressure. This plant produces purified and fully potable water that complies with the SANS/SABS 241 of 2015 Standard for Drinking Water.

It is purposely designed to cater to all our daily water consumption needs by being able to produce 200 000 litres of drinking water in a 24-hour cycle.

The plant integrates an additional storage tank with a capacity of 400 000 litres, which accommodates for our maximum demand scenarios. In

conjunction with our water storage capacity, we are able to provide twice our regular daily water consumption, which means that we can offer 100% water neutral events.

On some days over the review period, we used all 200 000 litres, and all of the water we use, including in the kitchens and drinkable water from the taps, is from the reverse osmosis plant, which has a 15-year lifespan. Should the need arise, there is a valve to switch us onto municipal water.

We can expect a five-year return on investment (ROI) in the plant. The ROI began with significant drops in the cost of water over the review year, and if that continues, we may see the ROI sooner than expected.

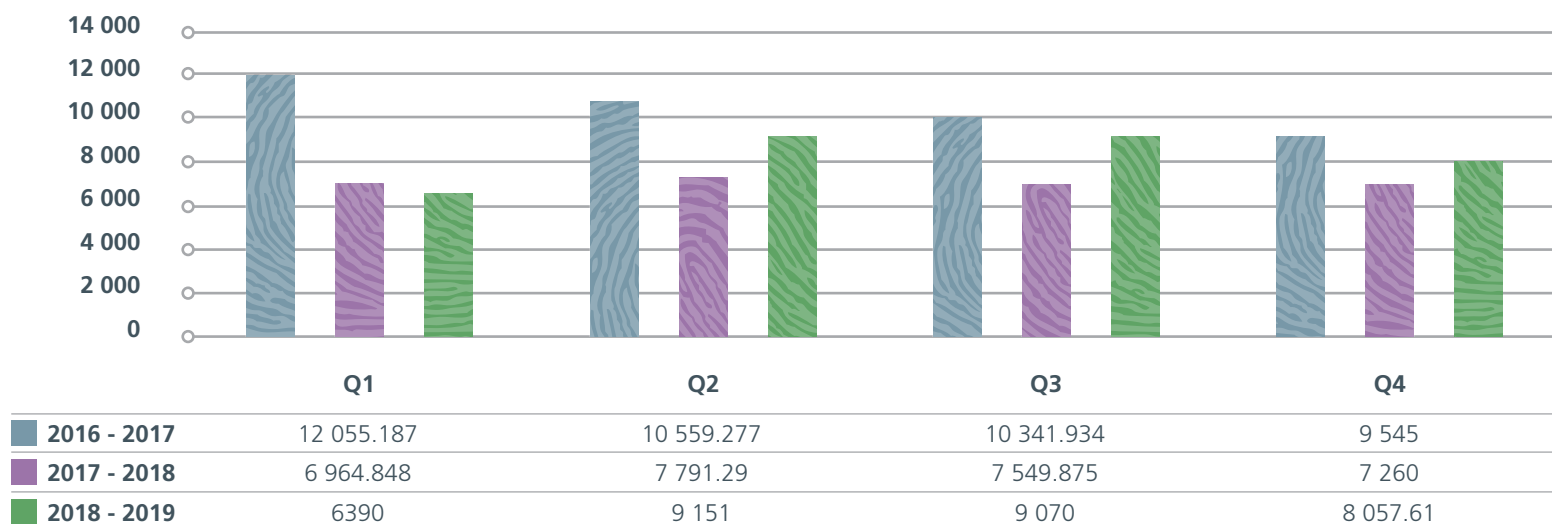
Greywater and rainwater harvesting, and waterwise initiatives

Cape Town's dams have largely recovered from the drought in 2017, but we continue to use water wisely and save this precious resource wherever possible.

During the 2018/19 year, we used a total of 32 668.61kL, representing an increase of 10% from the previous 12-month period. This was mainly

because the 2017/18 financial year was off a low base due to the intense water restrictions still in place, and all hand washbasins were turned off. These restrictions have since been lifted, and all the hand washbasins have been turned on again.

Table 1: Total Water Consumption



We have several other initiatives in place to reduce our water consumption. These include:

- Utilising rainwater storage tanks, which capture up to 265 000 litres of water at a time. The water is being used for irrigation of indoor plants, cleaning and, in the winter months, provision of water to the cooling towers of the central air-conditioning system;
- Capturing condensate from the air-conditioning units. About 20 000 litres of water are captured a week and is used for cleaning purposes in and around the centre;
- The centre reduces dishwashing loads and water use by not using tablecloths, using disposable napkins, biodegradable cups in our coffee shops, and providing our clients with the option to use this type of crockery at their events;
- Minimising water usage with aerators in all taps in both the kitchens and ablutions;
- Monitoring activities from exhibitors and orders for plumbing. Previously, freshwater was used for ballasts at exhibitions for the erection of external structures. We banned this activity and only allow sand or sea water-filled ballasts.



265 000L

of water is captured in our rainwater storage tanks. This is used for irrigation, cleaning and the central air-conditioning system.

Our talented and ISO-certified chefs serving up local cuisine



FOOD FOR THOUGHT: SOURCING LOCAL TO REDUCE OUR CARBON FOOTPRINT

Our Executive Chef, Roberto De Carvalho, is particularly proud of the fact that all our food and beverage suppliers are now located within a 50km radius, the exception being food items sourced from upcountry to accommodate specific client requirements. By purchasing locally produced and grown produce, we reduce flyer miles, minimise our carbon footprint, and, most importantly, support local businesses.

What this means is that our kitchens only order what is needed for a particular event – a kind of just-in-time management process. In catering, this is called event-based ordering, and it means that we only use fresh ingredients for the events we service: today's lettuce, rather than yesterday's or the day before's. This ensures there is very little food wastage and that meals ordered at the CTICC are always of excellent quality.

We, therefore, only develop menus with available and seasonal produce. Not only do we use as many local ingredients as possible, but we also prepare traditional dishes, such as Cape Malay spiced lamb skewers, vegetarian curry vetkoek with tomato chutney and barbecue sirloin sosaties. Through our dynamic menus, we have found that our international delegates love to experience food that they cannot get in their own country, just as much as our locals love to see their ingredients being utilised in new ways.

One of the energy- and environmentally-friendly techniques used in the production kitchens to further reduce their carbon footprint is the ozone water system. It kills bacteria and reduces food-borne illnesses, meaning that our chefs use fewer chemicals to ensure that food is safe to eat.

Our maintenance team are always working on ways to make the kitchens more water and electricity wise. The kitchens use water from the reverse osmosis plant, and energy-efficient ovens reduce the electricity requirements for cooking and regenerating food.



50km

Radius for all food suppliers

OPTIMISING ENERGY EFFICIENCIES: PROTECTING OUR FUTURE

Our energy consumption, including our electricity, petrol and diesel fuel energy, increased in the last financial year by a combined 6%, which translates to a total of 44 743 gigajoules of energy from primary sources (fuel) and electricity generation.

This is a remarkable achievement considering that, with the addition of CTICC 2, our square meterage has effectively expanded by 31 148m², adding 10 000m² of multi-purpose conference and exhibition space and 3 000m² of informal and formal meeting space.

On the other hand, we used an average of 1 032 553 kWh of electricity (excluding petrol and diesel energy measurements) per month, which represents an increase of 6% per month from the previous year. Additionally, an average of 33 600 kWh per day and approximately 0.76kWh/m² average was reached.

Looking at the kVA (kilovolt ampere) peak average per month, a reduction was achieved, which calculates to 2 569 kVA, and is 9% less than the previous period's monthly average.

Our greenhouse gas emissions increased by 719 tonnes during the financial year. This is mostly because we used more electricity when CTICC 2 became officially operational in 2018. In light of this, the increase is still nominal if you consider the fact that an entirely new four-floor building has gone online.

We are committed to further reducing electrical energy consumption and, as outlined in our five-year strategy, we are investigating more sustainable electrical generation options, including photovoltaic solar PV panes and water heating by means of heat pumps.

In addition, we remain fully prepared for power outages, with several generators that start up automatically, ensuring that power is restored in under 60 seconds if there is an outage. However, generators are not sustainable and, therefore, we host events such as African Utility Week, where leaders in the field can come together and discuss sustainable solutions to increase electricity supply.

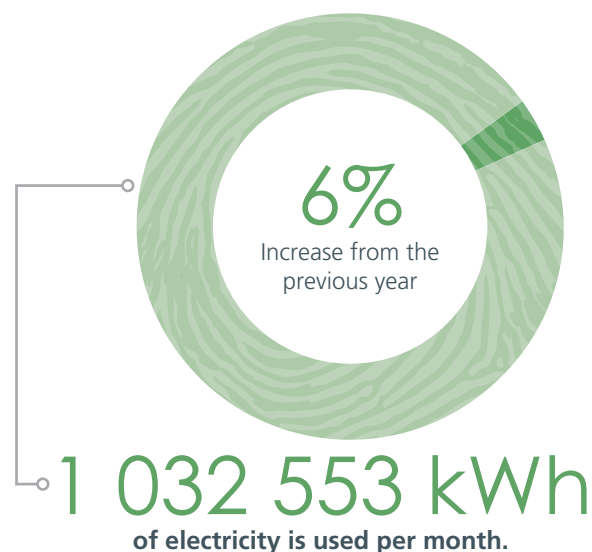


Table 2: Combined energy consumption for CTICC 1 and CTICC 2 for the 2018/19 year under review

Year	Total kWh	Fuel litres	Total gigajoules	Year-on-year	Baseline year
2016/17	8 643 600	1 237.90	31 161.3	-6.03%	
2017/18	11 684 111	1 309.13	42 110.7	35.14%	New baseline
2018/19	12 416 212	1 187.58	44 742.8	+6.25%	6.25%

INNOVATIVE WASTE MANAGEMENT

In the 2018/19 financial year, our total waste output was 676 metric tonnes, and 86% of it was diverted from landfill. We also actively engage with our clients to encourage recycling so that waste is reused in a socially beneficial manner.

We maintain a thorough waste management system (ISO 14001) and require all events to submit a waste management plan in accordance with city by-laws. Waste certificates are issued, and waste disposal is accurately recorded and managed by our waste management service provider.

Total amount of waste generated in 2018/19 (in metric tonnes)





OUR GREEN INITIATIVES

- We contribute a portion of the value of each conferencing food package to our NOW Fund, which is used to aid local communities;
- A green events checklist is included in the marketing collateral to create more awareness around event greening, and printed material is provided on Forest Stewardship Council (FSC)-approved paper;
- We offer several fair trade wines on our wine lists, such as Reyneke Wines, which are fully organic and biodynamic. They use holistic, ecological and ethical approaches to farming, gardening, food and nutrition;
- We try to source wine bottles that are cork-less, while wine corks are disposed of in special bins and handed to a waste company for recycling;
- We use locally produced food, and most of our fish is from the SASSI Green list;
- We provide compostable takeaway food containers for all public catering events;
- All kitchen waste is segregated and diverted from landfill and sent to fly farms;
- Food waste that is unpackaged and left over, as well as any horse manure and straw (usually obtained from our Cape Premier Yearling event), is sent to our composting contractor, who distributes the waste for use in bokashi. Bokashi is a composting method where scraps of all kinds are placed in a container filled with a special type of bran, which is tightly covered for 10 to 12 days. The products become pickled and are then ready to be used in the garden.
- We provide a multi-bin system to encourage recycling, with separation at the source;
- Water is bottled on-site, utilising the Vivreau system, in water dispenser bottles or jugs of water;
- Waste from exhibitions or conferences is collected and donated to organisations in need, as far as possible;
- Event waste is diverted from landfill by upcycling exhibition items, such as wood from custom stands, furniture left behind from events, and packaged food, by donating those items to organisations in need;
- Natural light is used in venues, whenever practical.

As part of our overall sustainability objective, we always look for ways to green both our own business, through our sustainability efforts, and the events hosted by our clients. Our increasing focus on the environment has led to tangible benefits for our community and the planet.

This commitment to the environment earned us top honours after winning the Medium Stand Award category in the Event Greening Forum Awards at Meetings Africa 2019 held earlier this year in Johannesburg. These awards recognise stands and companies that excel in their commitment to 'going green' and environmental sustainability.

Sasol exhibitors stand at Investing in African Mining Indaba 2019



CASE STUDY: INVESTING IN AFRICAN MINING INDABA 2019

The Investing in African Mining Indaba is the world's largest mining investment conference and the biggest mining event in Africa. It offers South Africa and the rest of the continent an opportunity to engage with global investors who are seeking prospects for new or further investment in Africa's mining industry.

In celebration of its 25th anniversary, the organisers of Investing in African Mining Indaba made it their most sustainable and green event yet, and included a Sustainable Development Day aimed at bringing the issue to the attention of every mining business. This year's theme was 'Championing Africa's Sustainable Economic Development'.

It is one of our biggest international events annually, and this year it attracted 6 050 delegates, among them ministers, senior government officials, major mining company representatives, investors and service providers.

What we set out to achieve

Alex Grose, Managing Director of Investing in African Mining Indaba, said the mining industry places great importance on sustainability. The organisation was keen to lead from the front in this regard, and they believe that all event organisers should try to increase their sustainability efforts whenever they can.

For this reason, the CTICC collaborated with the Investing in African Mining Indaba with the aim of diverting all event wood and fabric waste from landfill. Numerous large exhibition stands were custom-built throughout CTICC 1 in Exhibition Halls 2, 3 and 4.

The centre hosted pre-meetings to guarantee that the event break down procedure was briefed and managed methodically. This ensured that wood was successfully separated, and clear and correct waste separation signage was placed on the wood skips.

By working closely alongside the centre's service providers and stand builders, we ensured that the wood was carefully dismantled and contamination avoided. Additionally, one of the centre's contractors, Scan Display, assisted in arranging and delivering the event fabric, banners and signage for donation.

The final facts and figures

Eight skips of about 24 000kg of the wood used for the stands were donated to the Orion Organisation, a school for persons with disabilities, and Cabrico Genuine Clay Face Brick and Pavers. Sealand Gear, the recipient of the event fabric, reused the material to make upcycled goods.

Not only did the CTICC and Investing in African Mining Indaba meet their goal of creating an environmentally sustainable event, but the centre also aided in the creation of multiple jobs.

After the success of the Investing in African Mining Indaba's 25th anniversary, an even bigger event is being planned for the 2020 Investing in African Mining Indaba. More space will be allocated to junior and mid-tiers within the Investment Pavilion.



24 000kg

of wood used in the construction
of exhibition stands was donated
to our partners for repurpose

Implementing the upcycling plan



Step 1

We worked alongside service providers, Averda and Bidvest Prestige, and various stand builders who were instrumental in ensuring that the wood was disassembled in a usable condition without contamination in the skips.

Step 2

The Orion Organisation, located in Atlantis on the West Coast, cares for adults and children with various disabilities. The organisation received 6 000kg of wood, which was used to create bedroom cupboards in their various hostels.



Step 3

Cabrigo received 18 000kg of wood, which was used to fuel their oven, thus, drying their plaster bricks in an environmentally sustainable and energy-efficient manner.



Step 4

Fabric from the event, including branding and directional signage, was donated to Sealand Gear, who upcycled the donation to produce bags, accessories and clothing.

Recording the success of the initiative

We arranged for a videographer and photographer to capture the full deconstruction process to showcase the lifespan of a green event and the lessons we learned from implementing such a large-scale project.

The video captures the process, from identifying stands, breaking them down, separating waste at the event, to delivering the waste to the partner donor organisations.

We chose to share our experience so that other centres and conference and exhibition organisers could learn from us.

The video also features an interview with CTICC CEO, Julie-May Ellingson, outlining the importance of reducing waste to landfill, and showing the handover of donations.



**Capturing the
full deconstruction
process**



**Delivering the waste to
the partner donor
organisations**



**Handing over
the much-needed
donations**



**Sharing our
experience so that
others can learn
from us**



WEBER WENTZEL
in alliance with Linklaters

GOVERNANCE

ENDURING ETHICAL LEADERSHIP

CORPORATE GOVERNANCE REPORT

The Board of Directors ('Board') is committed to upholding good ethical standards and the application of corporate governance principles in accordance with the King IV Report on Corporate Governance for South Africa ("King IV™"). As a recent adopter of King IV™, the Board of Directors ensures that the governance structure within the CTICC cultivates good governance outcomes in relation to its ethical culture, performance, effective control and legitimacy.

King IV principles disclosure

The requirement for reporting under King IV™ differs from reporting under King III™, whereby King IV™ now requires that a company reports on how it has applied the code. A Governance Report outlining the CTICC's governance framework is available on our website (www.cticc.co.za).

Board of Directors

The Board provides leadership and determines our strategic objectives of the CTICC and acts as the custodian of our corporate governance framework. The Board is supported by four committees and delegates the responsibility of running the business to its executive managers. The Board monitors the implementation of its strategies, decisions and key policies, and is satisfied that it has fulfilled its responsibilities required by its mandate this year.

Composition of the Board

The Board comprises 11 Directors, of which nine are Non-executive, and two are Executive Directors. Of the Non-executive Directors, seven (78%) are independent. The Board is satisfied that its members have a diverse range of knowledge, skills, qualifications and experience, which enables it to contribute meaningfully to the Convenco.

Conflicts of interest

Directors are required to declare their personal financial interests and those of related persons in contracts with the group. Directors are further asked to recuse themselves from any discussions and decisions where they have a material financial interest.

Chairperson and Chief Executive Officer

The roles of the Chairperson of the Board and the Chief Executive Officer are separated and clearly defined. The Chief Executive Officer is responsible for the day-to-day management of the group and implementation of the strategy and objectives adopted by the Board. The Chairperson of the Board manages the relationship between the Board, the Chief Executive Officer and the various Board committees.

Board committees

The Board acknowledges that its overall responsibility for Convenco rests with the Board as a whole. To assist it in fulfilling its responsibilities, the Board delegates some of its functional responsibilities to its committees by means of clearly defined mandates. These committees report continuously to the Board on their deliverables in accordance with their Board-approved charters. A detailed report on the composition and responsibilities of these four committees is set out on pages 124 and 125.

Company Secretary

The company secretary is responsible for providing the Board with guidance on discharging its responsibilities in terms of legislation and regulatory requirements, and coordinating the functioning of the Board and its committees. The Board is satisfied that the company secretary has performed all formalities and substantive duties timeously and in an appropriate manner and that there is an arm's length relationship between the company secretary and the Board.

Board meetings

The Board met four times during the year under review and will meet at least four times per financial year and more often if circumstances require. The table on the following page sets out the Board meetings held and attendance during the reporting period.



78%

**of the Non-executive
Directors are independent**



AUDIT AND RISK COMMITTEE

Left to right: Wayne De Wet, Divya Singh, Julie-May Ellingson, Lindiwe Ndaba, Annelise Cilliers

Details of Directors' meeting attendance 1 July 2018 – 30 June 2019

Name of Director	Board	Audit and Risk Committee	HR and Remuneration Committee	Nominations Committee	Social and Ethics Committee
Total number of meetings	4	4	4	3	4
Cloete DA	3	-	3	1	-
Fourie SW	2	-	-	3	-
Myburgh S	4	-	4	-	4
Fraser JC	2	-	2	-	-
Zama CK	4	2	-	-	3
Cilliers A	2	2	-	-	-
Harris G	2	-	2	-	-
Pangarker N	3	-	-	1	-
Parker W	-	-	-	-	-
Ellingson JM	4	3	4	3	4
De Wet W	3	3	-	-	-
Ntoi HV	2	-	3	2	-
Hamman EI	3	3	-	-	3
Singh D #	-	3	-	-	-
Ndaba L #	-	2	-	-	-
Burton M #	-	2	-	-	-

(#) Attended the meeting in the capacity as a committee member only

DIRECTORATE AND ADMINISTRATION

for the year ended 30 June 2019

Directors

DA Cloete

Chairperson

Independent Non-Executive Director

Appointed: 27 October 2015

CK Zama

Non-Executive Director

Appointed: 24 August 2017

W Parker

Independent Non-Executive Director

Appointed: 30 May 2019

A Cilliers

Independent Non-Executive Director

Appointed: 16 October 2018

G Harris

Independent Non-Executive Director

Appointed: 16 October 2018

N Pangarker

Independent Non-Executive Director

Appointed: 16 October 2018

JM Ellingson

Executive Director

Appointed: 01 September 2014

W De Wet

Executive Director

Appointed: 16 October 2018

S Myburgh

Independent Non-Executive Director

Appointed: 16 October 2014

SW Fourie

Non-Independent Director

Appointed: 22 November 2011

JC Fraser

Independent Non-Executive Director

Appointed: 24 August 2017

HV Ntoi

Independent Non-Executive Director

Appointed: 25 August 2016

Resigned: 12 March 2019

El Hamman

Independent Non-Executive Director

Appointed: 20 April 2013

Resigned: 12 March 2019

Board committees

Audit and Risk Committee

A Cilliers (Chairperson)

CK Zama

L Ndaba

D Singh

M Burton

Human Resources and Remuneration Committee

DA Cloete (Chairperson from July 2018 – March 2019)

G Harris (Chairperson from April 2019)

JC Fraser

S Myburgh

Nominations Committee

HV Ntoi (Chairperson from July 2018 – March 2019)

DA Cloete (Chairperson from April 2019)

SW Fourie

A Cilliers

N Pangarker

Social and Ethics Committee

El Hamman (Chairperson from July 2018 – March 2019)

S Myburgh (Chairperson from April 2019)

CK Zama

JM Ellingson

Administration

Company Registration Number

1999/007837/30

Registered Office

Convention Square

1 Lower Long Street

Cape Town

Western Cape

8001

Company Secretary

First Corporate Transfer Secretaries (Pty) Limited

Appointed: 30/04/2019

Auditors

Office of the Auditor-General

Private Bag X96, Bellville, 7535

Principal Bankers

ABSA Bank Limited

PO Box 7735,

Johannesburg, 2000



Annelise Cilliers



Deon Cloete



Wayne De Wet



Julie-May Ellingson



Solly Fourie



John Fraser



Guy Harris



Sharon Myburg



Nisaar Pangarker



Wahida Parker



Kholeka Zama

BOARD COMMITTEES

The Convenco Board committees operate in accordance with the terms of reference as defined in their respective charters. Regular reports on the activities of the committees are provided to the Board. The members of the committees are listed on page 122.

Audit and Risk Committee

The committee comprises five members, of which one is an independent Non-executive Director and all of whom hold appropriate qualifications and experience, are nominated by the Board, and appointed by the Council of the City of Cape Town.

The committee meets at least four times a year, and its meetings are attended by the Executives, as well as the internal and external auditors. The committee met four times during the period under review.

The purpose of this committee is to provide an oversight role over the internal financial controls of the company, in addition to making recommendations to the Board of Directors, and advising the Board on matters relating to internal financial controls and internal audits.

The committee also assesses risk management, accounting policies, the adequacy, reliability and accuracy of financial reporting and information, performance management and evaluation, effective governance, compliance with the Companies Act, No. 71 of 2008, MFMA, Municipal Systems Act, King IV™ and other applicable legislation, as well as any other matters referred to it by the Board.

Human Resources and Remuneration Committee

The Human Resources and Remuneration Committee comprises four independent Non-executive Directors and met four times during the period under review.

The purpose of the committee is to provide an independent and oversight role on behalf of the Board with regards to Human Resources and remuneration issues. The committee assists the Board in ensuring that the company remunerates its Directors, employees and Executives fairly and responsibly, and that the disclosure of remuneration is accurate, complete and transparent and in accordance with the relevant laws and regulations applicable to the company.

Nominations Committee

The Nominations Committee comprises three independent Non-executive Directors and one Non-executive Director, and met twice during the period under review.

The committee assists the Board in determining that it has the appropriate composition to enable it to execute its duties effectively, and confirms that the Directors are appointed through a formal and transparent process. Additionally, the committee reviews the performance of the company secretary, and ensures that the Board committees have the appropriate skill sets needed for them to fulfil their responsibilities. This is done through induction, ongoing training, development and evaluation of Directors. The committee also handles the retention, retirement and succession of Directors and the Chief Executive Officer.

Social and Ethics Committee

The Social and Ethics Committee comprises one independent Non-executive Director, one Non-executive Director of the company and one Prescribed Officer, and met four times during the period under review. The committee is accountable to both the Board and the company's shareholders. It has an independent role and acts in an oversight and advisory capacity.

The committee is responsible for overseeing and monitoring ethics, social and economic development, good corporate citizenship, customer relations, environment, health and public safety, Broad-Based Black Economic Empowerment (B-BBEE), labour and employee engagement, and the company's compliance with applicable laws and regulations.

Details of Convenco Board composition 2019

Independence	Surname	First Name	Date of appointment	Female	Male	African	Coloured	Indian	White	20 – 30	31 – 40	41 – 50	Above 50
(*)	Cloete	Deon Anton	27 October 2015		•				•				•
#	Ellingson	Julie-May	1 September 2014	•					•				•
*	Fourie	Solly William	22 November 2011		•		•						•
*	Fraser	John Cameron	24 August 2017		•				•				•
(*)	Myburgh	Sharon	16 February 2014	•					•				•
*	Zama	Carol Kholeka	24 August 2017	•		•						•	
#	De Wet	Wayne	16 October 2018		•		•					•	
(*)	Cilliers	Annalise	16 October 2018	•					•				•
(*)	Harris	Guy Patrick	16 October 2018		•				•				•
(*)	Pangarker	Nisaar Ahmed	16 October 2018		•			•				•	
(*)	Parker	Wahida	30 May 2019	•				•					•
(R)	Hamman	Ethel Irene	20 April 2013 (Resigned 12 March 2019)	(R)			(R)						(R)
(R)	Ntoi	Hlompho Vuyo	25 August 2016 (Resigned 12 March 2019)		(R)	(R)						(R)	
Total				5	6	1	2	2	6	0	0	3	8

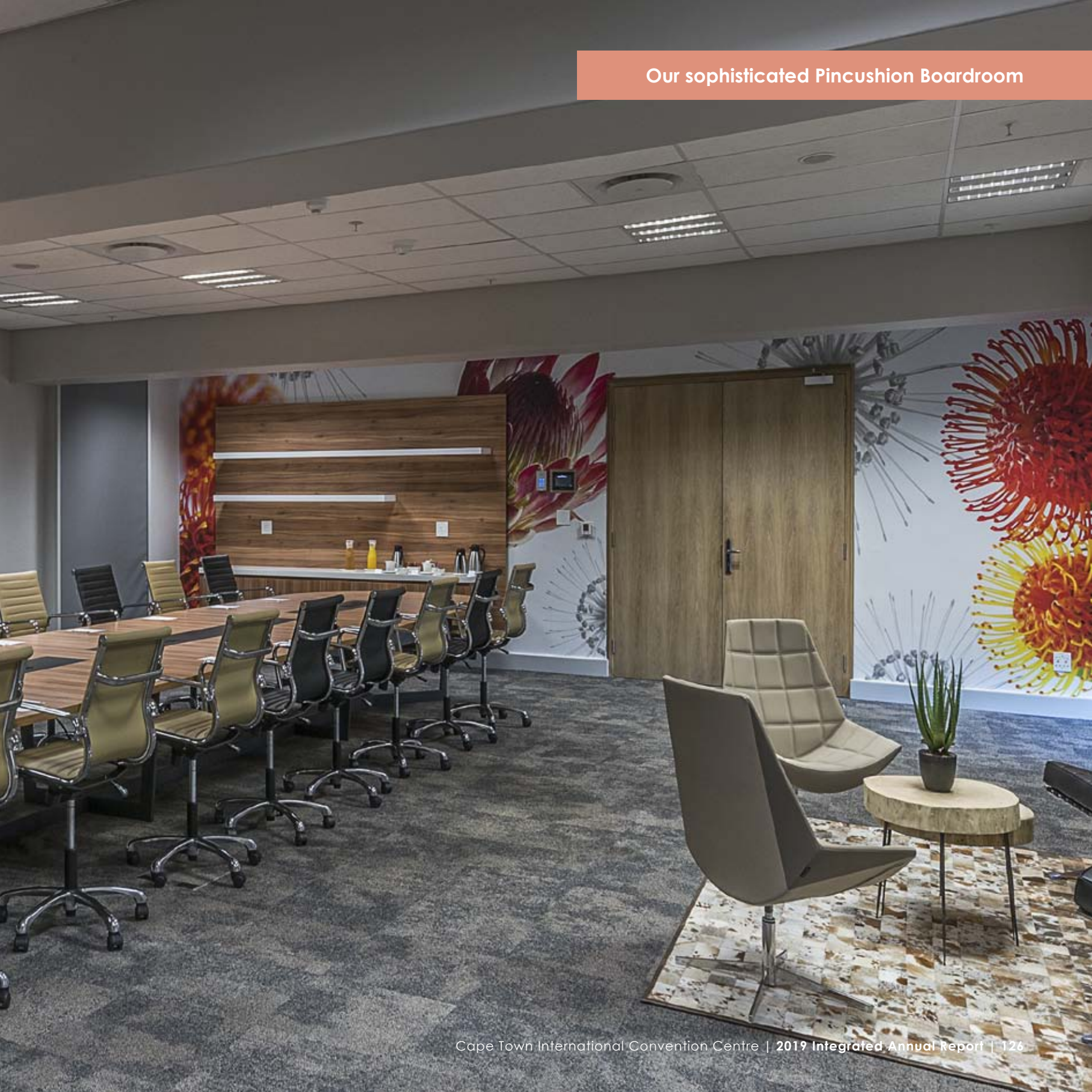
* Non-Executive Director

(*) Independent Non-Executive Director according to the shareholders

Executive

(R) Resigned during the year and not counted as part of the total

Our sophisticated Pincushion Boardroom



STAKEHOLDER ENGAGEMENT REVIEW: PARTNERSHIPS THAT TAKE US FORWARD

Shareholders



City of Cape Town

Primary shareholder and investor. Partner in economic contribution to Cape Town's present and potential economic success as an opportunity city.



Western Cape Government

Second largest shareholder and investor. Partner in growing the ongoing economic benefits that flow from the provincial government's "Open-opportunity Society for All" strategy. Important to our governance.



SunWest International

Minority shareholder. Partner in overseeing our success as a viable, sustainable business enterprise.

Clients, staff, community and business partners



Clients: professional conference, exhibition and event organisers

Essential to our financial sustainability and the retention of our 217 permanent and temporary staff complement.



CCID and security stakeholders and hotel security group

Ensures the safety and security of delegates during events within our precinct and surrounding hotels.



Local community partners

Established partnerships since 2011 with Abalimi Bezekhaya and FARR. Commenced partnerships in January 2017 with Ikhaya Le Themba, Journey of Enrichment and Mothers Unite. These partnerships were established to strengthen community ties and offer ongoing support to the valuable work of the organisations.



Staff

Vital to our longevity, sustainability and reputation.



South African National Convention Bureau and Cape Town and Western Cape Bureau

Strategic alliances that assist in attracting international conferences to the City of Cape Town and the CTICC, together with the potential for job creation.



Cape Town Tourism and other tourism industry stakeholders

Raises the tourism profile of the City of Cape Town and the region, while also promoting the job and career opportunities this sector offers. Collaborating in order to position us and the region as top of mind for both leisure and business tourist roleplayers.



Media

Increases awareness about the CTICC. Primary target audience for reputation management action plans and economic contribution promotion successes.



HOW WE REACH OUR STAKEHOLDERS AND SHAREHOLDERS

Effective engagement helps us ascertain stakeholder needs and translates them into organisational goals, which ensures effective strategy development going forward. We do this through networking, and fostering connections with our existing client base, our suppliers, international associations and event and hospitality sector groupings, in line with the region's key catalytic sectors.

We nurture our existing relationships and shape new business opportunities by hosting important events, such as our Annual General Meeting, Board meetings and shareholder meetings. We also attend relevant business association meetings and social stakeholder events.

In line with the Fourth Industrial Revolution, we realise that social media and online has its own place and, therefore, we strategically make use of our Facebook, Twitter, Instagram and LinkedIn profiles.

Our social media interaction during the 2018/19 financial year has resulted in the following numbers of followers as of June 2019:



PARTNERS IN SUCCESS

Rewarding partnerships with our shareholders, local tourism bodies and eventing organisations allow us to grow and cement our excellent reputation in the conferencing sector. These organisations include, but are not limited to:

The City of Cape Town

The City of Cape Town is our major shareholder and is a close partner in creating a desirable business and leisure tourism environment that contributes significantly to job creation. A number of accolades have paved the way to achieving this flourishing reputation. In 2018, the City of Cape Town hosted the most events in Africa, and our popularity was reaffirmed when the City of Cape Town was named the 'World's Leading Festival and Events Destination' at the 2018 World Travel Awards. Additionally, in the last decade, the Western Cape has produced more than 500 000 jobs. They are an important partner and ally.

The South African National Convention Bureau

The South Africa National Convention Bureau (SANCB) is the go-to organisation for meeting planners and incentive and exhibition organisers. They are responsible for promoting South Africa as an ideal business destination by providing reliable and independent event planning information. They manage national bidding, and we often partner with them when travelling to international industry events.

The advent of our new website, which now has an e-commerce component, enhances another key client and visitor touchpoint - one we hope to further develop in the future.

Finally, we look to our membership of both local and international trade associations, which boosts our reputation as a global player in the conventions and events sector.

Cape Town Tourism

Cape Town Tourism is the City of Cape Town's regional tourism organisation that is responsible for destination marketing, as well as visitor and industry services. They proactively market Cape Town globally as an award-winning destination to entice visitors to the region. They are committed to responsible and fair tourism and business practices, and work with previously disadvantaged individuals, organisations and companies in order to further their message.

Cape Town & Western Cape Convention Bureau

The Cape Town & Western Cape Convention Bureau is a strategic business unit of Wesgro, the tourism, trade and investment promotion agency for Cape Town and the Western Cape. Their role is to promote Cape Town as the premier destination for meetings, incentives, conferences, events, exhibitions and trade fairs. This is supported by their statistics, which show that the value of business events brought to the city and province was R1bn in the first half of the 2018/19 financial year. They provided us with invaluable support in the form of pre- and post-bid assistance.



Human Resources team

STAFF ENGAGEMENTS: SHAPING OUR PERFORMANCE TODAY AND TOMORROW

Our staff are critical to the success of our business. With this in mind, employee engagement is fundamental to maintaining a strong CTICC team, one that remains committed to our goals and values, is driven to make every event a resounding success, and is dedicated to delivering on our clients' expectations – now and into the future.

Employee engagement also contributes to transparency within the CTICC in respect of company news and events, and supports staff in their roles as frontline brand ambassadors.

We host regular staff meetings that cover company performance, staff training presentations and staff travel feedback. Accolades, in particular, bolster staff motivation, as an acknowledgement of their hard work nurtures and encourages employees. To this end, we have implemented Long Service and Star Performance Awards.

In the year under review, our staff spent time together in the following ways:

Poorman's and Richman's Day happens every month and our new starters are introduced to the full staff complement. These regular events give our employees the opportunity to network and get to know each other in a casual setting.

Regular **staff breakfasts** are hosted at the CTICC, involving decadent sit-down meals. At these events, staff are able to discuss and provide feedback on challenges that they face in their roles. Staff awards are also presented.

The **Mid-Year Bash** is a great team-building experience and an opportunity for staff to enhance their working relationships. This year, teams from various departments worked up a sweat and challenged each other to a soccer match.

Our annual **Year-End Function** is an excellent opportunity for us to connect with our staff and show them just how much their hard work positively impacts the centre. Last year, they were transported to a secret venue and treated to a day of jazz and dancing.

Staff conferences are a fun way to educate staff. This year, our theme was 'Your Voice Matters' and was set up as a live television chat show to discuss company values. This culminated in our 'staff war cry'.

Sustainability initiatives form part of our core focus. In the year under review, our staff participated in an Earth Day campaign, World Environment Day and Arbour Week. Below is a breakdown of these initiatives:



Building a sustainable city by planting trees in the P4 parking area for Arbour Week

Arbour Week

1 – 7 September 2018

This year's Arbour Week theme was 'Forests and Sustainable Cities'. It was for this reason that we chose to green our parking area by planting trees. In preparation for Arbour Week, we had a mailer designed and sent out to staff to encourage participation. On 3 September, staff gathered and planted the trees in the P4 parking area, which allowed for us to do our part in creating a sustainable city.



For Arbour Week in 2018, staff planted trees in the P4 parking area



Our staff commemorating Earth Day 2019 with their “Grow Your Own” starter pack

Earth Day Educational Campaign

17 April 2019

In keeping with the Earth Day 2019 theme of ‘Protect Our Species’, we focused on educating staff about caring for South Africa’s indigenous plants. A mailer was sent to employees informing them of the critical role plants play in the ecosystem, as well as the many purposes they have. Staff were also given a ‘Grow Your Own’ starter pack that contained an indigenous plant.

World Environment Day

5 June 2019

World Environment Day is an annual event initiated by the United Nations to encourage people to protect our environment. As a world leader in sustainability, the CTICC is committed to fighting pollution. This year, we emphasised the repercussions of single-use plastics and how vulnerable the environment has become as a result.

CTICC staff were encouraged to do their part in reducing single-use plastics through an internal education mailer. To motivate employees to reduce their plastic consumption, they each received an Envirostraw. This is a reusable silicone straw, which can replace single-use plastic straws, and can be easily cleaned, folded and stored.





In the running – the CTICC Old Mutual Two Oceans Marathon participants

Old Mutual Two Oceans Marathon

20 April 2019

In addition to working with our communities, our staff join forces every year to promote a healthy lifestyle. As they say, healthy bodies contribute to healthy mindsets.

The CTICC running team started after one of our staff members arranged a team of 20 employees to enter the Old Mutual Two Oceans Marathon (OMTOM). This was the foundation of the running group, and they have arranged weekly runs every Tuesday and Thursday since then.

20 April 2019 saw our staff members take part in the world-renowned marathon. This is the second year that the CTICC has sponsored a running team as part of our growing initiative to improve the health and well-being of our employees.

Through hosting the registration expo for the last seven years, the OMTOM has become a long-term partner of the CTICC, resulting in a clear synergy of the CTICC and OMTOM brands.

The CTICC sponsored running gear and snacks for all of the staff participants. Congratulations are in order for our amazing CTICC running team:

Shamil Abrahams

Clint Aysen

Faizel Cloete

Bianca D'Araujo

Kelvin Damon

Miguel De Sousa

Robert Hatton-Jones

Keenin Hoogbaard

Shireen Isaacs

Wayne Jefhta

Kwanele Makhaye

Nomha Matroos

Zukiswa Magwaxaza

Larissa Rossouw

Willem Scholtz

Mkhanyisi Shabalala

Tandile Solontsi

Ernest van Sitters

Luqmaan Vallie

Alain Willems

Bongani Wondo



CLIENT AND STAKEHOLDER ENGAGEMENTS: BUILDING A BETTER FUTURE TOGETHER

Our stakeholders in the business and leisure tourism sectors, as well as our clients, are pivotal to our success, and our connections with them impact the health of our operation as a whole. This year, we had a number of exciting stakeholder engagements, including some great travel experiences, giving us an opportunity to brainstorm innovative offerings and ideas.

The following were our stakeholder engagements over the year in review:



City of Cape Town, Wesgro and CTICC Film Industry Briefing and Open Day

2018 AIPC Annual Conference, London

1 – 4 July 2018

The CTICC CEO, Julie-May Ellingson, and the General Manager: Commercial and Business Development, Robert Hatton-Jones, attended AIPC's Annual Conference hosted at the London ExCeL. The event included the AIPC Annual General Assembly, as well as educational sessions on challenges facing conventions centres, innovations, such as future technologies and the impact these may have on our sector, as well as employee wellness and strategies to engage, retain and grow staff.

In addition, the AIPC survey, which tracks global trends and guidelines, was presented in detail and provided valuable insights into how we are performing against our worldwide competitors. It was pleasing to note that, in terms of both revenue growth and operating profit, the CTICC far exceeded the global average of 5% to 6%.

City of Cape Town, Wesgro and CTICC Film Industry Briefing and Open Day

25 – 26 July 2018

The CTICC, in collaboration with Wesgro and the City of Cape Town, hosted the Film Industry Briefing and the Wesgro Locations Workshop at our centre. The joint industry event focused on updates in the film industry. This event was attended by the Executive Mayor, Patricia de Lille, and CTICC CEO, Julie-May Ellingson, opened and welcomed all guests in attendance to the CTICC.

The Business Development Manager: National and the National Sales department presented the CTICC as an ideal film location to more than 200 film location scouts, location managers and directors.



IMEX America, Las Vegas

16 – 18 October 2018

The Business Development Manager: International travelled to Las Vegas to attend the annual IMEX America trade show, hosted at the Sands Expo Centre.

ICCA Congress, Dubai

10 – 14 November 2018

The CEO, GM: Commercial and Business Development, as well as the Business Development Manager: International, attended the ICCA Congress, which took place in Dubai.

CTICC's representatives conducted a site inspection of the ADNEC Convention Centre in Abu Dhabi and the Business Development Manager: International also took part in the ICCA Business Lead Exchange Programme.



Client Welcome Back Function

IBTM World, Barcelona, Spain 27 – 29 November 2018

The Business Development Manager: International and Sales Executive: International travelled to Barcelona to showcase the CTICC's products and services to hosted buyers attending the show. They also attended a client dinner arranged by Worldwide Convention Specialists.

Client Welcome Back Function 30 January 2019

The CEO and Commercial team hosted a Client Welcome Back function in January 2019. This event was well-received, and over 100 key clients were in attendance. Our Food and Beverage department had the opportunity to showcase our extensive offerings, while clients were engaged by our EXCO, Sales, Leadership and MANCO teams.

Meetings Africa Hosted Buyers Programme 22 – 23 February 2019

As part of the Meetings Africa Hosted Buyers Programme, the Head of Sales, with the Business Development Manager from the Cape Town and the Western Cape Convention Bureau, hosted Elissa Myers in Cape Town the weekend prior to Meetings Africa in order to showcase the destination, as well as the CTICC.

Her itinerary included a trip up Table Mountain and dinner at the Waterfront on Friday. On Saturday, we took her on a guided tour via Chapman's Peak to Kalk Bay and treated her to a wine tasting at Groot Constantia wine estate. We hosted her for lunch at the CTICC, followed by a site inspection of CTICC 1 and 2. Dinner was enjoyed at Gold Restaurant, along with a drumming session.



Cape Town International Jazz Festival, CTICC-hosted Client Functions

Meetings Africa 2019, Johannesburg 26 – 27 February 2019

The Head of Sales and the Business Development Manager: National Long-term attended Meetings Africa 2019, hosted at the Sandton Convention Centre in Johannesburg.

This year, for the first time in three years, the CTICC had its own stand and won the Green Stand Award in the Medium Stand Category. We ran two separate diaries, and between the two CTICC staff members on the stand, close to 60 meetings were held.

Cape Town International Jazz Festival, CTICC-hosted Client Functions 29 – 30 March 2019

The CEO and her team hosted two client and stakeholder functions on Friday and Saturday night on the VIP Upper Deck. This was the first year that we hosted an event on the Upper Deck on both evenings. We had an exceptional turnout and received many compliments after the event.



Venues International Client/Supplier Workshop, Abu Dhabi

Venues International Client/Supplier Workshop, Abu Dhabi

4 – 6 April 2019

The Sales Executive: International attended the ICCA Client/Supplier Workshop in Abu Dhabi. The workshop is an intensive and focused business networking event, which brings together senior decision-makers of association meetings (clients) who are actively looking for destinations and venues with representatives from ICCA venue or convention bureau members (suppliers).

A maximum of 15 ICCA members each invited an accompanying client who is a decision-maker or influencer for their future associations' meeting place. Through a series of one-on-one meetings, they made initial contact with the Sales representative, discussed their specific meeting requirements and gained an understanding around the suitability of the venues/destinations in a way that would otherwise have been time-consuming and would have involved a great deal of travel.

US Sales Mission, New York and Washington, DC 8 – 12 April 2019

The CEO, General Manager: Commercial and Business Development, as well as the Head of Sales, travelled to the United States of America to conduct a sales mission with a specific focus on associations. The trip was planned and coordinated with the assistance of our US sales representative, Arena Destination Marketing.

A total of 13 meetings and presentations were conducted over five days.



CTICC Client Experience Open Day Breakfast

CTICC Client Experience Open Day Breakfast 7 May 2019

The CEO and Sales team hosted 80 guests to participate in our CTICC Experience campaign at the CTICC Client Experience Open Day Breakfast. Carl Wastie was our MC for the morning and presentations were conducted by the CEO, the Cape Town and Western Cape Convention Bureau, as well as the CTICC's Executive Chef. The presentations represented the themes of the CTICC Experience campaign, namely venue, destination and catering.

AIPC Sales and Marketing Summit, Frankfurt 19 May 2019

The CEO, GM: Commercial and Business Development, as well as the Head of Sales, attended the AIPC Sales and Marketing Summit that took place at the Congress Centre Messe Frankfurt. The theme for the summit was 'Adaptability, Flexibility and Meeting the Competition: Developing your Marketing Strategy for Today's Urgencies'.

The CEO was invited to sit on a panel to discuss the applicability of AIPC's recent survey results and update delegates on how centres perceive and address future business opportunities.



Global Exhibitions Day

IMEX Frankfurt

20 – 23 May 2019

IMEX Frankfurt was attended by the CEO, GM: Commercial and Business Development, as well as the Head of Sales. The GM: Commercial and Business Development, together with the Head of Sales, attended the ICCA Association evening cocktail dinner, hosted at the Marriott Frankfurt Hotel. A total of 24 meetings and presentations were conducted over three days.

Global Exhibitions Day

5 June 2019

The CTICC hosted various Global Exhibitions Day activations that included client visits by the Business Development Manager: National Long-term, staff desk drops prepared by our Food and Beverage department, and a UFI video submission by our Business Development Manager.

The Event Organisers Network Western Cape Showcase

13 June 2019

The Sales department once again hosted the Event Organisers Network Western Cape Showcase at CTICC 2, which attracted a range of event organisers from the area and provided a platform for the CTICC to showcase our services and the facility. The CTICC received a complimentary exhibition stand and the opportunity to engage with these organisers on a one-on-one basis.



Cape Town International
Convention Centre

CTICC

imex

Restroom Locations



ON
E

On-campus courses
Online courses and
Tailor-made training
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FUTURE-PROOFING

FORGING AHEAD FEARLESSLY

In the last financial year, we have won 14 international bids for international conferences. To date we have secured 71 international conferences up until the year 2024.

In part, this is due to our excellent reputation, our firm ethics and good governance, our dedication to our fellow South Africans and the place we live in. But it is also, importantly, due to the hard work and commitment of our staff. Having set the highest standard for ourselves in the past year, we are in an excellent position to take the CTICC to new heights next year and in the future.

We host a number of international medical conferences each year. In 2020 we will welcome the World Ophthalmology Congress, the premier and largest international ophthalmic assembly. More than 8 000 delegates from upwards of 130 countries are expected to attend, and there will also be an exhibition featuring the latest products and services in the field.

Additionally, we will be hosting the International Congress of Human Genetics in 2021, with an expected 7 000 attendees, and the 18th International Congress of Immunology in 2022, with over 8 000 attendees. We are also proud to welcome the 76th Congress of the International Fiscal Association in 2022, as well as the General Assembly of the International Astronomical Union in 2024. There are many others, as the table on page 154 to 156 illustrates .

We are also very pleased to have been selected to host a number of world sporting championships. Among them are the 2023 Netball World Cup, where we are anticipating at least 6 000 delegates, and the 2021 International Karate World Championships, expected to attract over 8 000 delegates and it will be the first time that we will host an event of this nature.

Accordingly, our forward book continues to reap the benefits of our hard work, diligent management, carefully curated reputation and the decision to expand our eventing space with the addition of CTICC 2.

Our alignment with key economic sectors also means we are attracting conferences and events that advance the knowledge economy and benefit the local and national economy. We are passionate about consistently and significantly contributing to job creation in the region, which, in turn, shapes a more prosperous future for the citizens of the Cape Town and the Western Cape.

Ultimately, our business events are about people actually meeting, sharing ideas and getting to know each other, and what we offer is a world-class venue, located in one of the world's most desirable cities. The ripple effects of these exchanges are felt by many thousands of people for years to come. Not only does it spark job creation, but it also ignites investment opportunities that further enhance the local economy in various ways.

Fortunately, the MICE sector generally outperforms the national and global growth rates, and we expect this to continue. This is certainly true for us. Our event calendar shows that, repeatedly, the South African and global community have confidence in our abilities, choosing us as the preferred venue to successfully host their events safely and seamlessly, despite a tough economic climate.



**Expected attendance for the
2020 World Ophthalmology
Congress**



Building the city through business tourism

BUILDING TRANSATLANTIC BUSINESS TOURISM: MULTIPLYING OUR POTENTIAL

The essence of our economic contribution is the proactive development of business tourism within the City of Cape Town and, by extension, increasing employment in the region.

Through various bids, many of which were in collaboration with the CTICC, the Cape Town and the Western Cape Convention Bureau managed to secure business events to the value of R1bn in the first six months of 2018/19.

To further increase international business, we appointed New York-based Arena Marketing in October 2018, to assist with tapping into the growing North American market.

Research indicates that there are a number of international association head offices and multi-national corporations based in North America, with the potential to come to Africa. As such, the strategic decision to appoint a representative in the region was made in order to generate leads, promote and market the CTICC, as well as coordinate a range of sales missions, effectively developing the centre's presence in this market.

This was augmented by a week-long sales mission in April 2019 where our CEO, GM: Commercial and Business Development, and our Head of Sales, were able to submit three bids for international conferences. Another sales mission in July 2019 concluded with an additional two bids being submitted, with further sales trips planned for the future.

All our business activities are strategically activated with economic stimulation in mind, while also accounting for market trends. The provision of a direct flight from New York to Cape Town means that the Cape Town market is now much more accessible, which will increase the number of delegates attending conventions and congresses in South Africa. While Cape Town is seen as a long-haul destination, the city is now being considered to host congresses and events that are organised from the United States of America. This flight, therefore, will help us generate business from the region.



Executive Chef Roberto de Carvalho



SETTING FOOD TRENDS: INNOVATIVE CULINARY EXPERIENCES

We continually adapt our food and beverage offering to fit our clients' ever-evolving needs by including local cuisine, unique flavours, and accommodating special dietary requests, from dairy-, gluten-, nut- and seafood-free food to vegan and vegetarian options. With Executive Chef, Roberto de Carvalho, directing the kitchen, menus can always be discussed and personalised.

Executive Sous Chef Sibongiseni Gcelu derives inspiration for our menus from all over the world and recently attended the Culinary World Cup in Luxembourg, where nourishment was as highly prioritised as presentation. The top three trends were plant-based products, nutrition and well-being. For example, feeding the body while feeding the mind with plant-based options and vegan products.

Translating this to the CTICC and working on nourishing food concepts, Chef Sibongiseni has focused the kitchen on breakfasts and lunches that incorporate healthy options, using quinoa and bulgur wheat, as well as leaves. Here are some examples:

We now use Sativa lettuce mixed with microgreens and baby spinaches to give dishes dimension. Edible flowers add to the flavour and presentation. There are nourishing dishes that taste as good as they look. The portion sizes are also more aligned to nutritional needs. The idea is to revitalise attendees with food, not overstimulate them with heavy food.

Organic products from local suppliers are used, food waste is minimised, and food is cooked in a way that is a lot kinder to our bodies. This ethos extends even to the use of cooking oil. We fry less and bake more, including potato chips.

Chef Sibongiseni says our international visitors are up to speed with food trends and that being on-trend is beneficial to us in that we are able to deliver on clients' requirements and expectations. We frequently get compliments about how healthy and tasty our menus are.

OUR CASHLESS SYSTEM

We have taken steps to enhance the event experience by providing event hosts with the option of using a cashless payment system.

Guests of the Cape Town International Jazz Festival utilised the tap-and-go cashless payment system as part of the 2019 festival. This convenient digital payment system alleviated queues at food vendors and bars.

On arrival, attendees purchased a wristband at one of the cashless top-up stations and any remaining funds could be refunded (minus the relevant associated fees) by visiting the supplier's website after the event.

The digital enhancement was well received by organisers and festival-goers and is on offer to all clients.



OUR ENVIRONMENTAL STRATEGY

One of our environmental strategies at the CTICC is to focus on investing in more sustainable electrical generation over the next five years. Proposed methods of reducing consumption include photovoltaic solar panels, solar water heating and heat pumps. Our technical team is also committed to reducing kVA by ensuring that the building management systems are running optimally.

EMBRACING THE FOURTH INDUSTRIAL REVOLUTION

We continually upgrade and deploy the latest hardware and related software to support the business in the provision of a world-class ICT infrastructure as required for event-hosting activities. While we previously outsourced our ICT needs, there is now a dedicated in-house ICT department, with its core focus on the continual enhancement of systems in the technology space.

To remain abreast of the Fourth Industrial Revolution and to meet the demands of our clients who hail from some of the most advanced countries in the world, we are continually upgrading our technological infrastructure. We fully intend to maximise our role in the advancement of new technologies, both as a conference destination and as a generator of technology-focused business meetings and conferences in the future.

The state-of-the-art technology infrastructure in the CTICC 2 building includes 1 792 network points with 100mk of CAT 6 network cabling, an extensive fibre optic network with 1 496 fibre optic points and 28km of fibre, which caters for high-speed, high-volume traffic. Our WiFi connectivity is enabled through a combination of high and standard density points, providing for a combined total of 15 000 connections with an internet connectivity uplink of 10 gigabytes.

These are some of the improvements we made over the last financial year:



**WiFi
enhancements**



**Automation
of CTICC 1**



**Tap-in-tap-out
system**



**Cashless
cards**



**New website,
integrating e-commerce.**

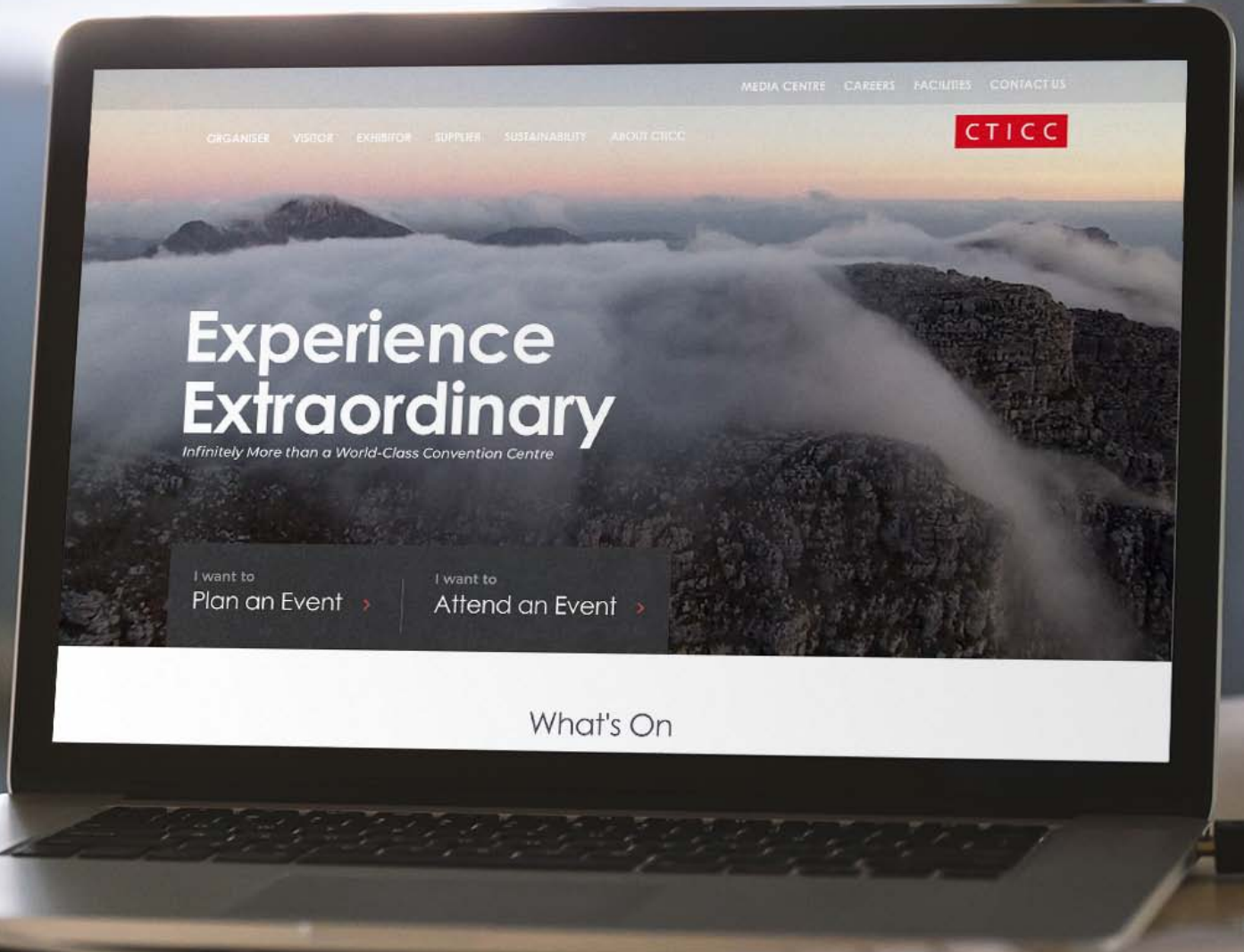
Currently, we communicate with clients, visitors and the people of the City of Cape Town via social media platforms, as well as via traditional marketing channels. Social media increasingly plays a key role in how we communicate with our clients and followers about events and sustainability initiatives. These remain key communication channels for the future.

Our new website focuses on optimising the user experience (UX), while creating an efficient user interface (UI). This facilitates business at the 'click of a button'.

Additionally, the site functionality allows us to integrate Supply Chain Management and e-commerce, thereby building a seamless user journey, which includes venue spaces, enquiries, exhibitor bookings, supplier applications and more. This forms one of our primary touchpoints in the customer journey, so getting the site right is essential.

Our brand has been extended to give the website a cleaner look and feel that takes into account current trends. As a result, the revitalised website boasts a soft colour palette, with each colour associated with relevant sections. This is further complemented by chic, vibrant photography enhances the customer's digital experience.

Our new and innovative website



OUR LARGER COMPLEX: REDEFINING OUR MEETING PLACES

The opening of CTICC 2 has encouraged new and exciting ideas for eventing and is increasing our footprint in the industry. With an even bigger convention centre, the new facility strengthens the city's and country's reputation as a global business events destination.

CTICC 2 allows us to give existing and prospective clients a more extensive choice of venues, with greater capacity and flexibility. It also allows us to host multiple events across both venues simultaneously.

With the opening of this modern, world-class building, the CTICC is not only about renting space but also delivering endless possibilities, connecting people, fostering ideas and shaping the future through our actions.



CTICC 2 allows us to give existing and prospective clients a more extensive choice of venues, with greater capacity and flexibility.

FUTURE REVENUE STREAMS: EXPLORING NEW POSSIBILITIES

We are always searching for new ways to optimise our business by initiating new event experiences and, in turn, creating future revenue streams. We also support entrepreneurs and SMMEs and seek to offer them opportunities where possible. Another aim is to boost job creation in the region. To this end, we are planning to host our own events. Some of them are as follows:

The Gift Fair

29 – 30 November 2019

The Gift Fair will create a platform for small-scale businesses to sell their products, increase their market share and create brand visibility. Gift products will include decorations, gift wrapping, consumable gifting, arts and crafts, clothing, accessories, jewellery, health and beauty, children's educational products and toys, and electronic gadgets. We are anticipating about 4 000 visitors, most of them high-end shoppers.

A unique evening with Francois van Coke

14 December 2019

This event is a unique evening with Francois van Coke, featuring acoustic renditions of his most popular hits and the stories behind them. He and his two guitarists, Jedd Kossew and Richard Onraet, will perform two special sets packed with songs spanning Francois' 16 years as frontman of Van Coke Kartel, and as an award-winning solo artist. In between, he will regale his audience with background stories of timeless classics such as 'Toe Vind Ek Jou', 'Komma', 'Ek Skyn (Heilig)' and 'Tot Die Son Uitkom'.

All Sport Expo

25 – 27 September 2020

The All Sport Expo presents virtually every type of outdoor, indoor and water sport enjoyed by South Africans. It is a one-stop-shop for sport and wellness, featuring health, nutrition, medical, wellness products, sports equipment, and activewear. There will also be mini-challenges and exciting competitions, fun tournaments, sports training sessions, wellness workshops, live demonstrations, performance improvement coaching, sports injury and rehabilitation workshops, as well as a Kids Sports Zone.



CTICC Presents
**FRANCOIS
VANCOKE**
The Storyteller, LIVE

CTICC

Follow us
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Organised by



OUR FUTURE BOOK

A bright future: International events secured up until 2024:

The events listed below will bring hundreds of thousands of visitors to our centre, which, in turn, will increase job creation and boost the Western Cape GGP and South African GDP, thereby bringing our efforts full circle. We are building our future while contributing to the future of South Africa.



















JULY 2019		
EY (Ernst & Young) Africa Leadership Summit 2019	310	
ABSA – Rest of Africa Senior Leadership Group	280	
AUGUST 2019		
International Association of Pancreatology (IAP) Congress 2019	650	
Lifestyle Galaxy Annual Worldwide Conference	122	
SEPTEMBER 2019		
26th Annual Meeting of Commission for the Conservation of Southern Bluefin Tuna (CCSBT) – Meeting 1	119	
Africa Fertilizer Agribusiness 2019	153	
Huawei Conference	200	
General Assembly of the International Organization for Standards (ISO)	610	
Conference for the International Organization for Judicial Training (IOJT) 2019	200	
Olam Finance Conference	130	
Servier Cycle Meeting	230	
World Economic Forum (WEF) 2019	1 000	
OCTOBER 2019		
14th Annual African Organisation of English-Speaking Supreme Audit Institutions (AFROSAI-E) Technical Update	163	
26th Annual Meeting of the Commission for the Conservation of Southern Bluefin Tuna (CCSBT) – Meeting 2	80	
5th Africa Women Innovation & Entrepreneurship Forum (AWIEF)	600	
Africa Oil & Power (AOP) 2019	800	
International Society for Quality in Health Care (ISQua) International Conference 2019	1 500	
Lyonet Premium Conference	1 000	
Nexia International Annual Conference 2019	200	
Toshiba Global Commerce Solutions	120	
OCTOBER 2019		
Sexual Violence Research Institute (SVRI) Forum	770	
International Federation of Freight Forwarders Associations (FIATA) World Congress 2019	600	
NOVEMBER 2019		
Africa Oil Week 2019	1 000	
AfricaCom 2019	800	
Association of International Schools in Africa (AISA) Conference 2019	455	
FEBRUARY 2020		
HIV Vaccine Trials Network (HVTN)	300	
Investing in African Mining Indaba 2020	3 000	
Asian Racing Conference (ARC) 2020	600	
MARCH 2020		
Global Trade Review (GTR) Africa 2020	300	
APRIL 2020		
INSOL International's Annual Regional Conference 2020	400	
Entrepreneurs' Organization Global Leadership Conference	1 500	
MAY 2020		
Edmund Rice Education Beyond Borders (EREBB) Congress	300	
16th International Conference on Space Operations (SpaceOps 2020)	850	
JUNE 2020		
ISF World Seed Congress 2020	1 000	
World Ophthalmology Congress (WOC) 2020	8 000	
AUGUST 2020		
18th International Symposium on Microbial Ecology (ISME) 2020	1 800	

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SEPTEMBER 2020		FEBRUARY 2022	
18th International Congress of Dietetics (ICD) 2020	1 500	The World Association for Waterborne Transport Infrastructure (PIANC) World Congress	600
30th Annual International Council on Systems Engineering (INCOSE) Symposium	700		
International Dairy Federation World Dairy Summit (WDS) 2020	1 200	MARCH 2022	
		International Symposium on Pneumococci and Pneumococcal Diseases (ISPPD) 2022	1 100
OCTOBER 2020		MAY 2022	
Global Self-Care Federation Regional Congress 2020	400	International Federation of Surveyors (FIG)	1 500
HIV Research for Prevention (HIVR4P) 2020	1 400		
IndustriALL Global Union Conference	1 300	JUNE 2022	
XXX International Mineral Processing Congress (IMPC) 2020	900	World Federation of Paediatric Intensive and Critical Care Societies (WFPICCS) 2022	1 500
NOVEMBER 2020			
58th Annual Meeting of the International Association of Forensic Toxicologists (TIAFT) 2020	600	AUGUST 2022	
World Engineering Education Forum (WEEF), Global Engineering Deans Council Conference (GEDC) & Global Student Forum (GSF) 2020	1 000	17th International Heat Transfer Conference (IHTC-17)	1 400
Africa Oil Week 2020	1 000	18th International Congress of Immunology (IUIS) 2022	6 000
AfricaCom 2020	800		
MARCH 2021		OCTOBER 2022	
International Congress of Human Genetics (ICHG) 2021	7 000	76th International Fiscal Association (IFA) Annual Congress	2 000
MAY 2021		NOVEMBER 2022	
7th World Conference on Research Integrity	800	30th Commonwealth Agriculture Conference	400
International Society of Arthroscopy, Knee Surgery and Orthopaedic Sports Medicine (ISAKOS) Congress	4 500		
JULY 2021		OCTOBER 2023	
International Health Economics Association (IHEA) 2021 Congress	800	International Association of Paediatric Dentistry (IAPD) 2023	1 000
International Society for Animal Genetics (ISAG) Conference 2021	600	MAY 2024	
15th International Conference on Mercury as a Global Pollutant (ICMGP)	1 000	World Congress of the International Hepato-Pancreato-Biliary Association (IHPBA)	2 400
AUGUST 2021		AUGUST 2024	
International Symposium on Veterinary Rehabilitation and Physical Therapy 2021 – by the International Association for Veterinary Rehabilitation and Physical Therapy (IAVRPT)	500	General Assembly of the International Astronomical Union (IAU) 2024	2 500
NOVEMBER 2021			
Africa Oil Week 2021	1 000		
AfricaCom 2021	800		



ANNUAL FINANCIAL STATEMENTS

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EXCO, MANCO and Leadership Team



DIRECTORS' RESPONSIBILITY STATEMENT

for the year ended 30 June 2019

The Directors are responsible for the maintenance of adequate accounting records and the preparation, integrity and fair presentation of the financial statements of the Cape Town International Convention Centre Company (SOC) Limited (RF). The financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), including any interpretations of such statements issued by the Accounting Standards Board, the Municipal Finance Management Act, No. 56 of 2003 and the Companies Act of South Africa, No. 71 of 2008. The financial statements are based on appropriate accounting policies, consistently applied.

The Directors are also responsible for the company's systems of internal financial control. These control procedures are designed to provide reasonable, but not absolute, assurance about the reliability of the financial statements, that assets are safeguarded and to prevent and detect losses. The Directors are not aware of any significant breakdown in the functioning of these measures, procedures and systems during the year under review.

The going concern basis has been adopted in preparing the financial statements. The Directors have no reason to believe that the company will not be a going concern in the foreseeable future, based on forecasts and available cash and finance resources.

The financial statements have been audited by the Auditor-General of South Africa, who was given unrestricted access to all financial records and related data, including minutes of all meetings of shareholders, Board of Directors and committees of the Board. The Directors are of the opinion that all representations made to the independent auditors during the audit are valid and appropriate. The responsibility of the external auditors is to express an opinion on the financial statements in accordance with the accounting framework.

Approval of the annual financial statements

The annual financial statements, which appear on pages 175 to 221, were approved by the Board of Directors on 27 November 2019 and are signed on their behalf by:



DA Cloete
Authorised Director
27 November 2019



A Cilliers
Authorised Director
27 November 2019

REPORT OF THE DIRECTORS

for the year ended 30 June 2019

The Directors have pleasure in presenting their report for the year ended 30 June 2019.

1. General review

The company's business and operations and the results thereof are clearly reflected in the attached financial statements.

2. Dividends

No dividends were declared or recommended during the year.

3. Share capital

No changes in the authorised and issued share capital of the Company during the period under review.

4. Directors

The Directors of the Company during the year under review and at the date of this report were:

DA Cloete (Chairperson)

CK Zama

W Parker

A Cilliers

G Harris

N Pangarker

JM Ellingson (CEO)

W De Wet (CFO)

S Myburgh

SW Fourie

JC Fraser

HV Ntoi (Resigned: 12/03/2019)

El Hamman (Resigned: 12/03/2019)

5. Auditors

The Auditor-General of South Africa was reappointed as auditor in terms of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA).

6. Shareholding

The City of Cape Town owns 71.4% of the company's shares. The remaining shares are held by the Provincial Government of the Western Cape (23.2%) and SunWest International (Pty) Limited (5.4%).

7. Subsidiary

The Company has only one subsidiary, the Cape Town International Convention Centre Operating Company Limited (OPCO). OPCO is in the process of being deregistered.

Consolidated financial statements have not been prepared as OPCO is dormant and is not considered material.

8. Holding Company

The City of Cape Town.

COMPANY SECRETARY'S CERTIFICATE

for the year ended 30 June 2019

In terms of section 88(2)(e) of the Companies Act, No. 71 of 2008, as amended, we, First Corporate Transfer Secretaries Proprietary Limited, in our capacity as Company Secretary of Cape Town International Convention Centre Company (SOC) Limited (RF), confirm that, for the year ended 30 June 2019, the company has lodged with the Companies and Intellectual Property Commission, all such returns as are required of a public company in terms of the Companies Act, No. 71 of 2008 and that all such returns and notices are, to the best of our knowledge, true, correct and up to date.

First Corporate Transfer Secretaries Proprietary Limited

Company Secretary

8 August 2019

REPORT OF THE AUDIT AND RISK COMMITTEE

for the year ended 30 June 2019

The Audit and Risk Committee (“the committee”) submits its report in respect of the financial year ended 30 June 2019.

Audit committee mandate

The committee is governed by a charter which has been approved by the Board and is reviewed annually. The committee fulfils its responsibilities in terms of its charter, the Companies Act, No. 71 of 2008 (“Companies Act”) and the Municipal Finance Management Act, No. 56 of 2003 (“MFMA”).

The committee has an independent role with accountability to both the Board and the shareholders. It does not assume the functions of management, which remain the responsibility of the Executive Directors, officers and other members of management.

The committee acts in an advisory and oversight capacity. It does not relieve the Board of its responsibilities but makes objective and independent recommendations. The committee is satisfied that it has, during the past financial year, met its responsibilities as stipulated in its charter and that it has complied with all its legal, regulatory and other responsibilities.

Composition of the committee

The committee comprises five members, all of whom hold appropriate qualifications and experience, of which two are independent non-executive directors and all of whom are appointed by the Council of the City of Cape Town.

The committee was chaired by Ms El Hamman until 12 March 2019 when Ms A Cilliers took over as its chairperson.

The table below discloses relevant information on the audit committee members:

Attendance at meetings

The committee meets at least four times a year and its meetings were attended by the executive managers, internal and external auditors. A representative quorum for meetings is a majority of members present, and at least one (1) member being a Non-executive Director of the Board.

The committee met four times during the year under review.

Name	Qualifications	Membership	Date appointed	No. of meetings attended
Mr M Burton	CA (SA)	External independent	1 April 2018	3/4
Ms A Cilliers	CA (SA)	Independent Non-Executive Director	31 January 2019	2/2
Ms E Hamman	CA (SA)	Independent Non-Executive Director	19 December 2013	3/3
Mrs L Ndaba	B Compt Certified Internal Auditor Certified Ethics Officer	External	24 August 2017	2/4
Dr D Singh	LLD (Doctor of Laws)	External independent	24 August 2017	3/4
Ms K Zama	CA (SA)	Non-Executive Director	26 June 2018	1/3

REPORT OF THE AUDIT AND RISK COMMITTEE

for the year ended 30 June 2019 (continued)

Key responsibilities of the committee

The statutory responsibilities of the committee are as set out in Section 94(7) of the Companies Act, No. 71 of 2008, and Section 166(2) of the Municipal Finance Management Act, No. 56 of 2003 ("MFMA").

The committee

- Exercises oversight of the internal financial controls of the company;
- Oversees the internal audit function, which is outsourced and which reports directly to the committee;
- Reviews and approves the internal audit plan, and monitors the effectiveness of the internal audit function in terms of its scope of work, progress with execution of the internal audit plan and independence;
- Oversees and reviews the expertise, resources and experience of the company's finance function;
- Oversees the external audit process and approves the terms of engagement and remuneration of the external auditors and reviews the effectiveness of the external audit process;
- Ensures that any significant issues arising from the audit are brought to the committee's attention;
- Oversees financial reporting risks in relation to financial reporting;
- Assists the Board in ensuring that the company has implemented an effective policy and plan for risk management, which will enhance the company's ability to achieve its strategic objectives;
- Monitors implementation of the risk management action plan and ensures that risk management assessments are performed on a continuous basis and reports to the Board in this regard;
- Oversees the development and annual review of a policy and plan for risk management to recommend for approval to the Board and ensures that frameworks and methodologies are implemented to increase the possibility of anticipating unpredictable risks;
- Ensures that the combined assurance received is appropriate to address all the significant risks facing the company and monitors the relationship between the assurance providers and the company;
- Oversees compliance with all applicable laws and regulations and reviews the effectiveness of the company's systems for monitoring compliance;
- Makes recommendations to the Board of Directors, and advises the Board, the accounting officer and management of the company on matters relating to internal financial control and internal audit; risk management; accounting policies; the adequacy, reliability and

accuracy of financial reporting and information; performance management and evaluation; effective governance; compliance with the MFMA and other applicable legislation and any other matters referred to it by the Board; and

- Performs such additional oversight functions as may be determined by the Board from time to time.

Discharge of responsibilities

The committee has a work plan to support its effective functioning during the year. The committee is satisfied that it has, during the past financial year, met its responsibilities as stipulated in its charter and that it has complied with all its legal, regulatory and other requirements.

Internal controls

The committee has, during the year under review:

- Exercised oversight of a process, facilitated by the internal auditors, in terms of which management has assessed the effectiveness of the company's system of internal control and risk management, including internal financial controls;
- Reviewed the effectiveness of the company's system of internal financial controls, including receiving assurance from management, internal audit and external audit;
- Reviewed and made recommendations to relevant company policies;
- Satisfied itself that the Chief Financial Officer has the appropriate expertise and experience to act in this capacity;
- The committee has reviewed the quarterly financial and performance reporting together with findings from the Auditor-General and Internal Audit. These findings have been discussed with management;
- Evaluated the appropriateness of accounting policies and procedures, compliance with Standards of Generally Recognised Accounting Practice ("GRAP") and overall accounting standards;
- Discussed and resolved any significant or unusual accounting issues;
- Reviewed relevant company procedures for the prevention and detection of fraud;
- Reviewed relevant company procedures for the prevention and detection of fraud;
- Reviewed the significant issues raised by the internal and external auditors;

- Reviewed the effectiveness of the monitoring of compliance with relevant laws and regulations and is satisfied that all regulatory compliance matters has been considered in the preparation of the financial statements;
- Exercised oversight of the financial aspects of capital projects, including the CTICC East expansion.

Based on the processes and assurances obtained, the committee believes that the significant internal financial controls are generally effective and that accounting practices are appropriate.

Risk management

The committee has, during the year under review:

- Exercised oversight in respect of the enterprise risk management function, which remains management's responsibility;
- Monitored implementation of the company's risk management action plan and made recommendations regarding the improvement thereof and reporting thereon.

The committee believes that the combined assurance model is adequate for the entity.

Internal audit

The committee has, during the year under review:

- Ensured that the company's internal audit function was independent and that it had the necessary resources to enable it to discharge its duties;
- Reviewed and approved the internal audit plan in terms of its scope and coverage and monitored progress with the execution thereof;
- Monitored the effectiveness of the internal audit function;
- Exercised oversight of the co-operation between the internal and external auditors and served as a link between these functions.

The following assurance engagements were completed in the 2018/2019 internal audit plan:

- o Commercial contracts;
- o Performance information;
- o Events Business Management System (EBMS) applications.

The internal audit plan was completed for the year and the areas for improvement were agreed to by management.

External audit

The committee is satisfied that the external auditors are independent of the company.

The committee had considered the fees to be paid to the external auditors, as well as their terms of engagement, and found it to be acceptable.

The committee has reviewed the external auditors' management letter and management's response thereto.

The committee concurs with the Auditor-General's opinion on the annual financial statements.

Annual financial statements

The committee has reviewed the year-end financial statements and integrated annual report and is satisfied with their integrity.

The committee recommended the approval thereof to the board.



A Cilliers

CA(SA)

Audit Committee Chairperson

20 November 2019

REPORT OF THE HUMAN RESOURCES AND REMUNERATION COMMITTEE

for the year ended 30 June 2019

This report is presented by the Human Resources and Remuneration Committee ("the committee") and describes how the committee has discharged its duties in respect of the financial year ended 30 June 2019.

Mandate of the committee

The committee is governed by a formal charter, which has been approved by the Board and is reviewed annually. The committee has an independent oversight and advisory role. A detailed annual work plan was formally approved to ensure the effective functioning of the committee. The work plan is reviewed at least annually.

The committee is satisfied that it has, during the past financial year, met its responsibilities as stipulated in its charter and that it has complied with all its legal, regulatory and other responsibilities.

Composition of the committee

The committee comprises four independent Non-executive Directors of the company. The Executive Directors and certain members of the company's Executive Management team also attend committee meetings at the invitation of the committee. A quorum for meetings is 50% of the members present. The committee was chaired by Mr DA Cloete until 30 May 2019 when Mr G Harris took over as its Chairperson.

Attendance at meetings

The committee met four times during the period under review. Details of the Directors' attendance at meetings appear on page 121 of this report.

Key responsibilities of the committee

The committee:

- Assists the Board in ensuring that the company remunerates its Directors and Executives fairly and responsibly, and that the disclosure of remuneration is accurate, complete and transparent and in accordance with the laws and regulations applicable to the company;
- Monitors the administration of remuneration at all levels in the company;
- Oversees the establishment of a remuneration strategy, which promotes the achievement of the company's strategic objectives and encourages individual performance;
- Selects appropriate comparative groups when comparing remuneration levels in the company;

- Ensures that all benefits, including retirement benefits and other financial arrangements, are justified and correctly valued;
- Evaluates the performance of the Chief Executive Officer in determining her remuneration;
- Exercises oversight on matters relating to Human Resource management and succession planning; and
- Performs such additional oversight functions as may be determined by the Board from time to time.

Discharge of responsibilities

During the year under review, the committee:

- Reviewed the Non-executive Directors' remuneration policy;
- Reviewed the remuneration strategy, which included the benchmarking of all remuneration levels in the company;
- Exercised oversight over salary increases;
- Reviewed various company policies;
- Set, in conjunction with the Chief Executive Officer, her key performance indicators (KPIs) and carried out the necessary review of performance against the set KPIs;
- Had oversight of the company's employment equity reporting;
- Exercised oversight of matters related to Human Resource management and succession planning; and
- Performed such additional oversight functions as may be determined by the Board from time to time.

Remuneration strategy and policy

The company's remuneration strategy is aimed at attracting, motivating and retaining competent and talented employees to ensure that its business remains sustainable. Remuneration levels are influenced by the scarcity of skills and work performance.

A performance-based incentive scheme is in place, in respect of all levels of the company, to acknowledge the contributions of individual employees by rewarding them for exceptional performance. KPIs are identified and agreed between each staff member and his/her immediate superior and his/her performance is measured against these agreed indicators. Individuals' KPIs are linked to the company's KPIs as a means of ensuring that the company achieves its objectives. Furthermore, a reward and recognition programme is in place.

During the period under review, and with the assistance of independent external advice from Auld Compensation Consulting, the committee reviewed the remuneration trends in the market. All remuneration packages in the company were benchmarked to similar positions in the meetings industry to ensure that they are fair and competitive. The committee was satisfied that the advisor was independent and objective.

Despite it being a turbulent year for the South African economy and the drought that affected local businesses in the Cape metropole, the CTICC performed strongly and continued to deliver against its strategic short, medium and long-term targets. The committee is satisfied that the company's remuneration strategy and policy achieved its desired objectives during the period under review.

Directors' remuneration

The company's strategy for the remuneration of Non-executive Directors is aimed at ensuring that levels of remuneration are sufficient to attract, retain and motivate suitably skilled and experienced Non-executive Directors, recognising the responsibilities borne by our Directors, and ensuring that they are remunerated fairly and responsibly within the constraints of the Municipal Finance Management Act, No. 56 of 2003, and the company's Memorandum of Incorporation.

The company's Directors' Remuneration Policy is currently under review and will be benchmarked with those of the other City of Cape Town entities and then tabled at the Annual General Meeting of the company (held on 11 December 2019) for consideration and approval by the shareholders.

Please refer to page 212 for details of the Directors' remuneration for the period under review



G Harris

Human Resources and Remuneration Committee Chairperson

REPORT OF THE NOMINATIONS COMMITTEE

for the year ended 30 June 2019

This report is presented by the Nominations Committee and describes how the committee has discharged its duties in respect of the financial year ended 30 June 2019.

Mandate of the committee

The committee is governed by a formal charter, which has been approved by the Board and is reviewed annually. The committee has an independent oversight and advisory role and makes recommendations to the Board of Directors.

Composition of the committee

The committee comprises three independent Non-executive Directors and one Non-executive Director of the company. Executive Directors attend committee meetings only by invitation. A quorum for meetings is 50% of the members present. The committee was chaired by Mr HV Ntoi until 12 March 2019 when Mr DA Cloete took over as its Chairperson.

Attendance at meetings

The committee met twice during the period under review. Details of the Directors' attendance at meetings appear on page 121 of this report.

Role of the committee

The committee:

- Assists the Board in determining that it has the appropriate composition to enable it to execute its duties effectively;
- Assists the Board in ensuring that the Directors are appointed through a formal and transparent process;
- Assists the Board in ensuring that the respective Board committees have the appropriate skill sets to enable them to fulfil their responsibilities;
- Ensures that induction, ongoing training and development and evaluation of the Directors takes place;
- Ensures that an appropriate succession plan is in place in respect of the Chief Executive Officer and Board of Directors;
- Assists the Board with the annual Board and Board committees' effectiveness evaluations;
- Reviews the Board and its own charter annually;
- Reviews the role of the Chairperson of the Board annually;
- Assists the Board in determining the retirement and succession of Directors;

- Reviews the policy governing the seeking of independent professional advice by individual Board members;
- Reviews the performance of the Company Secretary and makes recommendations to the Board in this regard; and
- Performs such additional oversight functions as may be determined by the Board from time to time.

Discharge of responsibilities

The committee has a detailed annual work plan, which has been formally adopted to support its effective functioning during the year.

The committee is satisfied that it has, during the past financial year, met its responsibilities as stipulated in its charter.

DA Cloete
Nominations Committee Chairperson
8 August 2019

REPORT OF THE SOCIAL AND ETHICS COMMITTEE

for the year ended 30 June 2019

This report is presented by the Social and Ethics Committee (“the committee”) and describes how the committee has discharged its duties in respect of the financial year ended 30 June 2019 as required by Regulation 43(5) of the Companies Regulations, read in conjunction with section 72 of the Companies Act, No. 71 of 2008.

Mandate of the committee

The committee is governed by a formal charter that has been approved by the Board and is reviewed annually. The committee fulfils its responsibilities in terms of Regulation 43 of the Companies Regulations, section 72 of the Companies Act, No. 71 of 2008, and its charter. The committee is accountable to both the Board and the company’s shareholders. It has an independent role and acts in an advisory and oversight capacity.

Composition of the committee

The committee comprises one independent Non-executive Director, one Non-executive Director of the company and one Prescribed Officer. Certain members of the company’s Executive Management team also attend committee meetings by invitation. A quorum for meetings is 50% of the members present. The committee is chaired by Ms S Myburgh.

Attendance at meetings

The committee met four times during the period under review. Details of our Directors’ attendance at meetings appear on page 121 of this report.

Key responsibilities of the committee

The statutory responsibilities of the committee are as set out in the Companies Act, No. 71 of 2008, and the Companies Regulations.

In executing its duties, the committee is responsible for monitoring and overseeing:

- Ethics;
- Social and economic development;
- Good corporate citizenship;
- Customer relations;
- Environment, health and public safety;
- Broad-Based Black Economic Empowerment (B-BBEE);
- Labour and employee engagement; and
- Compliance with applicable laws and regulations.

Ethics and corporate social responsibility

The Board of Directors subscribes to the highest standards of ethics and corporate social responsibility and assesses the company’s performance against various mandatory and voluntary standards. The Board assumes the ultimate responsibility for the company’s ethics performance, which is delegated to the Executive Management, but it does not relieve Management of its duties and responsibilities in this regard. The Chief Executive Officer is the visible link between the Board’s corporate ethics expectations and the company’s ethics management.

Discharge of responsibilities

The committee has a detailed annual work plan, which has been formally adopted, to support its effective functioning during the year.

The committee has, during the period under review, monitored the company’s activities, having regard to relevant legislation and other legal requirements and codes pertaining to matters relating to social and economic development, the environment, B-BBEE, employment equity, health and safety, employee wellness and stakeholder relationships. It is satisfied that it has, during the past financial year, met its responsibilities as stipulated in its charter and that it has complied with its legal, regulatory and other responsibilities.

The committee is satisfied that the company takes its governance, social and environmental responsibilities seriously. While the committee recognises that areas within its mandate are constantly evolving, it is confident that Management is committed to integrating ethics into the business of the company and that it continues to pay sufficient attention to ethics management.

In terms of broader organisational ethics, the committee continues to review and monitor the company’s ethics-related policies to enable the fostering of a good ethical culture in the company. Furthermore, a staff conference focusing on the values of the company was hosted during the period under review.

In addition to the Audit and Risk Committee, the committee also monitored compliance with laws and regulations within its own mandate. During the period under review, Management confirmed that there has been no material non-compliance with legislation or regulations within the remit of the committee’s mandate.

The company also reports to the UN Global Compact in respect of its labour, human rights, and environmental policies.

REPORT OF THE SOCIAL AND ETHICS COMMITTEE

for the year ended 30 June 2019 (continued)

In terms of environment, health and safety, the committee continued to monitor environmental, health and safety aspects in accordance with the short, medium and long-term strategy of the company. Due to the prolonged drought in the Western Cape, various water initiatives were implemented by the company, as well as the installation of a reverse osmosis plant. Furthermore, the company is effectively monitoring its use of electricity and water, waste management and its contribution to recycling efforts throughout the year. No significant environmental, health and safety issues arose during the period under review.



S Myburgh
Social and Ethics Committee Chairperson
8 August 2019

REPORT OF THE AUDITOR-GENERAL TO THE WESTERN CAPE PROVINCIAL PARLIAMENT AND THE COUNCIL ON CITY OF CAPE TOWN ON CAPE TOWN INTERNATIONAL CONVENTION CENTRE COMPANY SOC LIMITED (RF)

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Cape Town International Convention Centre Company SOC Limited (RF) (CTICC) set out on pages 175 to 221, which comprise the statement of financial position as at 30 June 2019, the statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget information and actual amounts for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the CTICC as at 30 June 2019, and its financial performance and cash flows for the year then ended in accordance with South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Companies Act of South Africa, 2008 (Act No. 71 of 2008) (the Companies Act).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the Auditor-General's responsibilities for the audit of the financial statements section of this auditor's report.
4. I am independent of the entity in accordance with sections 290 and 291 of the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* and, parts 1 and 3 of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants* (including *International Independence Standards*) (IESBA codes), as well as the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA codes.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other matter

6. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Unaudited disclosure notes

7. In terms of section 125(2) (e) of the MFMA, the entity is required to disclose particulars of non-compliance with the MFMA in the financial statements. This disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion thereon.

Responsibilities of the accounting officer for the financial statements

8. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with SA Standards of GRAP and the requirements of the MFMA and Companies Act, No. 71 of 2008, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
9. In preparing the financial statements, the accounting officer is responsible for assessing the CTICC's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Auditor-General's responsibilities for the audit of the financial statements

10. My objectives are to obtain reasonable assurance about whether the 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
11. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

Introduction and scope

12. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected key performance categories presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.
13. My procedures address the reported performance information, which must be based on the approved performance planning documents of the entity. I have not evaluated the completeness and appropriateness of the performance indicators/measures included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
14. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected key performance categories presented in the annual performance report of the entity for the year ended 30 June 2019.

Key performance categories	Pages in the annual performance report
KPC 1 – International events	59
KPC 1 – Total events hosted	59
KPC 4 – Supply Chain Procurement from B-BBEE Suppliers	59
KPC 6 – Graduate Program: Contribution to Youth Employment and Skills Development	60
KPC 7 – The number of people from the employment equity target groups employed in the three highest level of management in compliance with the entity's approved employment equity plan	60
KPC 8 – Quality Offering	60
KPC 9 – Capital Projects	60
KPC 10 – Minimum Competency Level	60

15. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

I did not raise any material findings on the usefulness and reliability of the reported performance information for the following key performance categories:

- KPC 1 – International events
- KPC 1 – Total events hosted
- KPC 4 – Supply Chain Procurement from B-BBEE Suppliers
- KPC 6 – Graduate Program: Contribution to Youth Employment and Skills Development
- KPC 7 – The number of people from the employment equity target groups employed in the three highest level of management in compliance with the entity's approved employment equity plan
- KPC 8 – Quality Offering
- KPC 9 – Capital Projects
- KPC 10 – Minimum Competency Level

Other matter

16. I draw attention to the matter below.

Achievement of planned targets

17. Refer to the annual performance report on pages 59 to 60 for information on the achievement of planned targets for the year.

Report on the audit of compliance with legislation

Introduction and scope

18. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the compliance of the entity with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

19. I did not raise material findings on compliance with the specific matters in key legislation set out in the general notice issued in terms of the PAA.

Other information

20. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report, which includes the directors' report, the audit committee's report and the company secretary's certificate, as required by the Companies Act of South Africa, 2008 (Act No. 71 of 2008) (Companies Act). The other information does not include the financial statements, the auditor's report and those selected key performance categories presented in the annual performance report that have been specifically reported in the auditor's report.

21. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.

22. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected key performance indicators presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

23. I have nothing to report in this regard.

Internal control deficiencies

24. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. I did not identify any significant deficiencies in internal control.

Other reports

25. I draw attention to the following engagements conducted by various parties that had, or could have, an impact on the matters reported in the entity's financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.

26. In the prior year a Public Protector investigation was in progress based on the alleged failure by the Cape Town International Convention Centre Company (Pty) Limited and the City of Cape Town to implement the recommendations of the City's forensic services department issued on 21 October 2014. On 3 December 2018, the investigation had been closed by the Public Protector on the basis that the investigation indicated that there was no such failure to implement these recommendations.

Auditor - General

Cape Town
20 November 2019



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

ANNEXURE – AUDITOR-GENERAL’S RESPONSIBILITY FOR THE AUDIT

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements, and the procedures performed on reported performance information for selected key performance indicators and on entity’s compliance with respect to the selected subject matters.

Financial statements

2. In addition to my responsibility for the audit of the financial statements as described in the auditor’s report, I also:
 - identify and assess the risks of material misstatement of the 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 my 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 entity’s internal control.
 - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer.
 - conclude on the appropriateness of the accounting officer’s use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the CTICC’s ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor’s report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor’s report. However, future events or conditions may cause the entity to cease continuing as a going concern.
 - evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also confirm to the accounting officer that I have complied with relevant ethical requirements regarding independence and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and, where applicable, related safeguards.

STATEMENT OF FINANCIAL POSITION

as at 30 June 2019

	NOTES	2019 R	RESTATED 2018 R
ASSETS			
Non-current assets			
Property, plant and equipment	2	573 462 472	574 441 684
Intangible assets	3	8 014 948	697 307
Investment in subsidiary	4	100	100
Service-in-kind benefit	5	175 051 024	177 175 000
Deferred taxation	6	124 170 126	129 563 991
		252 294 712	247 268 613
Current assets			
Inventories	7	2 065 465	1 591 437
Trade receivables and other receivables	8	62 859 567	19 796 330
Service-in-kind benefit	5	2 123 976	2 123 976
South African Revenue Services	18.2	3 002 224	–
Cash and cash equivalents	18.3	182 243 480	223 756 870
Total assets		1 132 993 382	1 129 146 695
NET ASSETS AND LIABILITIES			
Net financial position			
Contribution from owners	9	1 277 427 701	1 277 427 701
Accumulated deficit		(242 741 303)	(255 225 338)
Non-current liability			
Operating lease liability	10	335 155	244 280
Current liabilities			
Client deposits	11	41 385 627	28 162 844
Trade payables and other payables	12	51 009 307	71 820 350
Provisions	13	5 576 895	4 723 383
South African Revenue Services	18.2	–	1 993 475
Total net assets and liabilities		1 132 993 382	1 129 146 695

STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 30 June 2019

	NOTES	2019	RESTATED 2018
		R	R
Revenue from exchange transactions	15	271 434 321	238 874 596
Cost of sales		(31 568 293)	(29 891 260)
Gross profit		239 866 028	208 983 336
Other operating revenue from exchange transactions		20 473 429	25 298 447
Finance income	16.1	14 482 276	17 829 123
Other revenue	16.2	5 991 153	7 469 324
Impairment of property, plant and equipment	2.2	(2 548 136)	(462 599 006)
Operating expenses		(239 913 421)	(201 243 630)
Operating Profit / (Loss)	14	17 877 900	(429 560 853)
Finance costs		–	–
Profit / (Loss) before taxation		17 877 900	(429 560 853)
Taxation	17	(5 393 865)	117 590 109
Profit / (Loss) for the year		12 484 035	(311 970 744)

STATEMENT OF CHANGES IN NET ASSETS

for the year ended 30 June 2019

	NOTES	CONTRIBUTIONS FROM OWNERS	RESTATED ACCUMULATED DEFICIT	RESTATED TOTAL
		R	R	R
Balance at 1 July 2016		1 084 427 701	(168 000 555)	916 427 146
Profit for the year – As previously stated		–	43 476 413	43 476 413
Prior year error – Service-in-kind charge	5	–	(2 123 976)	(2 123 976)
Prior year error – Lease straight-lining	10	–	(153 404)	(153 404)
Share issue		193 000 000	–	193 000 000
Service-in-kind benefit	5	–	183 546 928	183 546 928
Balance at 1 July 2017		1 277 427 701	56 745 406	1 334 173 107
Loss for the year		–	(311 970 744)	(311 970 744)
Balance at 30 June 2018		1 277 427 701	(255 225 338)	1 022 202 363
Profit for the year		–	12 484 035	12 484 035
Balance at 30 June 2019		1 277 427 701	(242 741 303)	1 034 686 398

CASH FLOW STATEMENT

for the year ended 30 June 2019

	NOTES	2019 R	2018 R
Cash flow from operating activities		20 003 869	88 732 036
Cash receipts from customers (venue rental, sale of goods and other services)		247 577 036	248 151 461
Cash paid to suppliers and employees		(237 423 498)	(173 847 032)
Suppliers		(175 574 688)	(118 882 616)
Employee costs		(61 848 810)	(54 964 416)
Cash generated from operations	18.1	10 153 538	74 304 429
Finance income received	16.1	14 846 029	17 829 123
Taxation paid	18.2	(4 995 699)	(3 401 516)
Cash flow from investing activities		(61 517 259)	(115 960 048)
Acquisition of property, plant and equipment	2	(63 399 220)	(115 090 983)
Acquisition of intangible assets	3	(2 687 955)	(869 065)
Claims against capital spend	2 (ii)	4 569 916	–
Cash flow from financing activities		–	–
Decrease in cash and cash equivalents		(41 513 390)	(27 228 012)
Cash and cash equivalents at beginning of the year	18.3	223 756 870	250 984 882
Cash and cash equivalents at the end of the year	18.3	182 243 480	223 756 870

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

for the year ended 30 June 2019

	NOTES	ACTUAL 2019 R	ORIGINAL APPROVED BUDGET 2019 R	FINAL APPROVED BUDGET 2019 R	FAVOURABLE/ (UNFAVOURABLE) VARIANCE 2019 R	FAVOURABLE/ (UNFAVOURABLE) VARIANCE 2019 %
STATEMENT OF FINANCIAL PERFORMANCE	23.2					
Revenue and other income		277 425 474	286 614 158	263 109 500	14 315 974	5
Revenue		227 019 251	239 754 964	219 184 759	7 834 492	4
Other income	(i)	50 406 223	46 859 194	43 924 741	6 481 482	15
Less: Direct costs		56 650 766	54 214 595	52 766 823	(3 883 943)	(7)
Cost of sales		31 300 126	34 367 212	31 155 061	(145 065)	(0)
Direct personnel	(ii)	17 797 070	8 586 402	9 244 304	(8 552 766)	(93)
Parking costs	(iii)	5 155 186	7 504 500	8 849 298	3 694 112	42
Event-related marketing costs	(iv)	1 416 140	2 761 681	2 761 682	1 345 542	49
Equipment hire		982 244	994 800	756 478	(225 766)	(30)
Add: Finance income	(v)	14 482 276	4 515 185	12 261 535	2 220 741	18
Less: Indirect expenditure		217 379 084	267 625 901	245 028 796	27 649 712	11
Personnel costs	(vi)	66 747 421	99 060 644	89 116 902	22 369 481	25
Operations general		1 707 339	3 143 915	2 368 823	661 484	28
Utility services	(vii)	27 539 279	41 161 888	36 288 332	8 749 053	24
Maintenance	(viii)	14 303 592	16 613 028	15 765 643	1 462 051	9
Building costs		25 172 322	28 799 639	24 249 134	(923 188)	(4)
Office costs		4 077 658	5 139 108	4 726 831	649 173	14
Computer expenses		4 942 048	6 180 096	5 520 710	578 662	10
Advisors	(ix)	3 837 036	6 978 053	7 235 205	3 398 170	47
Travel and entertainment		1 789 379	2 196 454	2 193 242	403 863	18
Marketing and corporate communications	(x)	10 770 186	11 841 959	11 843 844	1 073 658	9
Catering materials		1 956 359	3 559 619	2 768 630	812 271	29
Bad debts		413 864	300 000	300 000	(113 864)	(38)
Depreciation, amortisation and impairment of assets	(xi)	54 122 601	42 651 498	42 651 499	(11 471 102)	(27)
Profit / (Loss) before taxation		17 877 900	(30 711 153)	(22 424 584)	40 302 484	180
Capital expenditure for the year ended 30 June 2019						
Building enhancements	(i)	28 977 335	18 680 000	37 391 129	8 413 794	23
IT and electronic infrastructure		15 558 803	15 222 500	16 426 303	867 500	5
Kitchen enhancements		1 340 313	1 348 100	1 348 100	7 787	1
Catering, furniture and equipment	(ii)	5 797 305	5 375 000	7 875 000	2 077 695	26
Other capex items	(iii)	14 413 419	8 566 932	18 258 469	3 845 050	21
Total capital expenditure	23.3	66 087 175	49 192 532	81 299 001	15 211 826	19

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2019

1. Accounting policies

1.1 Basis of preparation

The financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP), including interpretations guidelines and directives issued by the Accounting Standards Board in accordance with the Municipal Finance Management Act, 2003 (Act No. 56 of 2003).

The financial statements have been prepared on the historical cost basis and incorporate the principal accounting policies set out below.

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

The cash flow statement has been prepared in accordance with the direct method.

The company does not prepare consolidated financial statements as the subsidiary is dormant and not considered material.

GRAP Standards issued but not yet effective

The following GRAP Standards have been issued but are not yet effective and have not been early adopted by the entity:

Standards that have been assessed:

STANDARD	DESCRIPTION	DATE EFFECTIVE	ASSESSED IMPACT ON ENTITY	REASON FOR ASSESSMENT
IGRAP 17 Service Concession Arrangements where a Grantor Controls a Significant Residual Interest in an Asset	Interpretation of the Standard of GRAP on Service Concession Arrangements where a Grantor Controls a Significant Residual Interest in an Asset.	1 April 2019	Low	The entity has not granted any service concessions.
GRAP 18 Segment Reporting	This Standard establishes principles for reporting financial information by segments.	1 April 2020	Low	The entity does not have individual segments to report on.
IGRAP 18 Recognition and Derecognition of Land	Interpretation of the Standard of GRAP on Recognition and Derecognition of Land.	1 April 2019	Low	The entity does not own land.
IGRAP 19 Liabilities to Pay Levies	The interpretation provides guidance on the accounting for levies in the financial statements of the entity that is paying the levy.	1 April 2019	Low	The entity does not have liabilities to pay levies.
GRAP 20 Related Party Disclosures	This Standard ensures that a reporting entity's financial statements contain the disclosures necessary to draw attention to the possibility that its financial position and surplus or deficit may have been affected by the existence of related parties and by transactions and outstanding balances with such parties.	1 April 2019	Medium	The entity has transactions with Related Parties. The entity used IPSAS 20 to develop its accounting policy for Related Parties.
GRAP 32 Service Concession Arrangements Grantor	Accounting for service concession arrangements by the grantor, a public sector entity.	1 April 2019	Low	The entity has not granted any service concessions.

STANDARD	DESCRIPTION	DATE EFFECTIVE	ASSESSED IMPACT ON ENTITY	REASON FOR ASSESSMENT
GRAP 34 Separate Financial Statements	This Standard prescribes the accounting and disclosure requirements for investments in controlled entities, joint ventures and associates when an entity prepares separate financial statements.	To be determined by the Minister of Finance	Low	The entity discloses its investments in controlled entities at cost.
GRAP 35 Consolidated Financial Statements	This Standard establishes principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities.	To be determined by the Minister of Finance	Low	The entity is not required to present consolidated financial statements.
GRAP 36 Investments in Associates and Joint Ventures	This Standard prescribes the accounting for investments in associates and joint ventures and sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures.	To be determined by the Minister of Finance	Low	The entity does not hold investments in associates and joint ventures.
GRAP 37 Joint Arrangements	The Standard establishes principles for financial reporting by entities that have an interest in arrangements that are controlled jointly (i.e. joint arrangements).	To be determined by the Minister of Finance	Low	The entity does not have joint arrangements.
GRAP 38 Disclosure of Interests in Other Entities	This Standard prescribes additional disclosures by entities that have any interests in controlled entities, unconsolidated controlled entities, joint arrangements and associates, and structured entities that are not consolidated.	To be determined by the Minister of Finance	Low	The only interest the entity has in other entities is an interest in a dormant company. The entity discloses its investment at cost.
GRAP 108 Statutory Receivables	This Standard prescribes the accounting requirements for the recognition, measurement, presentation and disclosure of statutory receivables.	1 April 2019	Medium	The entity has receivables due from SARS, which meets the definition of a statutory receivable.
GRAP 109 Accounting by Principals and Agents	This Standard prescribes the principles to be used to assess whether an entity is party to a principal-agent arrangement.	1 April 2019	Low	The entity is not a party to a principal-agent arrangement in terms of GRAP 109.
GRAP 110 Living and Non-living Resources	This Standard prescribes the recognition, measurement, presentation and disclosure requirements for living resources and disclosure requirements for non-living resources.	1 April 2020	Low	The entity does not own living and non-living resources.

Where a Standard of GRAP is approved as effective, it replaces the equivalent statement of International Public Sector Accounting Standards, International Financial Reporting Standards or Generally Accepted Accounting Principles. Where a Standard of GRAP has been issued but is not yet in effect, an entity may select to apply the principles established in that Standard in developing an appropriate accounting policy dealing with a particular section or event before applying paragraph 12 of the Standard of GRAP on Accounting Policies, Changes in Accounting Estimates and Errors.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2019 (continued)

1. Accounting policies (continued)

1.1 Basis of preparation (continued)

The significant accounting policies are set out below, and are consistent with those applied in the previous financial year. The amendments to GRAP 21 and GRAP 26 relating to the designation of an asset as cash-generating or non-cash-generating had no impact on the initial classification of the cash-generating unit.

Significant judgements and estimates

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed in the relevant notes.

In the process of applying the accounting policies, management has made the following significant accounting judgements, estimates and assumptions, which has the most significant effect on the amounts recognised in the financial statements:

Property, plant and equipment

The useful lives of assets are based on management's estimation. Management considers the impact of technology, availability of capital funding, service requirements and required return on assets to determine the optimum useful life expectation where appropriate. The estimation of residual values of assets is also based on management's judgement whether the assets will be sold or used to the end of their useful lives, and what their condition will be at that time.

Impairment of assets in progress

As part of the impairment calculation, management estimates the recoverable amount by calculating the value in use of the cash-generating unit to which the asset belongs. In arriving at the value in use, management has needed to make significant assumptions regarding future cash flows and discount rates, which are disclosed in Note 2.2.

Operating lease commitments – Entity as lessor

The entity has entered into commercial property leases on its property portfolio. The entity has determined that it retains all the significant risks and rewards of ownership of these properties, and so accounts for them as operating leases.

Rental is paid based on turnover rental contracts and is recognised as accrued.

Impairment of trade receivables from exchange transactions

The calculation in respect of the impairment of debtors is based on an assessment of the extent to which debtors have defaulted on payments already due, and an assessment of their ability to make payments based on their creditworthiness. This was performed per service-identifiable categories across all classes of debtors.

Provisions and contingent liabilities

Management's judgement is required when recognising and measuring provisions, and when measuring contingent liabilities as set out in Note 27.

Management's judgement is also required in the assessment for the provision of doubtful debts as set out in Note 8.

1.2 Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised. Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Capital work-in-progress is carried at cost and depreciated from the date the assets are capable of operating in the manner intended by management.

Depreciation is calculated on the straight-line method to write-off the cost of each asset to its residual value over its estimated useful life as follows:

	2019	2018
	%	%
Escalators and elevators	5.56 – 16.67	5.56 – 16.67
Carpets / Laminated flooring	16.67 – 25.00	16.67 – 25.00
Curtains / Blinds	11.11 – 20.00	11.11 – 20.00
Signage	8.33 – 33.33	8.33 – 33.33
Audiovisual	7.69 – 16.67	7.69 – 16.67
Fences and gates	6.67 – 16.67	6.67 – 16.67
Cold rooms	5.88 – 16.67	5.88 – 16.67
Air-conditioning system	5.56 – 16.67	5.56 – 16.67
Sprinkler system	16.67 – 20.00	16.67 – 20.00
Auditorium seating	8.33 – 16.67	8.33 – 16.67
Building management system	5.88 – 16.67	5.88 – 16.67
Building	2.50 – 50.00	2.50 – 50.00
Plant and equipment	8.33 – 33.33	8.33 – 33.33
Motor vehicles	5.26 – 25.00	5.26 – 25.00
Furniture and fittings	6.67 – 50.00	6.67 – 50.00
Kitchen and catering	5.26 – 50.00	5.26 – 50.00
Office equipment	6.25 – 50.00	6.25 – 50.00
Computer equipment	11.11 – 50.00	11.11 – 50.00
Computer software	11.11 – 50.00	11.11 – 50.00

The assets' estimated useful lives and residual values are reviewed on an annual basis.

Repairs and maintenance are generally charged to expenses during the financial period in which they are incurred. However, major renovations are capitalised and included in the carrying amount of the asset when it is probable that future economic benefits of the renovation will flow to the company. Major renovations are depreciated over the remaining useful life of the related asset.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits or service potential are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is included in operating profit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

Where the carrying value of an asset exceeds the calculated recoverable amount, the asset is immediately written down to the recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2019 (continued)

1. Accounting policies (continued)

1.3 Intangible assets

An intangible asset is defined as an identifiable non-monetary asset without physical substance.

Intangible assets are recognised initially at cost and subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets are amortised on the straight-line basis over the useful lives of the assets. The residual value, amortisation method and useful life, if not insignificant, are reassessed annually, with the effect of any changes in estimate accounted for on a prospective basis.

Amortisation is calculated on the straight-line method to write-off the cost of each asset to its residual value over its estimated useful life as follows:

	2019	2018
Useful life of acquired software licences	33.33%	33.33%

Intangible assets are derecognised on disposal (including disposal through a non-exchange transaction) or when no future economic benefits or service potential are expected from its use or disposal. The gain or loss arising from the derecognition of an intangible asset shall be included in surplus or deficit when the asset is derecognised.

1.4 Impairment of assets

1.4.1 Impairment of cash-generating assets

Definitions

Cash-generating assets are assets used with the objective of generating a commercial return. Commercial return means that the positive cash flows are expected to be significantly higher than the cost of the assets.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation/amortisation.

Carrying amount is the amount at which an asset is recognised in the Statement of Financial Position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets held with the primary objective of generating a commercial return that generates cash flows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less costs of disposal.

Recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

Useful life is either:

- a) The period of time over which an asset is expected to be used by the entity; or
- b) The number of production or similar units expected to be obtained from the assets by the entity.

Criteria developed by the entity to distinguish cash-generating assets from non-cash-generating assets are as follows:

The company considers cash-generating assets to be those assets which are used to host events, which represents the company's core revenue stream, which is all of its assets as a single cash-generating unit.

Identification

When the carrying amount of a cash-generating asset exceeds its recoverable amount, it is impaired.

The entity assesses at each reporting date whether there is any indication that a cash-generating asset may be impaired. If any such indication exists, the entity estimates the recoverable amount of the asset.

Value in use

Value in use of a cash-generating asset is the present value of the estimated future cash flows expected to be derived from the continuing use of an asset and from its disposal at the end of its useful life.

When estimating the value in use of an asset, the entity estimates the future cash inflows and outflows to be derived from continuing use of the asset and from its ultimate disposal and the entity applies the appropriate discount rate to those future cash flows.

Composition of estimates of future cash flows

Estimates of future cash flows include:

- Projections of cash inflows from the continuing use of the asset;
- Projections of cash outflows that are necessarily incurred to generate the cash inflows from continuing use of the asset (including cash outflows to prepare the asset for use) and can be directly attributed, or allocated on a reasonable and consistent basis, to the asset; and
- Net cash flows, if any, to be received (or paid) for the disposal of the asset at the end of its useful life.

Estimates of future cash flow exclude:

- Cash inflows or outflows from financing activities; and
- Income tax receipts or payments.

The estimate of net cash flows to be received (or paid) for the disposal of an asset at the end of its useful life is the amount that the entity expects to obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the estimated costs of disposal.

Discount rate

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money, represented by the current risk-free rate of interest and the risks specific to the asset for which the future cash flow estimates have not been adjusted.

Recognition and measurement (individual asset)

If the recoverable amount of a cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. This reduction is an impairment loss. An impairment loss is recognised immediately in surplus or deficit.

When the amount estimated for an impairment loss is greater than the carrying amount of the cash-generating asset to which it relates, the entity recognises a liability only to the extent that is a requirement in the standard of GRAP.

After the recognition of an impairment loss, the depreciation charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Redesignation

The redesignation of assets from a cash-generating asset to a non-cash-generating asset or from a non-cash-generating asset to a cash-generating asset may only occur when there is clear evidence that such a redesignation is appropriate.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2019 (continued)

1. Accounting policies (continued)

1.4 Impairment of assets (continued)

1.4.1 Impairment of cash-generating assets (continued)

Reversal of an impairment loss

The entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a cash-generating asset may no longer exist or may have decreased. If any such indication exists, the entity estimates the recoverable amount of that asset.

An impairment loss recognised in prior periods for a cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a cash-generating asset is recognised immediately in surplus or deficit.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

1.4.2 Impairment of non-cash-generating assets

Cash-generating assets are assets used with the objective of generating a commercial return. Commercial return means that the positive cash flows are expected to be significantly higher than the cost of the assets.

Non-cash-generating assets are assets other than cash-generating assets.

The entity does not have any non-cash-generating assets, as its entire operation is regarded as a single cash-generating unit.

1.5 Leases

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

Payments made under operating leases are charged to the Statement of Financial Performance on a straight-line basis over the period of the lease.

Operating lease revenue is recognised as revenue on a straight-line basis over the lease term.

1.6 Inventories

Inventories are recognised as an asset if it is probable that future economic benefits or service potential associated with the item will flow to the entity and if the cost of the inventories can be measured reliably. Inventories are initially measured at cost.

Inventories are stated at the lower of cost or net realisable value. Cost is determined on the weighted average method and includes transport and handling costs. The weighted average cost is determined using a weighted average cost for the month based on the most recent month's purchases. Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses.

When inventories are utilised or consumed, the carrying amounts of those inventories are recognised as an expense in the period. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. Reversals of any write-downs of inventories arising from the increase in net realisable value are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1.7 Taxation

Taxation on the profit or loss for the year comprises current and deferred taxation. Taxation is recognised in profit or loss.

1.7.1 Current taxation

Current taxation comprises tax payable calculated on the basis of the estimated taxable income for the year using the tax rates enacted at the reporting date, and any adjustment of tax payable for previous years.

1.7.2 Deferred taxation

Deferred taxation is provided on all temporary differences between carrying amounts of assets and liabilities for financial reporting purposes and their tax base, except to the extent that the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which, at the time of the transaction, affects neither accounting profit nor taxable surplus/deficit. The amount of deferred taxation provided is measured at the tax rates that are expected to apply to the period when the asset is released or the liability is settled, based on the tax rates/laws that have been enacted or substantively enacted by the end of the reporting date.

Deferred taxation is charged to profit or loss except to the extent that it relates to a transaction that is recognised in net assets, in which case it is recognised in net assets, or a business combination that is an acquisition, in which case it is recognised as an adjustment to goodwill. The effect on deferred taxation of any changes in tax rates is recognised in profit or loss, except to the extent that it relates to items previously charged or credited to net assets.

A deferred taxation asset is recognised to the extent that it is probable that future taxable profits will be available against which the associated unused tax losses and deductible temporary differences can be utilised. Deferred taxation assets are reduced to the extent that it is no longer probable that the tax benefit will be realised.

1.8 Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount of the obligation can be made.

Provisions are reviewed at the reporting date and adjusted to reflect the current best estimate. When it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision shall be reversed.

When the effect of the time value of money is material, the entity determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current risks specific to the liability.

1.9 Revenue recognition

Revenue comprises the invoiced value of sales of goods and services net of value-added tax, rebates and all discounts. Revenue from sale of goods is recognised when the significant risks and rewards of ownership of the goods have been transferred to the buyer. Revenue arising from the rendering of services is recognised when the event takes place. Where the event is held over a month-end, the revenue is split as earned. Revenue is measured at the fair value of consideration receivable.

1.9.1 Revenue from exchange transactions

Revenue from exchange transactions relate to income earned from venue rental, sale of goods and other services.

Service fee income is recognised for the rendering of services as an agent in accordance with the contract of hire agreements.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2019 (continued)

- 1. **Accounting policies** (continued)
- 1.9 **Revenue recognition** (continued)
- 1.9.2 **Finance income**

Finance income comprises interest income. Interest income is recognised in profit or loss on a time proportion basis, taking account of the principal outstanding and the effective interest rate over the period to maturity, when it is probable that such income will accrue to the entity.

1.10 **Financial instruments**

The company classifies financial assets into the following categories: at fair value through profit or loss, amortised cost and cost. The classification depends on the purpose for which the financial assets are acquired. Management determines the classification of its financial assets at initial recognition.

Financial assets at fair value

Financial assets at fair value are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term. Assets in this category are classified as current assets.

Financial instruments at amortised cost

Financial instruments at amortised cost are non-derivative financial assets with fixed and determinable payments that are not quoted in an active market. They are included in current assets for maturities less than 12 months after the reporting date. Assets with maturities greater than 12 months are classified as non-current assets.

Initial recognition

The company recognises financial instruments in the Statement of Financial Position when it becomes a party to the contractual provisions of the instrument. The company recognises financial assets using trade date accounting.

Impairment and uncollectibility of financial assets

The entity assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets are impaired.

Derecognition

Financial assets

The entity derecognises a financial asset only when:

- The contractual rights to the cash flows from the financial asset expire, are settled or waived;
- The entity transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- The entity, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

In this case, the entity:

- Derecognises the asset; and
- Recognises separately any rights and obligations created or retained in the transfer.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in profit or loss.

1.10.1 Financial assets at amortised cost

Receivables from exchange transactions

Trade receivables are recognised initially at fair value plus transaction costs that are directly attributable to the trade receivable and subsequently measured at amortised cost using the effective interest rate method, less provision for impairment through the use of a separate allowance account. 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. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of six months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the Statement of Financial Position.

1.10.2 Financial liabilities at amortised cost

Payables from exchange transactions

Trade payables are recognised initially at fair value plus transaction costs that are directly attributable to the trade payable and subsequently measured at amortised cost using the effective interest method.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancels or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the income statement.

1.10.3 Financial risk factors

The company's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the company's financial performance.

- (i) Interest rate risk
The company's cash balances are impacted by changes in market interest rates.
- (ii) Credit risk
Concentrations of credit risk with respect to trade receivables are limited due to the company's large number of customers, who are both internationally and nationally dispersed.

The company has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. The company has policies that limit the amount of credit exposure to any one financial institution, and cash transactions are limited to creditworthy institutions.
- (iii) Liquidity risk
Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents to fund the activities of the company.
- (iv) Capital risk management
The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2019 (continued)

1. Accounting policies (continued)

1.11 Client deposits

Client deposits received in advance for upcoming events are recognised at amortised cost and are derecognised and accounted as revenue when the event occurs.

1.12 Translation of foreign currencies

Transactions

Foreign currency transactions are recorded on initial recognition in Rands by applying to the foreign currency amount the exchange rate between the Rand and the foreign currency at the date of the transaction.

At each reporting date:

- (a) Foreign currency monetary items are reported using the closing rate; and
- (b) Non-monetary items, which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

Exchange differences arising on the settlement of monetary items or on reporting an enterprise's monetary items at rates different from those at which they are initially recorded during the period, or reported in previous financial statements, are recognised as income or expenses in the period in which they arise.

1.13 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

1.14 Employee benefits

Short-term employee benefits

The cost of all short-term employee benefits is recognised during the period in which the employee renders the related service.

The amounts for employee entitlements to salaries, performance bonus and annual leave represent the amounts which the entity has a present obligation to pay as a result of employees' services provided at the reporting date. The provisions have been calculated at discounted amounts based on current salary levels at the reporting date. There are no critical assumptions or judgements involved in determining the short-term employee benefits.

Defined contribution plan

The majority of the company's employees are members of the defined contribution plan. A defined contribution plan is a provident fund under which the company pays fixed contributions into a trustee administered fund.

The company's contributions to the defined contribution plan are charged to the Statement of Financial Performance in the financial year to which they relate.

The company has no further payment obligations once the contributions have been paid.

1.15 Irregular expenditure

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act, 2003 (Act No. 56 of 2003), the Municipal Systems Act, 2000 (Act No. 32 of 2000), and the Public Office Bearers Act, 1998 (Act No. 20 of 1998), or is in contravention of the Municipal Supply Chain Management Policy.

Irregular expenditure that was incurred and identified during the current financial year, which was not condoned, must be recorded appropriately in the irregular expenditure register. If liability for the irregular expenditure can be attributed to a person, a debt amount must be created if such person is liable in law. Immediate steps must thereafter be taken to recover the amount from the person concerned. If recovery is not possible, write-off of the amount must be considered.

Where irregular expenditure is condoned or not condoned, it is accounted for as expenditure in the Statement of Financial Performance and classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance. However, the irregular purchases of assets are accounted for in the Statement of Financial Position and will be disclosed in the financial statements as irregular expenditure.

1.16 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised. Fruitless and wasteful expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

1.17 Comparative information

Comparative figures are classified or restated as necessary to afford a proper and more meaningful comparison of results as set out in the affected notes to the financial statements. Budgeted amounts have been included in the annual financial statements for the current financial year only.

1.18 Investment

Investments in subsidiary companies are stated at cost, less impairment losses.

1.19 Capital commitments

Commitments are not recognised in the Statement of Financial Position nor the Statement of Financial Performance, but are included in the disclosure notes to the annual financial statements.

1.20 Budget information

The annual budget figures have been prepared on an accrual basis, and are consistent with the accounting policies adopted by the Board for the preparation of these financial statements.

The approved budget covers the fiscal period from 1 July 2018 to 30 June 2019. The amounts are scheduled as a separate additional financial statement, called the Statement of Comparison of Budget and Actual Amounts.

Explanatory comments on material differences are provided in the notes to the annual financial statements.

These figures are those approved by the Board as part of the annual business plan process.

Comparative information is not required for the Statement of Comparison of Budget and Actual Amounts.

The budget information is prepared for Cape Town International Convention Centre Company SOC Limited (RF).

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2019 (continued)

1. Accounting policies (continued)

1.21 Related parties

The related party accounting policy was formulated using the definitions as noted in the International Public Sector Accounting Standards 20 (IPSAS 20).

The company regards a related party as a person or an entity with the ability to control the company either individually or jointly, or the ability to exercise significant influence over the company, or vice versa.

Key management personnel are regarded as a related party and includes Board members, as well as other persons having the authority and responsibility for planning, directing and controlling the activities of the reporting entity. Where they meet this requirement, key management personnel include any key advisor of key management personnel, as well as the senior management group of the reporting entity.

Close members of the family of an individual are close relatives of the individual or members of the individual's immediate family who can be expected to influence or be influenced by that individual in their dealings with the entity.

All related party transactions are disclosed.

1.22 Value-added tax (VAT)

The company accounts for VAT on an invoice basis.

1.23 Post-balance sheet events

Events after the reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- (a) Those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- (b) Those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

2. Property, plant and equipment

	2019					2018				
	COST	ASSETS IN PROGRESS COST ⁽ⁱ⁾	ACCUMULATED DEPRECIATION ⁽ⁱⁱⁱ⁾	ACCUMULATED IMPAIRMENT	CARRYING VALUE	COST	ASSETS IN PROGRESS COST ⁽ⁱ⁾	ACCUMULATED DEPRECIATION	ACCUMULATED IMPAIRMENT	CARRYING VALUE
	R	R	R	R	R	R	R	R	R	R
Escalators	15 077 454	–	4 399 278	4 383 426	6 294 750	6 467 709	8 570 814	3 234 904	4 383 425	7 420 194
Elevators	21 167 156	3 742 073	8 436 785	6 193 623	10 278 821	8 838 685	12 110 254	7 665 706	6 193 623	7 089 610
Carpets / Laminated flooring	21 035 135	–	6 499 723	4 313 965	10 221 447	10 161 912	8 435 000	4 442 957	4 313 965	9 839 990
Curtains / Blinds	6 339 600	–	418 305	3 218 264	2 703 031	62 600	6 292 600	25 781	3 218 264	3 111 155
Signage	3 929 985	–	2 531 689	–	1 398 296	3 774 684	–	2 029 541	–	1 745 143
Audiovisual	11 753 112	–	8 619 771	–	3 133 341	9 686 230	–	8 094 061	–	1 592 169
Fences and gates	1 291 407	–	841 609	–	449 798	1 276 960	–	729 945	–	547 015
Cold rooms	5 079 873	–	3 176 033	792 726	1 111 114	3 301 547	1 550 000	2 912 049	792 726	1 146 772
Air-conditioning system	70 368 184	–	29 494 284	17 825 202	23 048 698	35 227 682	37 987 245	27 242 721	19 428 056	26 544 150
Sprinkler system	15 678 003	–	5 037 825	5 435 365	5 204 813	5 130 829	13 692 737	4 752 779	7 002 963	7 067 824
Auditorium seating	1 744 982	–	1 410 499	–	334 483	1 744 982	–	1 075 992	–	668 990
Building management system	14 631 656	–	10 980 870	–	3 650 786	16 761 852	–	11 813 315	–	4 948 537
Building	1 123 741 728	75 331 009	349 553 350	439 471 576	410 047 811	922 053 118	255 444 787	338 540 089	435 665 488	403 292 328
Plant and equipment	82 261 680	–	8 688 060	31 888 530	41 685 090	11 015 508	61 331 215	5 467 875	31 367 010	35 511 838
Motor vehicles	952 371	–	842 781	–	109 590	1 688 179	–	1 473 820	–	214 359
Furniture and fittings	20 562 064	–	11 177 511	–	9 384 553	20 520 809	–	9 570 230	–	10 950 579
Kitchen and catering	34 615 068	–	16 887 507	–	17 727 561	29 462 586	–	11 144 666	–	18 317 920
Office equipment	3 159 081	–	1 661 704	–	1 497 377	2 240 941	–	910 297	–	1 330 644
Computer equipment	65 650 128	–	23 535 041	18 438 264	23 676 823	27 289 296	35 248 338	14 827 335	18 027 279	29 683 020
Computer software ⁽ⁱ⁾	8 197 287	–	5 713 004	979 994	1 504 289	13 171 985	–	9 752 538	–	3 419 447
	1 527 235 954	79 073 082	499 905 629	532 940 935	573 462 472	1 129 878 094	440 662 990	465 706 601	530 392 799	574 441 684

- (i) Computer software assets, which form an integral part of computer equipment that were previously disclosed together with computer equipment, have been reclassified and disclosed separately. Separately acquired software licenses are classified as intangible assets. Refer to Note 3.
- (ii) Assets in progress relate to the capitalised costs incurred on phase 2 of the expansion project, which is due for final technical completion during the second half of the 2019 financial year.
- (iii) The reduction in accumulated depreciation in certain classes of assets from 2018 to 2019 is due to asset disposals during the year.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2019 (continued)

2. Property, plant and equipment (continued)

The carrying amounts of property, plant and equipment can be reconciled as follows:

	2019									
	CARRYING VALUE AT BEGINNING OF YEAR	ASSETS IN PROGRESS RECLASSIFICATION ⁽ⁱⁱ⁾	RECLASSIFICATION ⁽ⁱⁱ⁾	ASSETS IN PROGRESS ADDITIONS ⁽ⁱⁱ⁾	ADDITIONS	DISPOSALS NET BOOK VALUE ^(iv)	DEPRECIATION	IMPAIRMENT	CARRYING VALUE AT END OF YEAR	
	R	R	R	R	R	R	R	R	R	
Escalators	7 420 194	–	–	–	38 931	–	1 164 374	–	6 294 751	
Elevators	7 089 610	–	–	3 742 073	218 217	–	771 079	–	10 278 821	
Carpets / Laminated flooring	9 839 990	–	–	–	2 521 949	7 086	2 133 407	–	10 221 446	
Curtains / Blinds	3 111 155	–	–	–	–	–	408 124	–	2 703 031	
Signage	1 745 143	–	–	–	184 785	13 924	517 708	–	1 398 296	
Audiovisual	1 592 170	–	(6 251)	–	2 069 638	–	522 216	–	3 133 341	
Fences and gates	547 015	–	–	–	14 446	–	111 664	–	449 797	
Cold rooms	1 146 770	–	–	–	228 326	–	263 983	–	1 111 113	
Air-conditioning system	26 544 150	(1 531 171)	–	–	287 283	–	2 251 564	–	23 048 698	
Sprinkler system	7 067 824	(1 497 491)	–	–	–	–	365 521	–	5 204 812	
Auditorium seating	668 991	–	–	–	–	–	334 507	–	334 484	
Building management system	4 948 537	–	–	–	77 074	213 692	1 161 133	–	3 650 786	
Building	403 292 328	1 201 696	(4 334 044)	10 671 345	15 127 059	25 120	13 337 315	2 548 136	410 047 814	
Plant and equipment	35 511 839	498 197	–	–	9 062 694	40 180	3 347 460	–	41 685 090	
Motor vehicles	214 359	–	–	–	–	30 173	74 595	–	109 591	
Furniture and fittings	10 950 580	–	(34 978)	–	776 184	26 728	2 280 505	–	9 384 553	
Kitchen and catering	18 317 921	–	(339 680)	–	6 587 046	25 946	6 811 780	–	17 727 561	
Office equipment	1 330 643	–	(76 008)	–	947 815	–	705 073	–	1 497 377	
Computer equipment	29 683 019	392 602	(45 621)	–	4 887 920	309 618	10 931 479	–	23 676 823	
Computer software	3 419 447	(6 936 428)	(97 094)	–	5 956 435	2	838 069	–	1 504 289	
	574 441 684	(7 872 595)	(4 933 676)	14 413 418	48 985 802	692 469	48 331 556	2 548 136	573 462 472	

- (i) During the 2019 year, a detailed analysis was performed on all assets installed at CTICC 2 in order to capitalise the assets into the asset register, thus, reclassifying it out of assets in progress. This process was done in preparation of agreeing the final account on the project with the Principal Building Contractor.
An amount of R7 872 595 previously included as assets in progress has been reclassified as computer software and licenses and is disclosed as Intangible Assets in Note 3.
- (ii) Reclassification relates to assets previously capitalised and moved to a different class during the asset verification exercise during the year. During the year, the company achieved a favourable outcome for claims against the principal building contractor to the value of R34.6 million (Note 8). The claim was allocated to the assets in progress category, resulting in a reduction in the carrying amount. The cost claim relating to the legal fees awarded were partially paid during the year, resulting in the reclassification balance of R4 933 676. The balance of the claims were allocated against prior year additions.
- (iii) Assets in progress relate to the capitalised costs incurred on phase 2 of the CTICC 2 expansion project and is reflected in the category relating to the costs.
- (iv) Where assets are assessed to have reached the end of their economic life, they are disposed of. The company donates certain assets to various schools and other organs of state in the Cape Metropole area that may still have a net book value at time of disposal.

2.1 Assets in progress

Assets in progress relate to the capitalised costs incurred on the expansion of the convention centre (CTICC 2).

The construction project for CTICC 2 was started in 2014 and was originally due for completion in October 2016. The expected completion date of the project has been delayed numerous times and as at the reporting date, final technical completion and final works completion have not yet been achieved due to significant unexpected delays affecting the ability to operate the building in the manner intended by management.

The company has reclassified a significant portion of the costs into its separate categories of property, plant and equipment. The portion that remains in assets in progress relates to the portion of the works still to be completed, as well as other projects in CTICC 1.

Given the significant unexpected delays in construction, the company has assessed the asset for impairment in accordance with GRAP 26.

Property, plant and equipment that is taking a significantly longer period of time to complete than expected has a cost of R79 073 082 (2018: R440 662 990) and a carrying value of R62 981 738 (2018: R199 200 598).

Assets in progress comprise the following significant classes:

- Building; and
- Elevators.

	COST R	IMPAIRMENT R	CARRYING VALUE R
Movement in assets in progress			
AIP balance at beginning of the year	440 662 990	241 462 392	199 200 598
Less: AIP reclassified to categories	(376 316 275)	(225 371 048)	(150 945 227)
- PPE	(368 443 680)	(225 371 048)	(143 072 632)
- Intangibles (Note 3)	(7 872 595)	–	(7 872 595)
	64 346 715	16 091 344	48 255 371
Add: 2019 additions	14 726 367	–	14 726 367
AIP balance at year-end	79 073 082	16 091 344	62 981 738

The assets in progress balance has been included in the various categories of property, plant and equipment and is not disclosed separately.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2019 (continued)

2. Property, plant and equipment (continued)

	2018						
	CARRYING VALUE AT BEGINNING OF YEAR	ASSETS IN PROGRESS ADDITIONS ⁽ⁱⁱ⁾	OTHER ADDITIONS	DISPOSALS NET BOOK VALUE	DEPRECIATION	IMPAIRMENT	CARRYING VALUE AT END OF YEAR
	R	R	R	R	R	R	R
Escalators	10 450 132	–	2 482 399	–	1 128 912	4 383 425	7 420 194
Elevators	12 541 368	833 147	250 239	–	341 521	6 193 623	7 089 610
Carpets / Laminated flooring	13 067 766	1 783 442	919 207	–	1 616 460	4 313 965	9 839 990
Curtains / Blinds	2 003 452	4 338 858	–	–	12 891	3 218 264	3 111 155
Signage	2 133 030	–	100 442	–	488 329	–	1 745 143
Audiovisual	1 024 589	–	833 805	–	266 224	–	1 592 170
Fences and gates	287 497	–	323 254	–	63 736	–	547 015
Cold rooms	2 120 813	–	–	–	181 317	792 726	1 146 770
Air-conditioning system	66 861 166	(19 907 841)	253 653	–	1 234 772	19 428 056	26 544 150
Sprinkler system	10 816 588	2 876 149	384 458	–	6 408	7 002 963	7 067 824
Auditorium seating	1 399 755	–	–	–	730 764	–	668 991
Building management system	6 357 034	–	–	417	1 408 080	–	4 948 537
Building	719 871 873	62 422 796	3 532 256	–	14 662 903	367 871 694	403 292 328
Plant and equipment	52 258 028	11 898 487	3 698 646	–	976 312	31 367 010	35 511 839
Motor vehicles	358 615	–	–	–	144 256	–	214 359
Furniture and fittings	3 211 534	–	9 049 982	18 104	1 292 832	–	10 950 580
Kitchen and catering	4 772 404	–	18 400 962	132 725	4 722 720	–	18 317 921
Office equipment	1 049 340	–	854 892	2	573 587	–	1 330 643
Computer equipment ⁽ⁱ⁾	44 352 138	3 038 033	6 086 952	632	5 766 193	18 027 279	29 683 019
Computer software ⁽ⁱ⁾	6 813 146	–	636 765	–	4 030 464	–	3 419 447
	961 750 268	67 283 071	47 807 912	151 880	39 648 681	462 599 006	574 441 684

None of the company's assets are encumbered at the reporting date.

- (i) Computer software assets, which form an integral part of computer equipment that was previously disclosed together with computer equipment, have been reclassified and disclosed separately. Separately acquired software licences are classified as intangible assets. Refer to Note 3.
- (ii) Assets in progress relate to the capitalised costs incurred on phase 2 of the expansion project.

Repairs and maintenance

The following costs were incurred on assets to prolong the useful lives of assets:

	2019 R	2018 R
Service providers	10 570 504	9 544 422
Materials	4 110 752	2 023 070
Total repairs and maintenance expenses	14 681 256	11 567 492
	2019 R	2018 R
Cost (fully depreciated property, plant and equipment)		
Audiovisual	984 074	986 830
Building	2 021 978	3 612 809
Carpets / Laminated flooring	–	19 876
Curtains / Blinds	–	15 600
Sprinkler system	4 665 896	4 746 371
Air-conditioning system	114 856	114 856
Motor vehicles	–	3 350
Computer equipment	58 078	540 097
Computer software	163 235	4 293 061
Office equipment	35	29 709
Furniture and fittings	5 188 872	5 923 892
Artwork	–	1 321 095
Plant and equipment	1 454 309	350 962
Kitchen and catering	1 701 378	2 116 554
	16 352 711	24 075 062

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2019 (continued)

2. Property, plant and equipment (continued)

2.2 Impairment of the CTICC building and assets in progress

In line with the accounting policy for cash-generating assets, property, plant and equipment were assessed during the period for possible indicators of impairment.

The CTICC is a cash-generating entity established for the purposes of hosting events. The CTICC 2 building was established to enhance the capabilities of the CTICC to host additional and larger events to further contribute to the company's revenue streams. As such, the impairment testing process applicable to cash-generating assets has been applied.

During the review, management considered the impact of the delays in construction of CTICC 2, as well as the consequential delay and reduction in expected cash flows from that asset as indicators of potential impairment. During the year, a portion of the CTICC 2 building cost, which was included as part of assets in progress, was capitalised. Management views the building and assets in progress as forming part of a single cash-generating unit together with the existing CTICC building and, therefore, it is not possible to estimate the recoverable amount for the CTICC 2 centre as an individual asset.

Management estimated the recoverable amount by calculating the value in use of the cash-generating unit (being CTICC 1 and 2 combined) of R512 866 595 (2018: R490 617 296) and comparing it to the carrying value of the relevant assets in that cash-generating unit of R515 414 731 (2018: R953 216 302) at the date of impairment testing.

Therefore, the company has recognised an impairment loss of R2 548 136 (2018: R462 599 006) and has been disclosed in the impairment line item on the Statement of Financial Performance. The impairment loss is significantly lower than the prior year's amount as the impairment test was done on the combined buildings for the first time, as CTICC 2 was partially brought into use during that year, thus, requiring a significant impairment of R462 599 006.

Consideration, methods and significant assumptions applied in arriving at the value in use

- (a) Due to the restrictions imposed on the use of the facility and site, no active market exists within, which the value of the centre can be determined through an arm's length transaction between a willing buyer and a willing seller and, as such, the value in use of the centre has been used to determine whether the building's carrying value may not be recoverable.
- (b) Since inception, all initial targets for the region (spin-offs) and the operation of the convention centre have consistently been exceeded and are forecast to maintain this level of performance for the foreseeable future. Despite this, the value in use of the centre can only be attributed to the present value of the future cash flows generated within the centre itself, and excludes any value which it generates for other entities or business sectors.
- (c) No value could be attached to the centre at the end of its useful life due to its disposal being highly unlikely, with no reliable basis for measuring the disposal value.
- (d) The two buildings of the business, as well as the remaining property, plant and equipment, are considered a single cash-generating unit for the following reasons:
 - CTICC 2 does not operate independently from CTICC 1;
 - The buildings are managed together as part of the event hosting business; and
 - Large events are hosted in a combination of venues across the two buildings.

Accordingly, they are evaluated as a single cash-generating unit when testing for impairment.

- (e) The value in use was estimated using a discounted cash flow model, which incorporated approved budget figures for a 3 year projection period. Cash flows were forecast for an additional 4 years, assuming revenue growth of 6.5% for both CTICC 1 and CTICC 2.

- (f) A discount rate of 13.41% (2018: 14.04%) was used, which was calculated using the risk-free rate of the R186 bond of 8.10% adjusted by 5.31 percentage points to take into account the company's long-term borrowing cost of 9.30%, a Beta of 0.90, as well as a market risk premium of 6.10% for uncertainty regarding timing and extent of future cash flows.

Based on the value in use calculation, an amount of R512.9 million (2018: R490.6 million) was determined. The current carrying value of R515.4 million (2018: R953.2 million) was established for the relevant assets in that cash-generating unit.

This has resulted in the recognition of an impairment loss of R2.5 million in the year (2018: R462.6 million).

2.3 Revision of useful lives of property, plant and equipment

During the year, the company revised the estimated useful lives of certain items of property, plant and equipment. The change in estimate was necessary as these items were approaching the end of their originally assessed useful lives, and management determined that the assets were still going to be in use for an extended period beyond the reporting date as a result of the good condition and maintenance of the assets. The net effect of the changes in the current year was a reduction in the depreciation charge of R1 282 730 (2018: R7 201 152). The effect on future years will be an overall increase of the same amount over the subsequent financial years.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2019 (continued)

3. Intangible assets

	2019		
	COST R	ACCUMULATED AMORTISATION R	CARRYING VALUE R
Software licences	11 429 615	3 414 667	8 014 948
	11 429 615	3 414 667	8 014 948

	2018		
	COST R	ACCUMULATED AMORTISATION R	CARRYING VALUE R
Software licences	869 065	171 758	697 307
	869 065	171 758	697 307

The carrying amounts of intangible assets can be reconciled as follows:

	CARRYING VALUE AT BEGINNING OF YEAR R	ADDITIONS ⁽ⁱ⁾ R	AIP RECLASSIFICATION ⁽ⁱⁱ⁾ R	AMORTISATION R	CARRYING VALUE AT THE END OF YEAR R
2019					
Software licences	697 307	2 687 955	7 872 595	3 242 909	8 014 948
	697 307	2 687 955	7 872 595	3 242 909	8 014 948

(i) All software licences are acquired from external suppliers and are not internally generated.

(ii) The reclassification of R7 872 595 (2018: RNil) relates to software and licence costs for CTICC 2 assets previously disclosed as assets in progress and capitalised during the year (refer Note 2).

	CARRYING VALUE AT BEGINNING OF YEAR R	ADDITIONS R	RECLASSIFICATION AND TRANSFERS R	AMORTISATION R	CARRYING VALUE AT THE END OF YEAR R
2018					
Software licences	–	869 065	-	171 758	697 307
	–	869 065	-	171 758	697 307

4. Investment in subsidiary

The company has an investment in the following company:

	2019 R	2018 R
Unlisted		
Cape Town International Convention Centre Operating Company (Pty) Limited (OPCO)	100	100

The agency agreement between Cape Town International Convention Centre Company SOC Limited (RF) (Convenco) and Cape Town International Convention Centre Operating Company (Pty) Limited (OPCO) was terminated on 30 June 2010. OPCO does not reflect any trading activities in its financial results and will be deregistered. The company is dormant and has net asset value of R100, which represents the share capital of OPCO.

5. Service-in-kind benefit

	2019 R	2018 R	2017 R
The service-in-kind balance is made up as follows:			
Non-current asset at beginning of year	179 298 976	181 422 952	183 546 928
Service-in-kind charge	(2 123 976)	(2 123 976)	(2 123 976)
Service-in-kind benefit at end of year	177 175 000	179 298 976	181 422 952

The service-in-kind benefit was not previously recorded and a prior period error was required, with the recognition of the service-in-kind benefit of R181 422 952 as a non-current asset at 1 July 2017 and adjusting the Accumulated Deficit with the same amount.

An amount of R2 123 976 will be charged to the Statement of Financial Performance each year to reflect the annual benefit utilised. This is a non-cash charge and arose as a result of the GRAP 23 accounting recognition of the service-in-kind benefit.

	2019 R	2018 R
Service-in-kind benefit allocation:		
- Long-term portion	175 051 024	177 175 000
- Short-term portion	2 123 976	2 123 976
Service-in-kind benefit	177 175 000	179 298 976

The non-cash service-in-kind benefit arose as a result of the long-term land lease entered into between the company and the City of Cape Town in 2001 for a period of 99 years at a rental of R100 per annum, which is below the market value. The company has valued the service-in-kind benefit to the value of the land. The service-in-kind benefit is recognised as a non-current asset and will be charged to the Statement of Financial Performance over the remaining period of the lease, which is 81 years and 5 months.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2019 (continued)

6. Deferred taxation

Deferred income taxes are calculated on all temporary differences under the balance sheet method using a tax rate of 28%.

	2019 R	2018 R
The deferred tax balance is made up as follows:		
Asset at beginning of year	129 563 991	3 576 669
Temporary differences	(5 393 865)	125 987 322
Asset at end of year	124 170 126	129 563 991
The balance comprises the following temporary differences:		
Property, plant and equipment	116 833 063	124 355 004
Trade receivables and other receivables	353 462	124 078
Client deposits	4 635 190	3 154 238
Trade payables and other payables	786 880	608 124
Provisions	1 561 531	1 322 547
Asset at end of year	124 170 126	129 563 991

7. Inventories

	2019 R	2018 R
Food	402 313	392 618
Beverage	980 155	655 457
Consumables	621 419	498 679
Chemicals	61 578	44 683
Total	2 065 465	1 591 437

The company has not written down any inventory during the financial year (2018: RNil).

8. Trade receivables and other receivables

	2019 R	RESTATED 2018 R
Exchange transactions		
Trade receivables	4 453 327	4 086 945
Less: Provision for impairment of trade receivables	(615 163)	(10 063)
Trade receivables from exchange transactions – net	3 838 164	4 076 882
Prepayments	10 116 330	3 389 280
Other receivables	42 508 575	5 441 052
Non-exchange transactions		
South African Revenue Service: VAT	5 557 367	5 686 232
Interest receivable	839 131	1 202 884
Total	62 859 567	19 796 330
Trade receivables ageing		
Current (0 – 30 days)	2 622 867	3 011 293
31 – 60 days	274 218	594 938
61 – 90 days	198 229	245 274
91 – 120 days	648 139	183 417
+ 120 days	709 874	52 023
Total	4 453 327	4 086 945
Provision for impairment	(615 163)	(10 063)
Trade receivables – net	3 838 164	4 076 882
Trade receivables past due and not impaired		
61 – 90 days	198 229	53 405
91 – 120 days	745 061	183 419
Total	943 290	236 824

Trade and other receivables past due are assessed on an individual basis and provisions are raised based on management's judgement.

Other receivables includes the amount due from the City of Cape Town, which relates to costs incurred on behalf of the City relating to the basement expansion. Provision for bad debts of R1 067 989 (2018: R1 067 989) has been raised against the amount outstanding by the City as the company expects a delay in receiving the payment due to the amount being disputed by the City. Therefore, the amount has been discounted to account for the time value of money. The amount has been restated to reflect as other receivables previously being included in trade receivables. Refer Note 8.1 on restated amounts.

Other receivables also includes an amount of R34.6 million (2018: RNil) which is recoverable from the Principal Building Contractor of CTICC 2 due to the successful outcome achieved of claims lodged. The costs related to the claims now awarded were included in the assets in progress balance, which has now been reduced to reflect the amount due to the company (Note 2). The amount due was not impaired, taking into account the information available at the reporting date, which was that the amount is fully recoverable.

The carrying value of these trade receivables and other receivables are denominated in the following currency: South African Rand.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2019 (continued)

8. Trade receivables and other receivables (continued)

	2019 R	RESTATED 2018 R
Provision for impairment of trade receivables and other receivables		
Opening balance	(1 078 052)	(190 094)
Additional provision	(605 100)	(1 078 052)
Unused amounts reversed	–	190 094
Closing balance	(1 683 152)	(1 078 052)

The other classes within trade receivables and other receivables do not contain impaired assets.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivables mentioned above. The company does not hold any collateral as security.

8.1 Restatement of prior year comparative figures

The amount owing by the City of Cape Town referred to above has been reclassified as other receivables during the year, as it is not considered to be a trade receivable and, accordingly, the 2018 comparative figures are restated. The changes made to the comparative figures are reflected below.

	AS PREVIOUSLY REPORTED R	2018 AMOUNT RECLASSIFIED R	RESTATED R
Trade receivables	10 491 660	(6 404 715)	4 086 945
Less: Provision for impairment of trade receivables	(1 078 052)	1 067 989	(10 063)
Trade receivables from exchange transactions – net	9 413 608	(5 336 726)	4 076 882
Prepayments	3 389 280	–	3 389 280
South African Revenue Service: VAT	5 686 232	–	5 686 232
Interest receivable	1 202 884	–	1 202 884
Other receivables	104 326	5 336 726	5 441 052
Total	19 796 330	–	19 796 330
Trade receivables ageing			
Current (0 – 30 days)	3 011 293	–	3 011 293
31 – 60 days	594 938	–	594 938
61 – 90 days	245 274	–	245 274
91 – 120 days	183 417	–	183 417
+ 120 days	6 456 738	(6 404 717)	52 021
Total	10 491 660	(6 404 717)	4 086 943
Provision for impairment	(1 078 052)	1 067 989	(10 063)
Trade receivables – net	9 413 608	(5 336 726)	4 076 882

9. Contribution from owners

Authorised share capital

10 000 000 "A" ordinary shares of no par value

1 000 000 "B" ordinary shares of no par value

Issued and fully paid ordinary shares	2019		2018	
	NUMBER OF SHARES	STATED CAPITAL R	NUMBER OF SHARES	STATED CAPITAL R
Opening balance	259 966	1 277 427 701	259 966	1 277 427 701
"A" ordinary shares	245 966	1 137 788 000	245 966	1 137 788 000
"B" ordinary shares	14 000	139 639 701	14 000	139 639 701
Closing balance	259 966	1 277 427 701	259 966	1 277 427 701
"A" ordinary shares	245 966	1 137 788 000	245 966	1 137 788 000
"B" ordinary shares	14 000	139 639 701	14 000	139 639 701

10. Operating lease liability

	2019 R	2018 R	2017 R
The operating lease liability balance is made up as follows:			
Non-current liability at beginning of year	244 280	153 405	–
Straight-lining of lease payments	2 614 827	2 614 827	2 614 827
Lease payments for the year	(2 523 952)	(2 523 952)	(2 461 422)
Operating lease liability at end of year	335 155	244 280	153 405
Operating lease liability allocation:			
- Long-term portion	335 155	244 280	–
- Short-term portion	–	–	–
Operating lease liability	335 155	244 280	153 405

The straight-lining of the lease costs was not previously recorded and a prior period error adjustment was required for the operating lease relating to P1 Parking garage that it leases from the City of Cape Town. The lease was entered into in 2001 for a period of 50 years. The market value of the lease charge is determined every 5 years and it has an escalation clause from Year 2 in the cycle. In terms of the contract, the last market valuation performed to determine the lease charge was on 1 July 2016.

The company has straight-lined the future lease payments for the period 1 July 2016 to 30 June 2021, which required a restatement of the 2017 amount, as well as the comparative amount for 2018.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2019 (continued)

11. Client deposits

	2019 R	2018 R
0 – 1 year	37 895 757	26 325 314
> 1 year	3 489 870	1 837 530
Total	41 385 627	28 162 844

Client deposits are received in advance for upcoming events. Client deposits are paid back to clients if an event is cancelled and an event cancellation fee is payable by the client. As an event can be cancelled at any point in time, the total balance of client deposits is disclosed as current liabilities.

12. Trade payables and other payables

	2019 R	2018 R
Trade payables	31 501 835	28 237 026
Accruals	19 507 472	43 415 716
Sundry payables	–	167 608
Total	51 009 307	71 820 350
The carrying amount of trade and other payables is stated at amortised cost, but due to the short-term nature of trade payables, amortised cost is the same.		
The carrying value of these trade payables is denominated in the following currency: South African Rand	31 501 835	28 237 026

13. Provisions

	2019 R	2018 R
Performance bonus provision		
Opening balance	4 723 383	4 959 809
Additional provisions	5 576 895	4 723 383
Prior year provision utilised	(4 723 383)	(4 959 809)
Closing balance	5 576 895	4 723 383

Performance bonuses accrue to staff on an annual basis based on the achievement of predetermined performance. The provision is an estimate of the amount due to staff in the service of the company at reporting date.

14. Operating Profit / (Loss)

	2019 R	2018 R
Operating Profit / (Loss) is stated after:		
Other revenue		
Insurance recovered	(7 984)	(309 348)
Gain on foreign exchange	(37 213)	7 697
Rental income		
Vexicure Proprietary Limited t/a Westin and Redefine Properties Limited	(4 595 956)	(4 495 129)
Expenditure		
Auditors' remuneration – Audit fee	1 071 925	1 050 311
Depreciation (property, plant and equipment)	48 331 560	39 648 681
Amortisation	3 242 909	171 758
Impairment		
- Property, plant and equipment	2 548 136	462 599 006
Repairs and maintenance on property, plant and equipment	14 681 256	11 567 492

15. Revenue from exchange transactions

	2019 R	2018 R
Service fee	29 657 510	21 177 117
Parking	15 709 792	13 970 075
Sales	226 067 019	203 727 404
Total	271 434 321	238 874 596

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2019 (continued)

16. Finance and other income

16.1 Finance income

	2019 R	2018 R
Interest receivable at the beginning of the year	1 202 884	1 202 884
Finance income (earned in respect of cash and cash equivalents)	14 482 276	17 829 123
Interest receivable at the end of the year	(839 131)	(1 202 884)
Net finance income	14 846 029	17 829 123

16.2 Other income

	2019 R	2018 R
Turnover rental	4 595 956	4 495 129
Sundry income	1 395 197	2 974 195
Total	5 991 153	7 469 324

17. Taxation

17.1 South African normal taxation

	2019 R	2018 R
Current year	–	8 397 213
Deferred taxation (refer Note 6)	5 393 865	(125 987 322)
Taxation	5 393 865	(117 590 109)

No company tax has been accounted for the year, as the company is in a taxable loss position of R17.6 million (2018: RNil) for the current financial year. The assessed loss relates to the capital tax allowances claimed on the CTICC 2 building. Management is comfortable that there will be sufficient taxable profits against which the assessed loss can be utilised.

The deferred tax charge in 2018 relates to the timing differences as a result of the impairment accounted for during last year.

17.2 Reconciliation of effective tax

	2019 R	2018 R
Profit / (Loss) before taxation	17 877 901	(429 560 853)
Tax at statutory rate (28%)	5 005 812	(119 656 880)
Permanent differences - Property, plant and equipment	1 424 035	2 066 771
Temporary difference	(1 035 982)	–
Effective tax	5 393 865	(117 590 109)

The permanent differences relates to buildings and fences and gates, as no tax allowances were claimable at the time these assets were brought into use.

18. Notes to the cash flow statement**18.1 Cash generated from operations**

	2019 R	2018 R
Profit / (Loss) before taxation	17 877 901	(429 560 853)
Adjustment for:		
Depreciation and amortisation	51 574 465	39 820 439
Impairment of property, plant and equipment	2 548 136	462 599 006
Finance income	(14 482 276)	(17 829 123)
Lease straight-lining	90 875	90 875
Service-in-kind benefit	2 123 976	2 123 976
Asset write-off	692 470	151 880
(Decrease) / Increase in provision for bonuses	853 512	(236 426)
(Decrease) / Increase in provision for impairment of receivables from exchange transactions	605 100	887 958
	61 884 158	58 047 733
Movements in working capital		
Decrease / (Increase) in inventories	(474 028)	(393 272)
Decrease / (Increase) in receivables	(43 668 335)	(7 246 614)
(Decrease) / Increase in payables	(7 588 257)	23 896 582
	10 153 538	74 304 429

18.2 Taxation paid

	2019 R	2018 R
Balance at beginning of year	1 993 475	(3 002 222)
Current taxation charged to income statement	–	8 397 213
Balance at end of year	3 002 224	(1 993 475)
	4 995 699	3 401 516

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2019 (continued)

18. Notes to the cash flow statement (continued)

18.3 Cash and cash equivalents

	2019	2018
	R	R
Cash and cash equivalents consist of cash on hand and balance with banks.		
Cash and cash equivalents included in the cash flow statement comprise the following balance sheet amounts:		
Current accounts	11 857 864	6 138 316
Call and investment accounts	170 220 958	217 475 159
Petty cash	5 500	5 500
Cash float	112 500	132 500
Cash on hand	46 658	5 395
Cash and cash equivalents	182 243 480	223 756 870
The following bank and investment accounts were held by the entity		
Nedbank – Current Account (Acc Number: 1232043850)	–	752 804
Nedbank – Call Deposit Account (Acc number: 03/7881544007/000105)	20 099	18 849
ABSA Bank – Current Account (Acc Number: 4072900553)	8 309 320	1 253 490
ABSA Bank – CTICC East – Current Account (Acc Number: 4072900228)	206 598	966 979
ABSA Bank – Exh Serv – Current (Acc Number: 4072900731)	659 828	642 085
ABSA Bank Treasury Account (Acc Number: 4073731246)	74 759	71 479
ABSA Bank Treasury Account (Acc Number: 4073733701)	2 607 359	2 451 479
ABSA Bank – Call Deposit (Acc Number: 4074708347)	385 741	14 407 371
First National Bank – RMB Investment Account – 00 506 190 167 40	–	14 830 872
Stanlib – Corporate Money Market Fund Account (Acc Number: 000-402-184 (1199539) 551436367)	24 501 318	27 739 151
Investec – Corporate Money Market Fund Account (Acc Number: (462097) 1008645)	14 262 836	37 715 476
ABSA Bank – Call Deposit Account (Acc Number: 4083941322)	2 582	2 507
Nedgroup – Money Market Fund Account – (Acc Number: (1800167964) 8319631)	30 728 629	28 404 622
Nedgroup – Corporate Money Market Fund C2 Account (Acc Number: (1452-027-900) 8319631)	36 758 590	35 082 376
ABSA Bank – Money Market Fund (Acc Number: 9295637051)	48 938 077	709 231
ABSA Bank – CTICC Money Market Fund Account (Acc Number: 09316676360)	14 623 086	13 564 704
ABSA Bank – Guarantee Account (Acc Number: (506009 4072900553) 43939765)	–	45 000 000

19. Expenses by nature

	2019	2018
	R	R
Depreciation (Note 2)	48 331 560	39 648 681
Amortisation (Note 3)	3 242 909	171 758
Impairment of property, plant and equipment	2 548 136	462 599 006
Employee-related costs (Note 21)	65 509 322	57 477 767
Cost of sales	31 568 293	29 891 260
Marketing and advertising costs	10 890 533	10 263 749
Other expenses ⁽ⁱ⁾	115 182 007	93 681 675
Total cost of sales and operating expenses	274 029 850	693 733 896

(i) The items included in other expenses is detailed in the Statement of Comparison of Budget and Actual Amounts on page 178.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2019 (continued)

20. Related parties

20.1 Holding company

The company is controlled by the City of Cape Town, which owns 71.4% (2018: 71.4%) of the company's shares. The remaining shares are held by the Western Cape Government, which owns 23.2% (2018: 23.2%) and SunWest International (Pty) Limited, which owns 5.4% (2018: 5.4%). The City of Cape Town has leased the land on which the convention centre is built to the company for a period of 99 years at a cost of R100 per annum.

In terms of an agreement dated April 2001, Convenco has sub-leased a portion of land to Vexicure Proprietary Limited t/a Westin for an initial period of 30 years, extendable to 50 years. The hotel erected on this site reverts to the City of Cape Town should the lease not be renewed.

In terms of an agreement dated September 2005, the company has sub-leased a portion of land to Redefine Properties Limited for an initial period of 50 years, extendable by 20 years. The office tower (Convention Towers) erected on this site reverts to the City of Cape Town should the lease not be renewed.

	2019 R	2018 R
Related party transactions – City of Cape Town		
Rates and taxes	3 017 393	3 000 320
Electricity	18 089 195	13 642 596
Water	2 479 674	1 566 735
Lease P1 parking (including refuse, sewerage, rates and water)	5 155 186	3 466 277
Service-in-kind charge - Lease CTICC 1 (Note 5)	2 123 976	2 123 976
Related party transactions – Other		
Y-Waste Solutions CC ⁽ⁱ⁾	–	10 400
Related party balances		
Amounts owing to City of Cape Town	2 487 040	948 194
Amounts due by City of Cape Town ⁽ⁱⁱ⁾	6 404 715	6 404 715

(i) Food waste management services was awarded to Y-Waste Solutions CC (non-VAT vendor). The manager's spouse (S. Fourie) is in service of the state (HoD: Department of Economic Development and Tourism) and a Non-executive Director of the company. The amount of the award in 2019: R0 (2018: R10 400).

(ii) The amount due from the City of Cape Town relates to costs incurred on behalf of the City relating to the basement expansion. A provision for bad debts of R1 067 989 (2018: R1 067 989) has been raised against the amount outstanding by the CTICC, as the company expects a delay in receiving the payment due to the amount being disputed by the City. Therefore, the amount has been discounted to account for the time value of money.

20.2 Subsidiary

The company has only one subsidiary, the Cape Town International Convention Centre Operating Company (Pty) Limited (OPCO). OPCO is in the process of being deregistered. Consolidated financial statements have not been prepared, as OPCO is dormant and is not considered material.

20.3 Directors' remuneration

Non-Executive Directors' remuneration only includes fees for attendance of Board and sub-committee meetings.

	2019 R	2018 R
Non-executive Directors' remuneration		
AA Mahmood	–	24 645
AM Boraine	–	22 228
BJ Lodewyk	–	56 977
EL Hamman	59 028	67 446
S Myburgh	65 346	59 100
DA Cloete	44 712	72 390
HV Ntoi	46 812	75 096
CK Zama ⁽ⁱ⁾	40 325	34 777
JC Fraser	19 604	46 504
A Cilliers	30 668	–
G Harris	33 806	–
N Pangarker	18 862	–
Executive Directors do not receive any Directors' fees.		
Audit committee members' remuneration (External to the Board)		
D Singh	34 170	–
MR Burton	21 394	–
L Ndaba ⁽ⁱⁱ⁾	–	–
Executive Directors' remuneration		
CEO remuneration		
Basic salary	2 307 921	2 136 871
Bonus and performance-related payments	310 768	287 656
Total	2 618 689	2 424 527
Grand total	3 033 416	2 883 690
CFO remuneration		
Basic salary	1 382 714	1 327 332
Bonus and performance-related payments	–	214 038
General Manager: Facilities and Operations remuneration		
Basic salary	1 613 204	1 493 615
Bonus and performance-related payments	217 149	201 063
General Manager: Operations - Food and Beverage remuneration		
Basic salary	1 490 049	1 213 865
Bonus and performance-related payments	189 630	130 295
General Manager: Commercial and Business Development remuneration		
Basic salary	1 560 160	1 300 948
Bonus and performance-related payments	204 120	138 565
Total	6 657 026	6 019 721

(i) Ms CK Zama was paid Directors' remuneration up to 31 March 2019 and no further remuneration will be made effective from 1 April 2019.

(ii) Ms L Ndaba is employed at the City of Cape Town and, accordingly, is not paid any remuneration as a member of the committee.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2019 (continued)

21. Employee-related costs

	2019 R	2018 R
Salaries and wages	51 057 393	45 195 471
Contributions for Unemployment Insurance Fund, Workmens Compensation, Medical aid, etc.	4 390 074	3 936 000
Provident fund	4 554 370	4 014 334
Overtime	779 096	651 773
Performance bonus	3 660 512	2 513 351
Other: staff transport and health and safety costs	1 067 877	1 166 838
Total employee-related costs	65 509 322	57 477 767
Number of employees (includes 2 employees on temporary disability)	219	182

22. Operating leases

22.1 Lessee

	1 YEAR R	2 – 5 YEARS R	OVER 5 YEARS R
2019			
Future minimum lease payments (including VAT)	3 134 749	15 255 574	402 343 260
2018			
Future minimum lease payments (including VAT)	2 992 747	13 185 503	181 003 226

In accordance with the lease agreements from the City of Cape Town, the increases in lease payments are negotiated annually and every 5 years, a market-related value is determined for the lease premiums. Management has estimated the value of future minimum lease payment using the historical trend of increase percentages. Therefore, this estimate may change significantly from year to year.

Future minimum lease payments for the operating leases relate to the following leases:

1. City of Cape Town – 99 year lease of land, remaining term: 81 years 5 months.

The lease gives rise to a service-in-kind benefit, as the lease cost of R100 per annum is below market value. The service-in-kind benefit has been valued and disclosed as detailed in Note 5.

2. City of Cape Town – 50 year lease of P1 parking garage, remaining term: 32 years 3 months.
3. City of Cape Town – 30 year lease of ERF 270, option to renew, remaining term: 23 years.

22.2 Lessor

The company receives rental income from Vexicure Proprietary Limited t/a Westin and Redefine Properties Limited, which is a percentage based on turnover.

In terms of an agreement dated April 2001, Convenco has sub-leased a portion of land to Vexicure Proprietary Limited t/a Westin for an initial period of 30 years, extendable to 50 years. The hotel erected on this site reverts to the City of Cape Town should the lease not be renewed.

In terms of an agreement dated September 2005, Convenco has sub-leased a portion of land to Redefine Properties Limited for an initial period of 50 years, extendable by 20 years. The office tower (Convention Towers) erected on this site reverts to the City of Cape Town should the lease not be renewed.

Total rental income received for the period was R4 595 956 (2018: R 4 495 129).

23. Budget information

23.1 Explanation of variances between approved and final budget amounts

The budget is approved on an accrual basis by nature classification. The approved budget covers the fiscal period from 1 July 2018 to 30 June 2019. Both the budget and the accounting figures are prepared on the same basis.

The variances between the approved and final budgets are mainly due to the adjustment of:

- A decrease in revenue to account for the delayed practical completion of phase 1 of the expansion project of CTICC 2.

The reasons mentioned above resulted in an overall decrease in revenue and costs between the approved and final budget amounts.

23.2 Explanation of variances greater than 5% and greater than R1m: Final budget and actual amounts

Statement of Financial Performance

- (i) Other income (R6 481 482 – over)

The growth in other income is mainly as a result of the increase in the number of events hosted during the year, as well as CTICC 2 being in operation for the full year. This resulted in good growth in the service fee and parking revenue earned.

- (ii) Direct personnel (R8 552 766 – over)

The company had anticipated permanently employing staff previously provided through its labour brokers. The conversion of staff from labour brokers to permanent progressed slower than anticipated, as staff have not agreed to be insourced, hence the overspend.

- (iii) Parking costs (R3 694 112 – under)

Parking costs includes all costs associated with the parking areas, namely, rental, security, cleaning and ticket costs, which were all lower than expected due to savings achieved during the year.

- (iv) Event-related marketing cost (R1 345 542 – under)

During the year, the company incurred fewer costs in this category due to fewer clients making use of professional conference organisers (PCOs) for events.

- (v) Finance income (R2 220 741 – over)

Due to steady interest earned from favourable cash balances, finance income was more than budgeted due to the delay in completion of CTICC 2, which resulted in higher than budgeted bank balances throughout the period and, therefore, a resulting increase in finance income.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2019 (continued)

23. Budget information (continued)

23.2 Explanation of variances greater than 5% and greater than R1m: Final budget and actual amounts (continued)

Statement of Financial Performance (continued)

(vi) Personnel cost (R22 369 481 – under)

The variance is due to savings from vacancies, new posts not filled and the conversion of labour broker staff to permanent employees that progressed slower than anticipated as staff have not agreed to be insured.

(vii) Utility services (R8 749 053 – under)

Utility services were lower during the current period, as the company managed its water and electricity resources effectively and is benefitting from the installation of its reverse osmosis plant.

(viii) Maintenance (R1 462 051 – under)

The company has continued to effectively manage its maintenance and refurbishment programmes, thereby resulting in savings on costs.

(ix) Advisors (R3 398 170 – under)

During the current financial period, the CTICC made use of more cost-effective service providers and had fewer legal expenses due to fewer services required.

(x) Marketing and corporate communications (R1 073 658 – under)

The costs incurred on marketing and corporate communications were lower due to more effective utilisation of resources and opportunities.

(xi) Depreciation, amortisation and impairment asset (R11 471 102 – over)

The higher depreciation is due to the capitalisation of the majority of CTICC 2 assets and the superstructure, as well as the impact of the reassessment of useful lives performed in 2018 where the depreciation will be spread over a number of years, as well as the impairment charge for the year of R2 548 136, not included in the budget.

23.3 Explanation of variances greater than 10% and greater than R2 million: Final budget and actual amounts

Capital expenditure

97% of capital expenditure projects were either complete or in progress as at year-end.

(i) Building enhancements (R8 413 794 – under)

Certain projects were awarded towards the end of the financial year and will spread into the 2019/20 financial year. These funds were rolled over to the 2019/20 financial period.

(ii) Catering, furniture and equipment (R2 077 695 – under)

Orders were placed for furniture and uniforms and will only be delivered in the new financial year. These funds were rolled over to the 2019/20 financial period.

(iii) Other capex items (R3 845 050 – under)

The unspent capital expenses relates to the timing of expenditure on the CTICC 2 expansion programme due to unexpected delays.

23.4 Revenue and other income reconciliation

Classification of certain income and expenditure differs in instances from the Statement of Financial Performance compared to Statement of Comparison of Budget and Actual Amounts.

	2019 R
Revenue per the Statement of Financial Performance	271 434 321
Other income per Statement of Financial Performance	5 991 153
	277 425 474
Revenue per the Statement of Comparison to budget	227 019 251
Other income per Statement of Comparison to budget	50 406 223
	277 425 474
Cost of sales and operating expenses	
Cost of sales per the Statement of Financial Performance	31 568 293
Expenses per the Statement of Financial Performance	
Operating expenses	239 913 421
Impairment	2 548 136
	274 029 850
Direct costs per the Statement of Comparison to budget	56 650 766
Indirect costs per Statement of Comparison to budget	217 379 084
	274 029 850

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2019 (continued)

24. Financial instruments

24.1 Risk management

Foreign exchange risk

The company operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US Dollar, Euro and British Pound. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities.

The company has no exposure to foreign exchange risk on its revenues, as all its invoicing, including invoicing to foreign clients, is denominated in South African Rands.

Limited foreign exchange risk exposure arises from payments to third parties denominated in foreign currency, which includes membership fees, advertising and marketing spend, and conference attendance costs.

Payments denominated in foreign currency are limited and, therefore, the company's risk exposure is minimal.

Market risk

The company's activities expose it primarily to risks of fluctuations in interest rates.

Interest rate risk

The company's interest rate profile consists of fixed and floating rate bank balances, which expose the company to fair value interest rate risk and cash flow interest risk.

The company manages interest rate risk in terms of the Municipal Investment Regulations.

Interest rate sensitivity risk

The sensitivity analysis below has been determined based on the financial instruments' exposure to interest rates at reporting date.

A sensitivity analysis shows reasonable expected change in the interest rate, either as an increase or decrease in the interest rate percentage. The equal but opposite 1% adjustment to the interest rate would result in an equal but opposite effect on net surplus and, therefore, has not been disclosed separately.

	2019	2018
Cash and cash equivalents	182 243 480	223 756 870
Increase / Decrease in interest rates	1%	1%
Net surplus (post-tax)	1 312 153	1 611 049

Credit risk management

Credit risk is the risk of financial loss to the company if a customer fails to meet the contractual obligation, and arises principally from the company's customers. The company's policy is to receive the full contracted payment upfront from customers. Any outstanding balances arising during the event is managed through frequent communications with customers.

Due to the nature of the business, a majority of the outstanding amounts are with customers with whom the company has dealt with previously and who have not defaulted in the past.

Financial assets, which potentially subject the entity to credit risk, consist principally of cash and cash equivalents and trade and other receivables.

The company's cash and cash equivalents are placed with high credit quality financial institutions.

Credit risk, with respect to trade receivables, is limited due to the application of the Credit Control and Debt Collection Policy.

Credit quality of trade receivables and other receivables

The following represents the credit quality of the gross trade receivables and other receivables:

	2019	RESTATED 2018
	R	R
Key accounts customers	2 799 012	3 436 951
Other accounts customers	993 240	639 931
High-risk customers	661 075	10 063
Other receivables (Note 8)	37 171 849	104 326
Related party recoverable	6 404 715	6 404 715
	48 029 891	10 595 986

The company believes that no further impairment is necessary on trade receivables and other receivables, as reflected in Note 8.

Liquidity risk

The liquidity risk is the risk that the company will not have sufficient financial resources to meet all obligations as they fall due, or will have to do so at excessive cost. This risk can arise from mismatches in the timing of cash flows from revenue inflows and capital and operational out flows. The entity manages liquidity risk through an ongoing review of its future commitments and available resources by preparing regular cash flow forecasts. The company ensures that adequate funds are available to meet its expected and unexpected financial commitments, through effective working capital management.

The following table provides details of the company's remaining contractual liability for its financial liabilities.

	LESS THAN 1 MONTH	2 - 6 MONTHS	GREATER THAN 6 MONTHS	TOTAL
	R	R	R	R
2019				
Financial instrument				
Trade payables and other payables from exchange transactions	28 307 517	22 639 409	62 381	51 009 307
	28 307 517	22 639 409	62 381	51 009 307
The company is in receipt of client deposits for events booked up to the 2023 financial year, which is disclosed in the "greater than 6 months" column.				
2018				
Financial instrument				
Trade payables and other payables from exchange transactions	17 854 717	53 965 633	–	71 820 350
	17 854 717	53 965 633	–	71 820 350

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2019 (continued)

24. Financial instruments (continued)

24.1 Risk management (continued)

Capital risk management

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including borrowings and trade payables and other payables from exchange transactions, as shown in the Statement of Financial Position) less cash and cash equivalents. Total capital is calculated as net assets, shown in the Statement of Financial Position, plus net debt.

The gearing ratios as at 30 June 2019 and at 30 June 2018 were as follows:

	2019 R	2018 R
Cash and cash equivalents	182 243 480	223 756 870
Less: Trade payables and other payables from exchange transactions	(51 009 307)	(71 820 350)
Net cash	131 234 173	151 936 520
Total equity	903 452 225	870 265 843
Total capital	1 034 686 398	1 022 202 363
Gearing ratio	13%	15%

24.2 Financial instruments by category

The accounting policies for financial instruments have been applied below:

	2019 FINANCIAL ASSET MEASURED AT AMORTISED COST R
Assets as per financial position	
Trade receivables and other receivables from exchange transactions	46 346 739
Cash and cash equivalents	182 243 480
	FINANCIAL LIABILITY MEASURED AT AMORTISED COST R
Liabilities as per financial position	
Trade payables and other payables from exchange transactions	51 009 307

2018

FINANCIAL ASSET
MEASURED AT
AMORTISED COST**Assets as per financial position**

Trade receivables and other receivables from exchange transactions	R 9 517 934
Cash and cash equivalents	223 756 870

FINANCIAL LIABILITY
MEASURED AT
AMORTISED COST**Liabilities as per financial position**

Trade payables and other payables from exchange transactions	R 71 820 350
--	--------------

25. Supply chain management regulations**25.1 Deviations**

In terms of section 36 of the Municipal Supply Chain Management Regulations and the CTICC Supply Chain Management Policy, the CEO may ratify any minor breaches of the procurement process.

	2019 R	2018 R
Total deviations for the year amounted to R20 320 812 (2018: R13 688 285)		
Listed below are material deviations:		
Incident		
(i) Exceptional / Impractical cases	3 299 911	6 695 135
(ii) Sole / Single provider	9 678 822	1 256 568
(iii) Emergency situation	2 937 956	2 281 448
(vi) Minor breaches	4 187 862	3 437 134
(v) Works of art	216 261	18 000
	20 320 812	13 688 285

- (i) These cases relate mainly to membership and subscription fees to local and international organisations and temporary staff required for events.
- (ii) Items in this category include software licensing for the accounting system of R5.0 million, the point of sale system of R1.0 million and parking management system of R0.1 million, as well as floor tiles required for CTICC 1 that were the same as CTICC 2 and were only available from a single supplier, costing R2.9 million.
- (iii) The significant items included are related to the insurance cover for the 2018/19 period, the procurement of accounting and related services required during the 2018 financial year-end and work relating to the rational fire design of CTICC 2.
- (iv) The significant component of the cost relates to the architectural services contract for CTICC 2. The remainder relates to speciality foods for events.
- (v) This was for works of art purchased for CTICC 2.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2019 (continued)

25. Supply chain management regulations (continued)

25.2 According to section 45 of the Municipal Supply Chain Management Policy, disclosure needs to be given of awards to close family members of persons in the service of the state, in compliance with the provisions of CTICC's Supply Chain Management Policy.

The contracts issued below were issued following our normal procurement procedures and were not issued through any deviations.

AT Catering t/a 3 Peas was appointed onto the panel for the supply and delivery of Fresh and Prepared Fruit and Vegetables (CTICC027/2016 and CTICC028/2019). The Director's spouse (Mrs. M. Brink) is in service of the state as a doctor at the Red Cross Hospital. The amount of award in 2019: R1 262 988 (2018: R0).

Tender CTICC010/2016: Professional Services – Upgrading of Existing Generating System was awarded to SMEC. The spouse (Mrs. Y. Phosa) of the Chairperson of SMEC's Board of Directors is in the service of the state as Chairperson - Parliament Committee of Higher Education and Training. The amount of the award in 2019: R174 844 (2018: R0).

Tender CTICC057/2018: Provision of Event Safety Services was awarded to Bidvest Protea Coin (Pty) Limited. The Director's brother (Mr. M. Selepe) is in the service of the state as the Deputy Director: Risk Management at the City of Tswane. The amount of the award in 2019: R472 022 (2018: R0).

Tender CTICC032/2016 and CTICC030/2019: Internet Service Provider was awarded to Future Perfect Corporation CC. The Director's spouse (Mrs. P. Naidoo) is in the service of the state as a Project Manager at the City of Cape Town. The amount of the award in 2019: R2 265 168 (2018: R0).

Appointment of Food Waste Management Services was awarded to Y-Waste Solutions CC (non-VAT vendor). The manager's spouse (S. Fourie) is in service of the state (HoD: Department of Economic Development and Tourism) and a Non-executive Director of the company. The amount of the award in 2019: R0 (2018: R10 400).

26. Capital commitments

	2019 R	2018 R
Commitments in respect of capital expenditure		
CATEGORY		
Other capex items	18 307 671	27 738 154
Total capital commitments	18 307 671	27 738 154

27. Contingent liabilities

The CTICC has received various claims which have arisen from the expansion project brought about by the Principal Building Contractor and other professional services consultants. The company is also expecting to incur legal fees in the process of responding to these claims. Claims which will be dealt with beyond the next financial year, as well as any related legal fees, are not quantifiable at this time. Subsequent to year-end, the claims have not materialised.

The significant claims have been dealt with in the 2019 financial year (refer Note 8). The CTICC was successful in overturning previous adjudications, which had been in favour of the Principal Building Contractor and is now seeking to recover monies previously paid to the Principal Building Contractor. These have been accounted for in the current financial year (refer Note 8).

28. Events subsequent to year-end

The Directors are unaware of any events after the reporting date that would materially alter the amounts or disclosure in these annual financial statements.

GENERAL INFORMATION

as at 30 June 2019

Country of incorporation and domicile	South Africa
Registration Number	1999/007837/30
Nature of business and principal activities	Convention centre hosting conferences, exhibitions, trade shows and special events
Directors	DA Cloete JM Ellingson W De Wet S Myburgh SW Fourie JC Fraser CK Zama G Harris N Pangarker A Cilliers W Parker
Presentation currency	South African Rands ("R")
Registered and business address	Convention Square 1 Lower Long Street Cape Town 8001 Western Cape
Postal address	P O Box 8120 Roggebaai Cape Town 8012 Western Cape
Company Secretary	First Corporate Transfer Secretaries (Pty) Limited
Preparer of annual financial statements	Wayne De Wet CA (SA)
Bankers	Nedbank ABSA First National Bank Stanlib Investec
Holding company	City of Cape Town (71.4%) Western Cape Provincial Government (23.2%) SunWest International (Pty) Limited (5.4%)

UNITED NATIONS GLOBAL COMPACT INDEX

The following table outlines the specific pages of this report that contain information on the CTICC's Communication on Progress (COP) made over the last year, in terms of the key principles contained in the UNGC.

No	Principle	Met	Page reference
1	Principle 1 – Businesses should support and respect the protection of internationally proclaimed human rights.	✓	3-4, 17-19, 57-60, 61-64, 67-78, 106
2	Principle 2 – Businesses should make sure that they are not complicit in human rights abuses.	✓	106
3	Principle 3 – Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	✓	106
4	Principle 4 – Businesses should uphold the elimination of all forms of forced and compulsory labour.	✓	19, 106, 124
5	Principle 5 – Businesses should uphold the effective abolition of child labour.	✓	106
6	Principle 6 – Businesses should uphold the elimination of discrimination in respect of employment and occupation.	✓	3-4, 17-19, 59-60, 61-64, 106, 124
7	Principle 7 – Businesses should support a precautionary approach to environmental challenges.	✓	10-12, 20, 106
8	Principle 8 – Businesses should undertake initiatives to promote greater environmental responsibility.	✓	3-4, 21-22, 105-118, 130, 149
9	Principle 9 – Businesses should encourage the development and diffusion of environmentally friendly technologies.	✓	106, 114
10	Principle 10 – Businesses should work against corruption in all its forms, including extortion and bribery.	✓	106, 120, 124

CTICC 1

Convention Square,
1 Lower Long Street,
Cape Town, 8001, South Africa
GPS co-ordinates: -33.915141°, 18.425657°

CTICC 2

Corner of Heerengracht & Rua Bartholomeu Dias,
Foreshore,
Cape Town, 8001, South Africa
GPS co-ordinates: -33.91747°, 18.42908°

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cape town international convention centre



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