

2021 INTEGRATED ANNUAL REPORT

Cape Town International Convention Centre

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PROMOTING
FORWARD THINKING



Our staff dancing to Jerusalem

PROMOTING FORWARD THINKING

MOVING FORWARD, TOGETHER

Chess is a game of strategy. To win, you need to use all your pieces cleverly to ensure your thinking plays out on the board in practice.

Of course, life's chessboard is often unpredictable, and challenges can come from any angle. To conquer and internalise its many possibilities takes memory, ambition, passion, innovation, hard work, and a lot of forward thinking. All of these traits characterise the trajectory of the CTICC over its nearly two decades of existence, hosting over 8 000 events and almost 19 million visitors and delegates.

But now, a truly unexpected opponent has come into play: the Covid-19 pandemic. And an entire tourism sector has been mightily challenged by it.

THE RED QUEEN HYPOTHESIS: MOVING FAST TO ADAPT AND THRIVE

On the front cover of this annual report is a red queen, making her move. Not only is she the most valuable piece and a key component in countless chess strategies, but she is also the most agile. The queen can move any number of squares vertically, horizontally or diagonally, and perfectly reflects the flexibility of the Cape Town International Convention Centre (CTICC). Her red colour symbolises strength, passion, life and courage, all of which represent the CTICC.

It also recalls the "Red Queen Hypothesis", which comes from *Through the Looking Glass* by Lewis Carroll. In the novel, the Red Queen tells Alice that "It takes all the running you can do, to keep in the same place. If you want to get somewhere else, you must run at least twice as fast."

The hypothesis has been adopted by both evolutionary biology and business theory. In biology, the Red Queen Hypothesis argues that for a species to survive, it must adapt and evolve to outpace competing organisms. Business has applied the same premise. To remain competitive, companies cannot become complacent; otherwise, they fall behind. To thrive, they need to innovate, take the initiative and work twice as hard as any other business to stay on top.

It is certainly true that the CTICC has had to work hard not just to stay on top as a premier business tourism venue, but to shape-shift and transform into something new and suitable for today's ever-changing conditions.

SHIFTING TODAY'S STRATEGIES TO NURTURE TOMORROW'S PARTNERSHIPS

Covid-19 has allowed us to evolve. In this year of lockdown and beyond, we have repurposed and reimagined the CTICC to remain relevant and resilient in the face of limited event opportunities.

We did this by first becoming a Hospital of Hope, set up to save lives in the early waves of the Covid-19 pandemic in mid-2020. A year later, we co-created a hub of hope once more through the establishment of one of the largest vaccination centres in the country, the Vaccination Centre of Hope, which opened to the public in July 2021.

We have also innovated our operations and our space so that we can fulfil our promise of a better tomorrow: to assist our communities (be it our staff, our shareholders, our partners, our local community, or our industry), to provide a place for people to share ideas and to supply the platform for growth and opportunity for all. One of the ways we have pivoted and safeguarded our future is through our new revenue streams, which you'll read about later.

To continue our forward trajectory, a more significant shift is required that takes us beyond the pandemic to a transformed events and conferencing world, where digital events and the Fourth Industrial Revolution have already arrived. Online has become the way we meet, work and live. Our own events are making the most of this trend.

In this context, the CTICC is committed to nurturing partnerships and connecting with the community to ensure all our business partners and local communities grow and flourish. We need to work *together* to ensure we make the most of the new events landscape before us. And the CTICC and all its stakeholders – clients, staff, shareholders, business tourism partners, communities, countries and, indeed, our region and continent – need to plan together to make changes that benefit us all.

This report outlines the support we have given, the changes we have made and the strategy we have embarked upon to enable us all to move forward together. Please join us on that exciting journey towards the promise of tomorrow!

MAKING THE RIGHT MOVES IN A COVID-19 ENVIRONMENT

In the first part of 2020, during our previous financial year, like many other businesses, the CTICC focused on a reactive adaption to extraordinary circumstances brought about by Covid-19 and the global shutdown of travel.

By mid-year, as we moved into our new financial year, the fight against the Covid-19 pandemic had not yet been won, but global vaccination rollouts had started, and this brought about hope. We shifted our focus and resources to a proactive approach in looking forward to shaping our new future.

Our forward-thinking approach has included several critical adjustments to our existing policies so that we can continue to host safe, world-class events. This strategy has included the upgrading of our health and hygiene protocols in line with best practice Covid-19 regulations, vaccinating our staff complement so that event organisers and visitors feel safe in our venues and at our events, establishing a screening app that every visitor must use, and developing a venue capacity management tool, so that correct social distancing is adhered to at all times. But it has also included a new approach and thinking regarding the utilisation of our premises into a multi-purpose space for the local business community.

C19CARE

Our priority will always be the safety of our staff, clients and partners, which is why the CTICC upgraded its existing hygiene practices. We introduced C19Care, a comprehensive health and safety programme in response to the Covid-19 pandemic. Our C19Care protocols were developed in collaboration with local and international public health authorities, medical and industry experts, tourism and events industry leaders, and the guidelines set out by the South African government.

It includes, but is not limited to, mandatory mask-wearing, social distancing and hand sanitising; touchless interaction with parking booms, payment systems and taps in selected bathrooms; signage with Covid-19 guidelines and educational notices at key points; and continuous cleaning of high-contact surfaces.

THE COVIDSCREEN APP

The CovidScreen app was developed to be used for the daily screening of staff and visitors for any Covid-19 symptoms and/or exposure. Staff and visitors need to make use of this app upon arrival. This app can work on any mobile device with internet access. Free Wi-Fi is available to allow for the completion of the process. For those without mobile devices, tablets are stationed at the entrance.

Based on the responses to a quick health questionnaire, the app will display a green or orange confirmation screen. If visitors and staff receive a green confirmation screen and their temperature is within a safe range, they will be permitted to enter the facility. If they receive an orange confirmation screen, they should contact our Covid-19 compliance officer for further instructions. If their temperature is outside of the safe range, they will not be permitted to enter and must contact their nearest Covid-19 facility.

This app helps us make the safest decisions for everyone's health.

OUR MANDATORY VACCINATION POLICY

The CTICC adopted a mandatory Covid-19 vaccination policy to address, prevent and combat the spread of Covid-19 in the workplace. Having fully vaccinated staff on the premises means that we can contribute to hosting safe events. As of 11 November 2021, almost 97% of our staff are partially vaccinated, and 92% are fully vaccinated.

A continuous effort is made to encourage staff and provide them with the information they require to make an informed decision. In doing so, we are getting closer to achieving a 100% vaccinated staff complement.

OUR VENUE CAPACITY MANAGEMENT TOOL

The CTICC developed a venue capacity management tool to improve efficiencies due to Covid-19 and the ever-changing South African regulations with regards to the number of people permitted at gatherings.

This tool allows our sales team to input information such as the number of event attendees and current social distancing requirements. It will then calculate how many square metres are required to uphold these requirements. It can make calculations based on seating arrangements and styles, such as a schoolroom versus a banquet setting, and compare different capacity scenarios per venue.

Recently, we added a per square metre rate to the tool to determine potential revenue per venue. This allows the CTICC to expedite the quoting process, improves turnaround time and productivity.

At the CTICC, we constantly endeavour to stay a move ahead to continue hosting safe and successful events while protecting our staff, visitors and community. We believe it is important to keep finding ways to advance and innovate in challenging environments. As we learn more about Covid-19 and future pandemics, so too will our offerings evolve to encompass new best practices.

Using our CovidScreen app at the CTICC



ABOUT THIS REPORT: ITS SCOPE AND PARAMETERS



This report is compiled annually and contains dates for the 2020/21 financial year, which runs from 1 July 2020 to 30 June 2021.

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 4 March 2021 and contained information from the previous financial year, which ran from 1 July 2019 to 30 June 2020.

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.

Chess is a game of strategy. To win, you need to execute your plan of action and adapt it as the situation changes. The queen is the most powerful piece in the game. She can move any number of squares vertically, horizontally or diagonally.



The CTICC Skybridge linking CTICC 1 to CTICC 2



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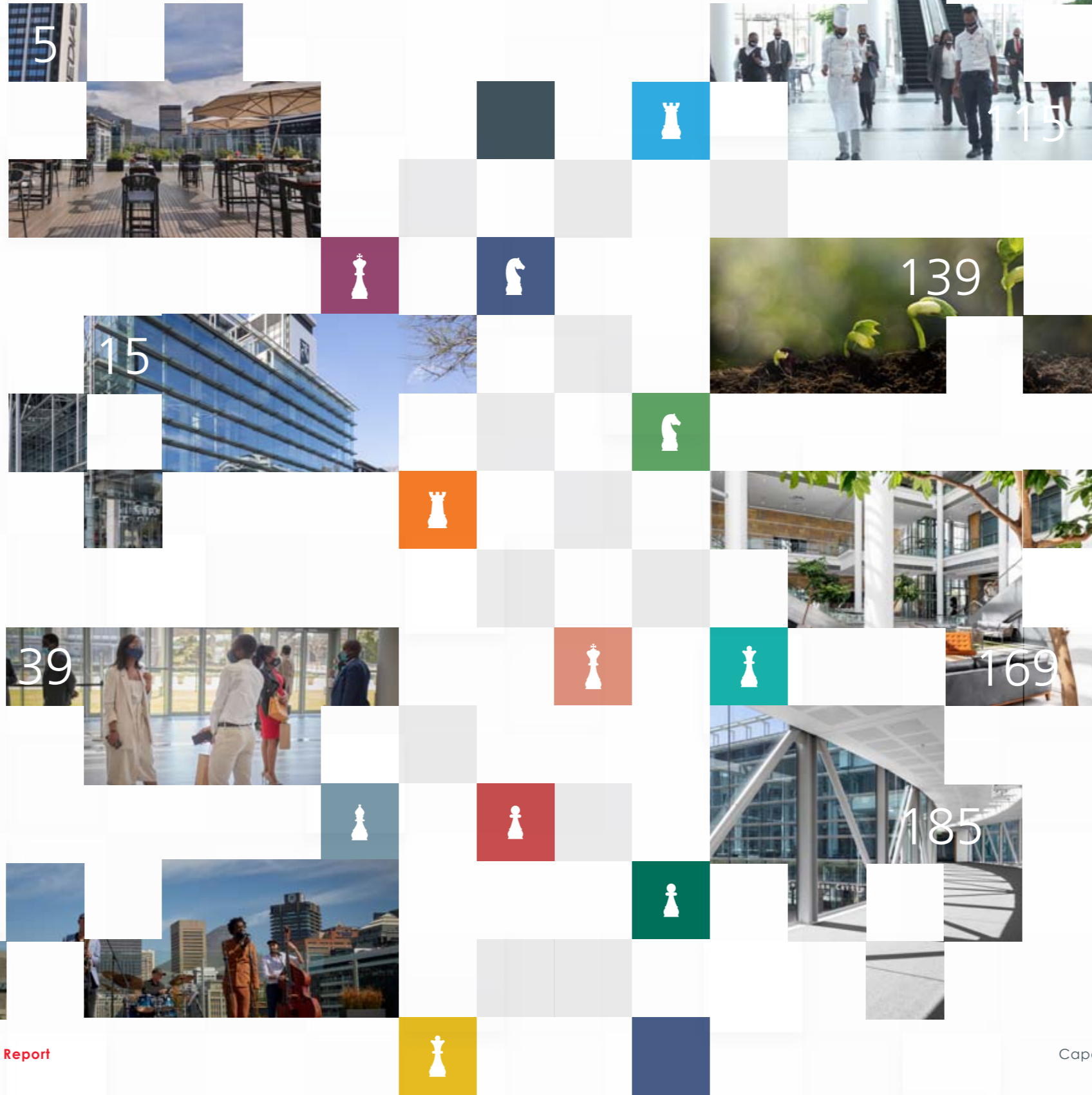
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2020/21 AT A GLANCE



ECONOMIC IMPACT

 **R439.3m**
Contribution to SA National GDP

 **R500.3m**
Contribution to Western Cape GGP

 **R45bn**
Cumulative contribution to Western Cape GGP

 **956**
Total jobs created nationally in the 2020/21 financial year


 **R53.2bn**
Cumulative contribution to SA National GDP

 **80.7%**
Of total procurement spend with locally-based service partners

 **44%**
Women-owned enterprise service partners (of total service partner base)

 **76 out of 159 (47.8%)**
Women employed in the business

 **53**
Total events

 **R52.1m**
Revenue (including other income)

 **R93.7m**
EBITDA loss (32% improvement on the target of R137.9m loss)

 **91%**
Customer Satisfaction Index (16% above the target of 75%)




OPERATIONS & FINANCE



ENVIRONMENTAL FOOTPRINT

 **49%**
Waste diverted from landfill

 **37.4%**
Decrease in energy consumption

 **54.9%**
Reduction in municipal water usage

 **37.8%**
Reduction in greenhouse gas emissions



SOCIAL CONTRIBUTION

 **R124 977**
Corporate Social Responsibility spend



AWARDS

Winner: Best International Conference & Exhibition Venue (Africa)
2020 Middle East & Africa (MEA) Business Awards

Winner: Events and Communications Leader of the Year (South Africa)
2021 CEO Today Magazine Global Awards

Winner: CEOs and Business Leaders Award (South Africa)
2021 CEO Today Magazine Global Awards

Winner: Business Tourism Venue of the Year
2021 African Excellence Awards



ACCREDITATIONS

ISO 9001
(Quality Management)

ISO 14001
(Environmental Management)

OHSAS 18001
(Occupational Health & Safety Management)
(Migration from OHSAS 18001 to ISO 45001 – the audit for the migration from OHSAS 18001 to ISO 45001 commenced in May 2021, with a final audit completion date of November 2021)

ISO 22000
(Food Safety Management)

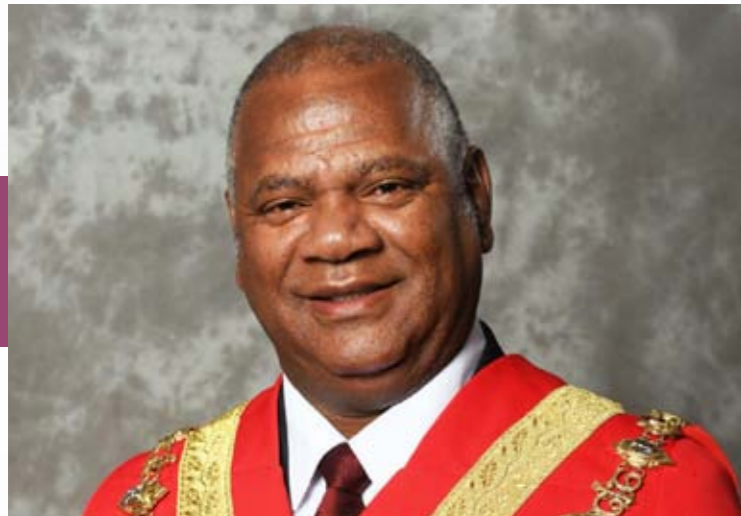


FOREWORDS



MESSAGE FROM THE EXECUTIVE MAYOR OF CAPE TOWN

After a turbulent 2020, there has been some relief in 2021 from the effects of the global coronavirus pandemic. Vaccinations are offering vital protection for our residents and citizens across the world. But we need to remain mindful that likely future waves of infections, combined with a slow vaccination uptake, will limit the much-needed recovery of our economy. Business tourism remains hard hit and international travel, at the time of writing, is still seriously constrained across the world.



DAN PLATO
Executive Mayor of Cape Town

It is a matter of record that the CTICC is a professionally managed municipal entity, with a long succession of unqualified audits and a reputation for meeting and beating its Key Performance Indicators (KPIs). This record remains unbroken.

In this context, the CTICC has continued to be forward thinking and community-focused in response to these realities. It started the 2020/21 financial year by temporarily transforming its world-class conference space into the Hospital of Hope, which closed its doors on 21 August 2020, attending to over 1 500 patients. The CTICC then ended the financial year preparing to host one of the largest vaccination centres in the region: the Vaccination Centre of Hope, which has now taken its place in the halls of CTICC 1. It is geared to deliver up to 4 000 much-needed vaccinations per day.

However, as this report will show, the ongoing lockdowns on economic activity, including the restrictions on meetings, has severely curtailed the CTICC's traditional large-scale events business, affecting its financial performance and economic contribution as a result. Although they were held off for as long as possible, retrenchments have inevitably followed.

I am glad to say there have been secondments to the City of Cape Town, with the well-trained staff of the CTICC contributing substantially to two of our key departments, Supply Chain Management and Water and Sanitation. We are happy to be able to assist in some way by providing this experience and support.

Despite these challenges, the CTICC remains the leading conference centre on the African continent. It has continued to maintain its triple-bottom-line commitment to people, planet and profit by strenuous cost containment, continuing savings on resources and an unfailing community service record to its local community partners (LCPs), three of whom are

new to the CTICC this year. This reflection of the City's vision of a safe, caring, and inclusive city does them proud: their offering as a Hub of Hope is no empty promise.

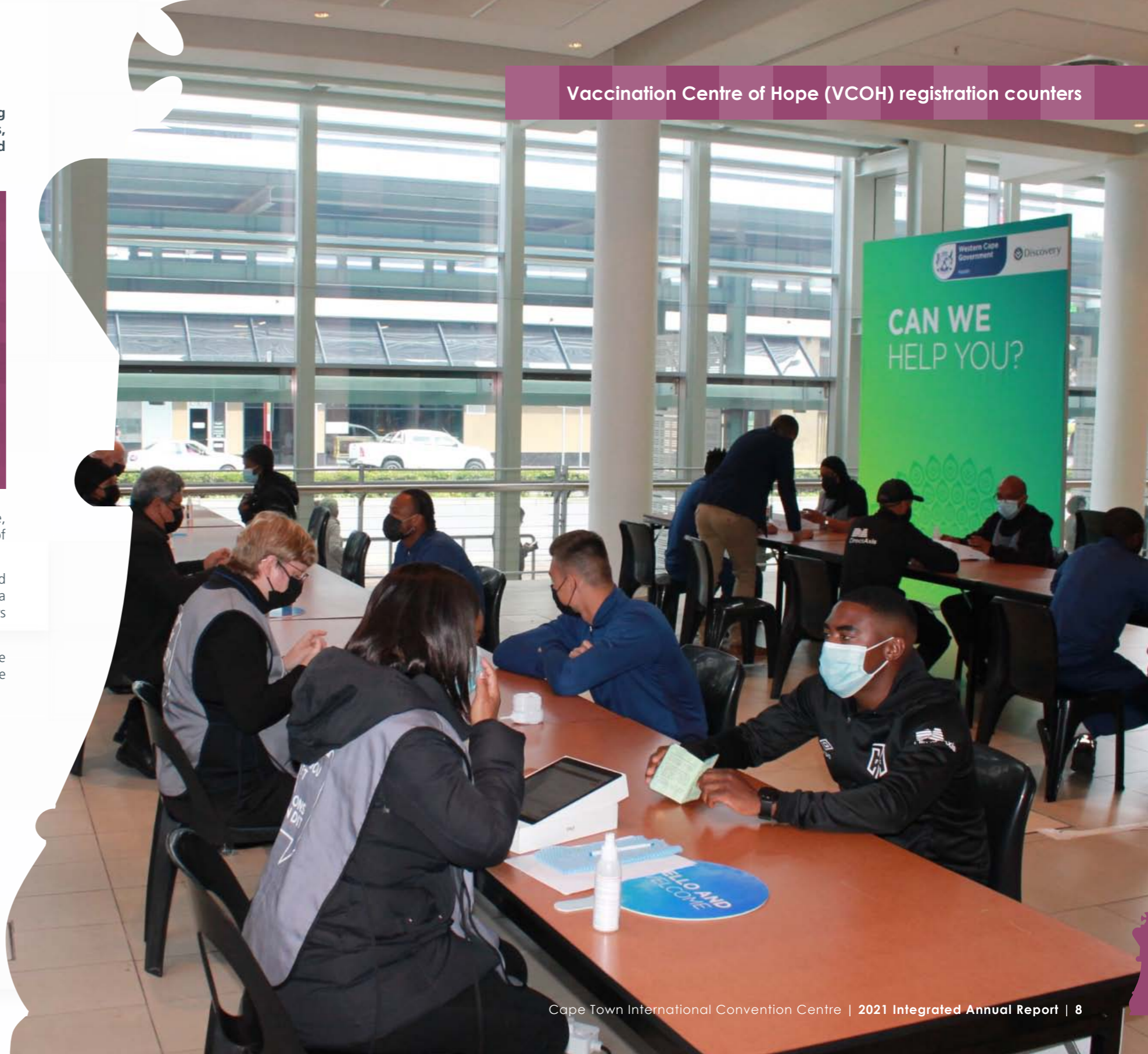
It is a matter of record that the CTICC is a professionally managed municipal entity, with a long succession of unqualified audits and a reputation for meeting and beating its Key Performance Indicators (KPIs).

My thanks, therefore, to the CTICC and its team, led by CEO Taubie Motlhabane. You continue to add proudly and visibly to the City of Cape Town's response to Covid-19.

Our future is better for your contribution.

Dan Plato
Executive Mayor, City of Cape Town

Vaccination Centre of Hope (VCOH) registration counters



MESSAGE FROM THE PREMIER OF THE WESTERN CAPE

The Western Cape Government is guided by its Provincial Recovery Plan, which aims to address the socio-economic challenges exacerbated by the Covid-19 pandemic. The Recovery Plan upholds and improves the safety, well-being and job opportunities of all Western Cape residents. I strongly believe that to get the balance right between saving lives and jobs, we need to continue the progress made in our vaccine roll-out and ensure that no person is left behind.



ALAN WINDE
Premier of the Western Cape

I applaud the CTICC for continuously finding ways to nurture partnerships, connect with the community and create a dignified and inclusive space for all. As a result, the CTICC is not just a Hub of Hope but also a Hub of Inspiration.

In this context, I have been impressed by the innovation and adaptability that has come from the CTICC – in particular, its partnership with the Western Cape Government throughout the pandemic, hosting both the Hospital of Hope and the Vaccination Centre of Hope. Beyond that, it has also taken on board the Province’s five Vision-Inspired Priorities (VIPs): Safe and Cohesive Communities; Growth and Jobs; Empowering People; Mobility and Spatial Transformation; and Innovation and Culture.

The CTICC has always given back by supporting community projects. It is known for creating employment opportunities, supporting small businesses, empowering its staff through ongoing training and continuously reinventing itself by hosting its own events – two of which focus on creativity and culture: The Gift Fair and This is Art. The CTICC and its team are constantly thinking ahead and setting a welcoming yet safe example for us all.

I commend Taubie Motlhabane and her team for their resilient flexibility and their exciting re-strategising of the CTICC. I look forward to being part of the changes up ahead. I applaud the CTICC for continuously finding ways to connect with the community and create a dignified and inclusive space for all. As a result, the CTICC is not just a Hub of Hope but also a Hub of Inspiration. It embodies the South African spirit that somehow never tires, even when times are really hard.

I have no doubt that the CTICC will bring to life their reimagined strategy and ensure that it is successfully implemented. It is a pleasure to partner with such an innovative and forward-thinking institution.

Alan Winde
Premier of the Western Cape

Cape Town City Football Club at the VCOH



MESSAGE FROM THE CHAIRPERSON OF THE CTICC

Last year I started this message by saying: “This has been a challenging year for the world, the continent, the country, the Cape and the CTICC.” I fear this year has been little different. With larger gatherings still prohibited under Covid-19 lockdown regulations, the CTICC’s conference and event operations have remained severely restricted. However, some hope has been injected into our lives as vaccinations have rolled out here in South Africa, as they have throughout the world. And how proud we have all been to witness the CTICC’s contribution to the fight against Covid-19 as both the Hospital and Vaccination Centre of Hope, which you will read about on pages 33 to 38.



DEON CLOETE
Chairperson, Conenco

Plans are afoot to operationalise our new way forward. I am excited to see our strategic sessions come to life, along with the CTICC’s resilient executive team. More than that, I would also like to thank every CTICC employee for their unstoppable commitment and flexibility this year.

What has become clear to us all is that the future of events will never be the same. We have leapfrogged into the Fourth Industrial Revolution, which started somewhat earlier than we all thought in March 2020. And even then, the CTICC was quick to adapt and set up our employees’ ability to work from home and access our employee wellness programme (EWP) remotely.

We pivoted smartly to take our new Own Events unit online, which has already borne fruit via the AllSport Coaches Workshops and the upcoming This is Art and Ultimate Beverage shows. The CEO and executive team have also led the charge in reimagining the CTICC for the changed, new world that awaits us post-pandemic. Our CTICC staff, through their meaningful commitments to our business and beyond, are making this vision a reality.

With that in mind, a group of influential provincial and municipal role players joined the CTICC Board earlier this year to rethink how the CTICC could position itself in the embattled business tourism sector. It was a very fruitful session, and, in broad strokes, a very different picture was painted of the future of the CTICC. We look forward to sharing more with you soon.

It is just this sort of visionary optimism that will carry us through these trying times to the more positive promise of a better future. And I know for sure that the CEO and her team have the spirit and energy to bring this bold new strategy to life. Indeed, several awards in the year under

review have recognised this – most notably two awards conferred by the CEO Today Magazine Global Awards: the Event and Communications Leader Award and the CEOs and Business Leaders Award.

We are in good hands. Plans are afoot to operationalise our new way forward. I am excited to see our strategic sessions come to life, along with the CTICC’s resilient executive team. More than that, I would also like to thank every CTICC employee for their unstoppable commitment and flexibility this year.

Finally, I want to thank our shareholders for their unwavering support – both financial and strategic – in these testing times. We could not have remained open without your assistance. I would also like to thank the Board for their unfailing commitment to our new vision and way of working. Your direction and collaboration have been pivotal in our progress towards a new tomorrow. I have no doubt we will come through this together.

Deon Cloete
Chairperson, CTICC

Visiting Cape Town International Airport after lockdown in October 2020



REVIEW OF THE CHIEF EXECUTIVE OFFICER

As I write this review of the CTICC's 2020/21 financial year, I can hear the sounds of hope around me. A few live, in-person events are 'in the house' this week, after a long hiatus, including the 10th anniversary of Windaba, the wind energy conference and exhibition, and The Village African Entrepreneurship Bootcamp. Staff from across all departments of the CTICC are helping out to serve food; others are guiding delegates to their destinations. The buzz is back, albeit on a smaller scale that we are accustomed to.



TAUBIE MOTLHABANE
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.

In my news feed, the New York Times tells me that Moderna is planning to build a vaccine facility in Africa, calling it 'good news in the long term'. And we are finally off the UK's travel red list, which will ease access to a significant tourism market. Across in CTICC 1, the people of Cape Town are getting vaccinated in our Vaccination Centre of Hope. With all this happening, I feel there is some hope for us after yet another challenging year.

A year of sobering and hopeful statistics

The CTICC hosted just 53 events and 3 916 delegates and visitors this year – 86.6% and 98.3% down, respectively, compared to the 2019/20 financial year. One of those events sums up what the year has been about for us – **hope**. The Vaccination Centre of Hope has vaccinated over 90 000 people to date. A signal of hope for the country indeed.

We started the year hosting the Hospital of Hope in CTICC 1, which closed its doors on 21 August 2020, having helped over 1 500 patients. We ended the financial year preparing to host one of the largest vaccination centres in the region. And our unstoppable staff support this essential service offering to the people of the Western Cape every weekday.

In this challenging year, our economic contribution figures are significantly down on our previous financial year's statistics, based on the low event and delegate figures. The significantly reduced activity in our business due to Covid-19 has meant that we had to make some very hard decisions and choices. In that regard, one of the most difficult things we finally had to do this year was to retrench nearly half of our permanent staff in the face of stark financial realities.

Finding a haven for events despite the pandemic

With those economic realities in mind, I have to thank our clients who had the determination and resilience to plan and execute events at our premises during such uncertain times. Through our seamless and safe in-person and digital streaming options, nearly 700 trainee accountants wrote their exams and 600 UNISA graduands received their degrees at a carefully choreographed two-venue live-streamed graduation ceremony.

The Western Cape Entrepreneurial Awards and the Spar Challenge Tri-Nations Netball events all had their digital components, with the Awards also hosting a banquet. Our film sector colleagues continued their work as best they could, with Farm Film Productions using us more than once to execute their advertising work with international brands. And, of course, we did our best to host our partners in the tourism industry with conferences designed to renew our battered sector. You can read more about all these events as case studies in our Events section on pages 50 to 58.

Harnessing our African ingenuity: Promoting forward thinking

In the face of a changed events landscape, we have had to look within and reimagine ourselves and our sector like never before. That has led to a focus on promoting forward thinking. We have refined our digital and hybrid offerings. We have looked to our continent for inspiration, and are building our portfolio of African-focused events.

In addition, we have continued to create our own events, from the CTICC Gift Fair to the AllSport Coaches Workshops, from This is Art to the Ultimate Beverage Show. We are carving our niche and creating new experiences to redefine our brand. All of these events have the added benefit of uplifting our local businesses and entrepreneurs. You can find out more about these exciting innovations in our Future chapter on pages 169 to 184.

Protecting our planet and communities for the future

Conserving resources remains a dedicated focus point for the CTICC: our long-standing commitment to protecting the environment remains intact. We continue to make a conscious effort to reduce our energy and water consumption, and we have invested in energy-saving technology, such as heat pumps, to ensure we continue to be responsible with our natural resources into the future.

We have also endeavoured to assist our Local Community Partners (LCPs) during the pandemic, whether through helping set up food gardens or donating masks, soap and sanitisers.

We are continuing our long-term relationship with the Foundation for Alcohol Related Research (FARR), whose work to reduce foetal alcohol spectrum disorder (FASD) remains vital. We have also contracted with new LCPs this year and welcome Call 2 Care, help2read and iKhaya le Themba as our partners for the next three years. They do critical work in our communities to support those hit hardest by the pandemic and its harsh economic impacts.

So what can we hope for in our future?

The best way to deal positively with a challenging present is to plan for a more promising tomorrow. With this in mind, not only have we built on our local networks to boost our regional collaborations and meetings, but we have also met with our key shareholders and stakeholders to reimagine the CTICC's role and future. We believe in a more collaborative, inclusive, and empowering future for all the people we work with and partner with. As an ever-evolving centre of innovation and resourcefulness, our future looks so much brighter.

Thanks to all in these turbulent times

To repeat the Executive Mayor's words, the times have been turbulent and, I dare say, they would have been even more so without our tremendous team at the CTICC. Firstly, my EXCO colleagues Wayne De Wet, Tracy Mkhize and Robert Hatton-Jones, thank you for your tireless support. Your inspiration and collaboration in repurposing the CTICC continues to be invaluable.

Thank you, too, to the Manco, Leadership and CTICC staff, whose ability to shape-shift and take on new responsibilities has been remarkable, as our outstanding 91% Customer Service Index rating demonstrates. The CTICC is you, and you are the CTICC.

To our Board and Shareholders, your support has quite literally kept us from closing our doors. I look forward to working with you further to create a great new tomorrow for the CTICC.

I must also express my gratitude to our service partners, highlighted in the Economy chapter on pages 67 to 86. Your contributions to every aspect of our operations have kept us going in so many ways.

Finally, to our clients, we cannot thank you enough for choosing to travel the uncertain Covid-19 journey with us again this year. We thank you for believing in our ability to service your needs safely, and bravely going digital with us.

Our priority remains to get the CTICC back to full operational activity so that we can continue to contribute to South Africa's Gross Domestic Product (GDP) and the Western Cape's Gross Geographic Product (GGP). There is, in the end, no substitute for in-person meetings, but we are equally convinced that we must and will find new ways of innovating in the event space.

We will work hard to ensure that we become a hub of hope in very many ways as we move forward into what I know will be a promising tomorrow.

T. Taubie Motlhabane
Chief Executive Officer



ABOUT THE CTICC



MOVING ON UP TO STAY AHEAD

The CTICC is Cape Town's international convention centre. It was designed to welcome international, regional and local conferences and exhibitions to South Africa and the Mother City. Our mandate since inception has been to create jobs and drive the local economy. We seek to achieve this by shifting our strategy in line with the latest trends, demands and challenges presented by a world changed by Covid-19.

Our complex consists of two buildings, CTICC 1 and CTICC 2, connected by a Skybridge. We offer a world-class venue for conferences, exhibitions, trade fairs, banquets, concerts, film shoots and stage productions – including digital and hybrid events – where people can meet, work together and find solutions. We provide a wide range of venue, food and beverage options – from large auditoria, exhibition halls and boardrooms to office space, warehousing, storage and cafés.

The CTICC is part of the ever-developing central business district of Cape Town and is a 20-minute drive from Cape Town International Airport. The MyCiti Bus Rapid Transport system runs nearby. There are many hotel options and numerous restaurants in the vicinity, as well as the multiple award-winning V&A Waterfront development, which can be reached directly by water taxi in the summertime from the CTICC.



We provide digital and on-site spaces for inspiration, motivation and information

OUR STRATEGIC PLATFORM: OUR PURPOSE, MISSION AND VALUES

OUR PURPOSE

"The CTICC connects people to create jobs by attracting events in key economic sectors and exceeding clients' expectations."

In addition to this purpose, our objective is to provide the stage where opportunity and inspiration meet, so that people and communities can prosper. We also aim to grow the knowledge economy of the country by attracting international events and delegates, to meet the goal of establishing Cape Town as a preferred business and leisure tourism destination. To this end, we are pleased to report that of the more than 8 300 events hosted by the CTICC over the past 18 years, 657 were international association conferences from a broad spectrum of sectors. This includes the priority sectors identified by the Western Cape Government and the City of Cape Town.

Mission

Our purpose drives our strategy by:

- Maximising economic spin-off and job creation;
- Focusing on innovation and exceeding expectations;
- Achieving service excellence by building capable and quality staff;
- Being a world leader in triple-bottom-line sustainability practices.

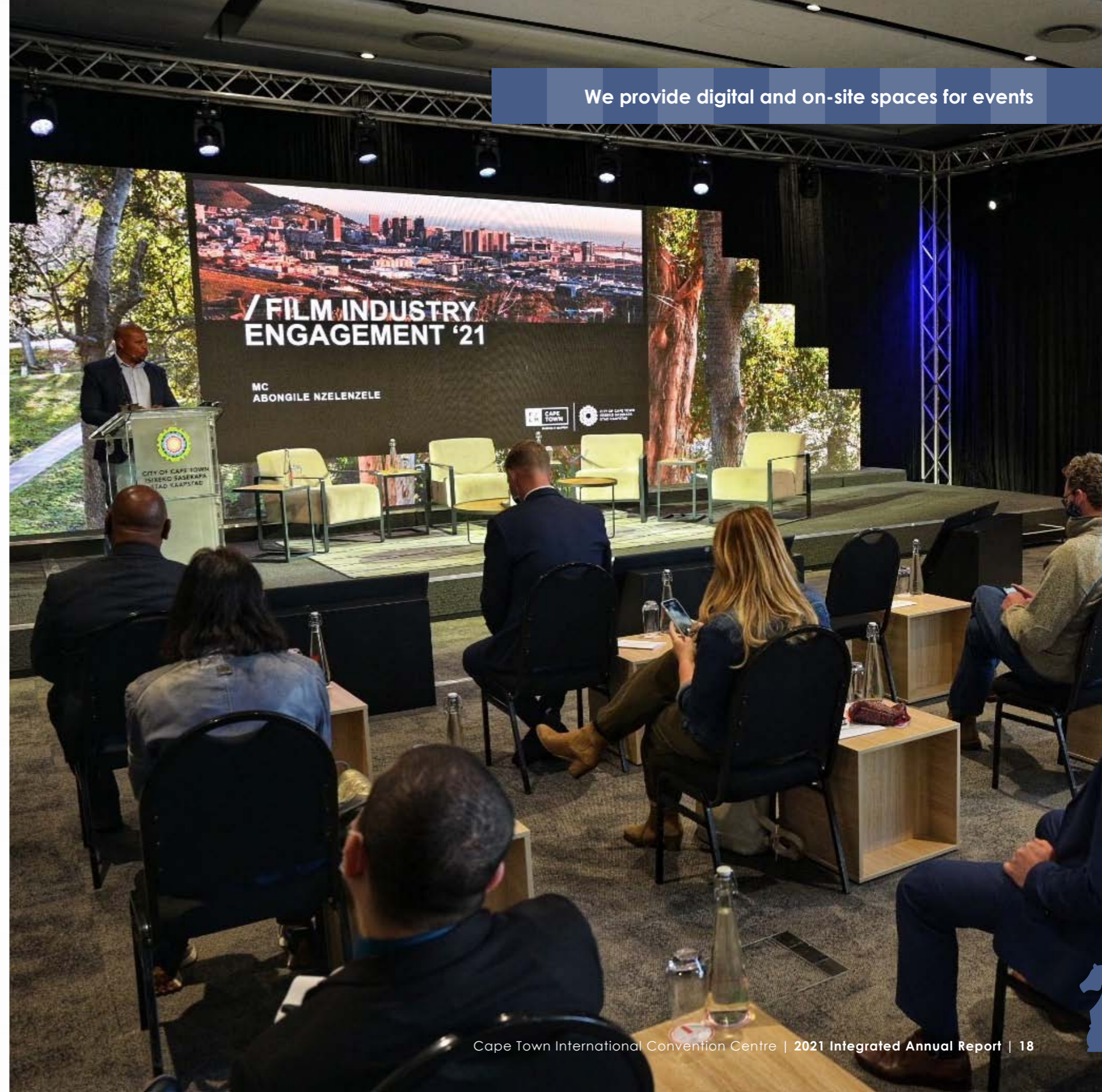
8 300+
Events hosted by the CTICC since inception

Values

Our values are how we deliver our purpose, with:

- **Passion** – we live to go beyond;
- **Integrity** – we are transparent in all our actions;
- **Innovation** – we create magic that 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.

We provide digital and on-site spaces for events



OUR SHAREHOLDING STRUCTURE AND FACILITIES

OUR FORWARD-THINKING PARTNERS: OUR SHAREHOLDERS

The Cape Town International Convention Centre Company (CTICC) owns and manages the business of the CTICC, a complex made up of two facilities: 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) Ltd (5.4% shareholding).

HOW WE ARE STRUCTURED AND THE FACILITIES WE OFFER

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

We are primarily an event venue, offering a comprehensive list of services required to hold any function or conference. A Skybridge linking our two buildings, CTICC 1 and CTICC 2, creates a seamless complex that can host a variety of extraordinary experiences simultaneously. During the year under review, we adapted our centre to host vital supporting services for our communities in the form of the Hospital of Hope and the Vaccination Centre of Hope (see pages 33 to 38).

Due to ongoing Covid-19 restrictions introduced by the South African Government to protect its citizens, in particular the 1.5-metre social distancing requirement, our stated building capacities, as listed below, have declined significantly.

 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, cleaning and security	

CTICC 1 COMPRISES:

- Two modern raked auditoria, which can seat 1 516 and 612 guests respectively;
- A sub-divisible, multi-functional ballroom of 2 000m²;
- 11 399m² 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;
- An executive boardroom;
- 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, Coffee on the Square;
- The Old Pier Café, an additional café-style restaurant.

CTICC 2 COMPRISES:

- 10 000m² of sub-divisible exhibition halls over two floors;
- Seven meeting rooms, varying in size, that can host 130 to 320 people, all of which overlook the city;
- Three meeting suites of 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.



EXECUTIVE COMMITTEE

Left to right: Robert Hatton-Jones (General Manager: Commercial), Wayne De Wet (Chief Financial Officer), Taubie Motlhabane (Chief Executive Officer), Tracy Mkhize (General Manager: Food and Beverage, Facilities and Operations – Acting)

VITAL CONNECTIONS: OUR MARKETS, OUR CLIENTS, OUR STAFF AND OUR STAKEHOLDERS

We serve various markets based on seven key offerings: international conferences, national conferences, exhibitions, trade fairs, banquets, special events, film and photo shoots and other events. A total of 53 events with 3 916 attendees were held during the past financial year.

In the 2020/21 financial year, we hosted events and clients from South Africa and some neighbouring countries, due to ongoing lockdown restrictions and borders being closed for most of the year.

There were no international conferences, exhibitions or trade fairs held in 2020/21. The CTICC hosted two events each in the National Conferences, Special Events and Banquets segments, while the bulk of the events fell into the Film, Photo Shoots and Other Events segment. The CTICC also hosted its own virtual events for the AllSport Coaches Workshop in October/November 2020 and March 2021.

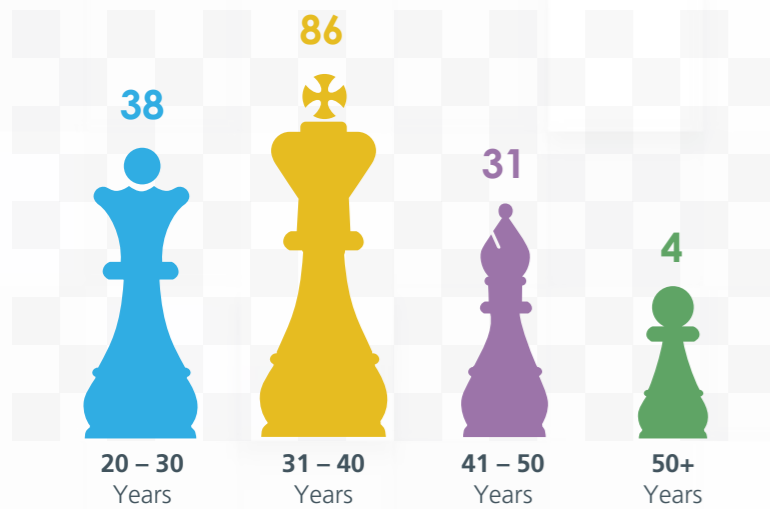
OUR PEOPLE

In 2020/21, economic conditions caused largely by Covid-19 pandemic lockdown regulations led to the retrenchment and resignation of a significant percentage of the CTICC's employees. At year-end 2020, we employed 282 employees (269 permanent and 13 temporary staff), as well as a fluctuating group of contract staff managed by additional service partners. At year-end 2021, we employed 159 employees – all permanent staff.

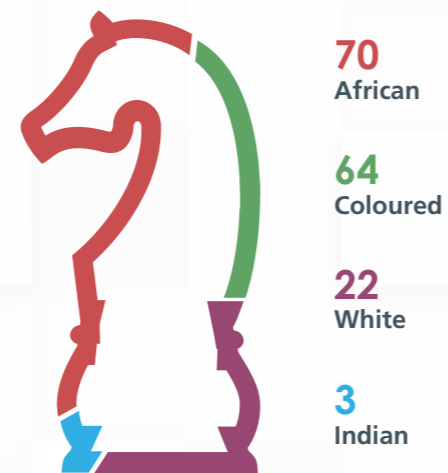
Most of our staff are skilled and semi-skilled, and our dedication to upskilling and training our staff is a matter of public record (see pages 121 to 128 for a training overview of the 2020/21 financial year).

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

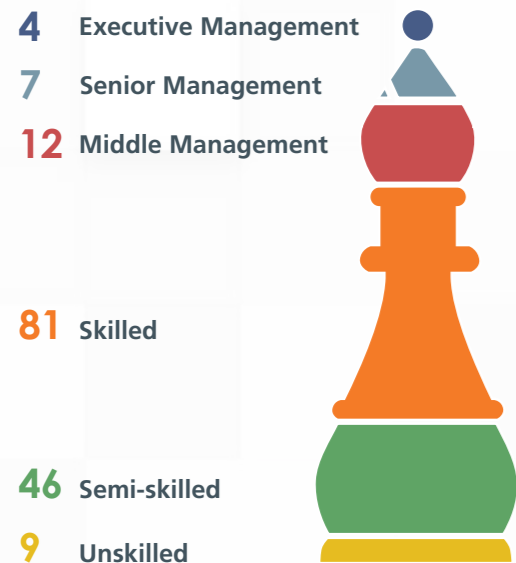
Age groups



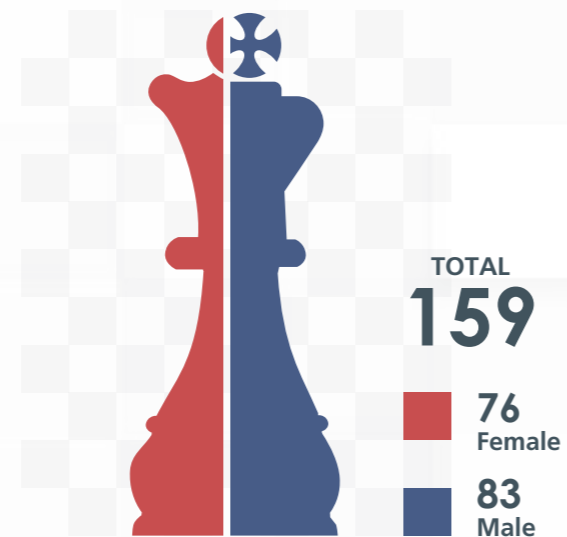
Ethnic groups



Employment level



Gender breakdown

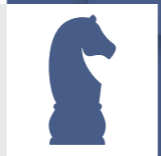
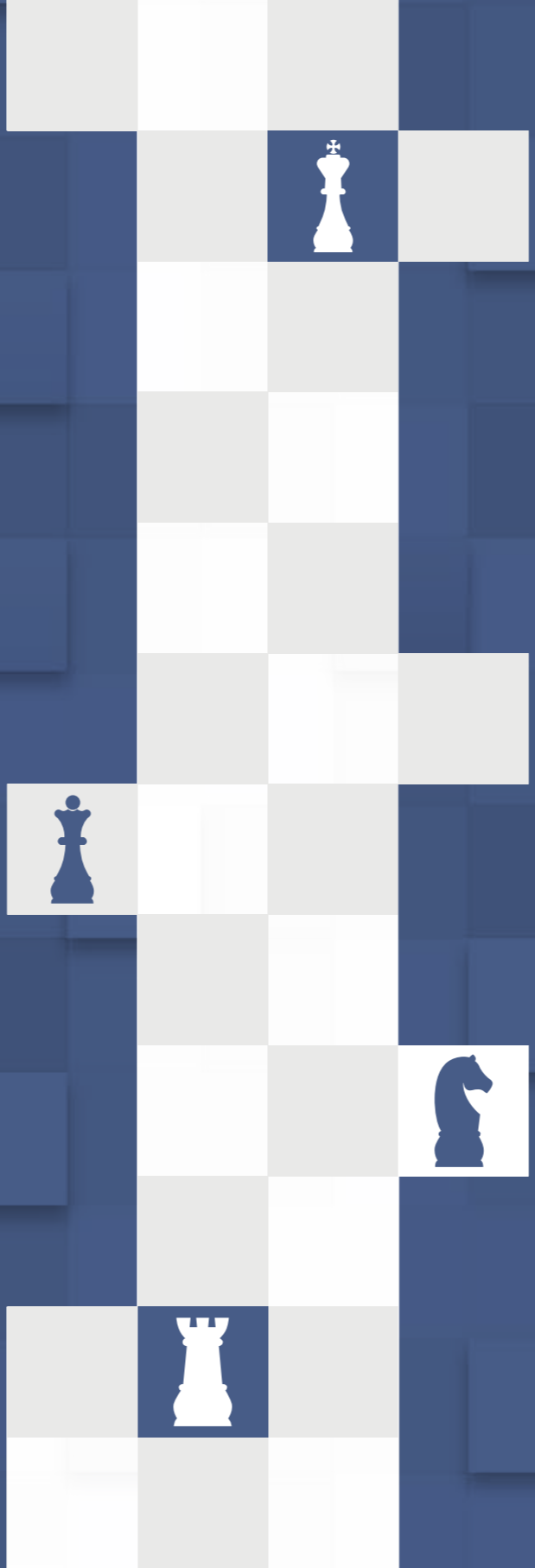


Our Food and Beverage team are ready to provide you with exceptional service



To ensure staff safety, all social distancing guidelines and Covid-19 regulations were strictly adhered to.

For our full staff complement photograph, individual shots were taken. Each person was then placed on a chessboard design. For group pictures, staff were socially distanced and were required to wear their masks.





Employee Relations Forum (ERF) and Employment Equity and Training Committee (EE&TC) team



Ensuring equitable working conditions

Our commitment to our people and the country is part of our mandate. It is evidenced by 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, as well as empowering our staff with the skills and opportunities they need to thrive in their careers at the CTICC – and beyond.

Employee Relations Forum (ERF)

The ten members of the Employee Relations Forum (ERF) are a committed team who act on behalf of all staff, representing their interests regarding employment conditions. In the year under review, the forum has mutually agreed to abide by the following charter:



To respect the confidentiality of any issues brought to the committee;



To act with integrity and be honest at all times with fellow committee members, as well as staff members;



To reach group consensus on matters raised with the committee;



To treat all matters equally;



To operate with a quorum of six out of nine members present; and



To replace members who fail to attend three meetings consecutively, without a valid reason, with a newly nominated member from the relevant department.

The role of the ERF chairperson is to ensure that the committee has regular meetings and to ensure that staff matters are addressed timeously and discussed with the relevant departments.



ERF is made up of ten employees from different departments and employment levels within the CTICC



ERF represents the workforce in various matters, such as working conditions, dispute resolutions and conditions of employment

Employment Equity and Training Committee (EE&TC)

The Employment Equity and Training Committee's (EE&TC's) mandate is to monitor employment equity at the CTICC 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 Senior EE 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.

At the Human Resources and Remuneration Committee (HR & REMCO) meeting on 29 October 2020, the Employment Equity (EE) Report, i.e. the EEA2, was considered for submission to the Department of Employment and Labour (DoEL) by 15 January 2021.

Given the impact of Covid-19 and lockdown regulations on the operations of the CTICC, it was recommended that vacancies be placed on hold. This impacted the goals and targets in the EE Plan for the 2021 and 2022 reporting periods. The current three-year EE plan was originally approved for the period 1 December 2019 to 30 November 2022.

The revised EEA2 was recommended for approval to the Board by the HR and REMCO. Management was asked to include reasons to explain the severe impact Covid-19 had had on CTICC business due to the lockdown, reduction in international travel and the initial restriction to

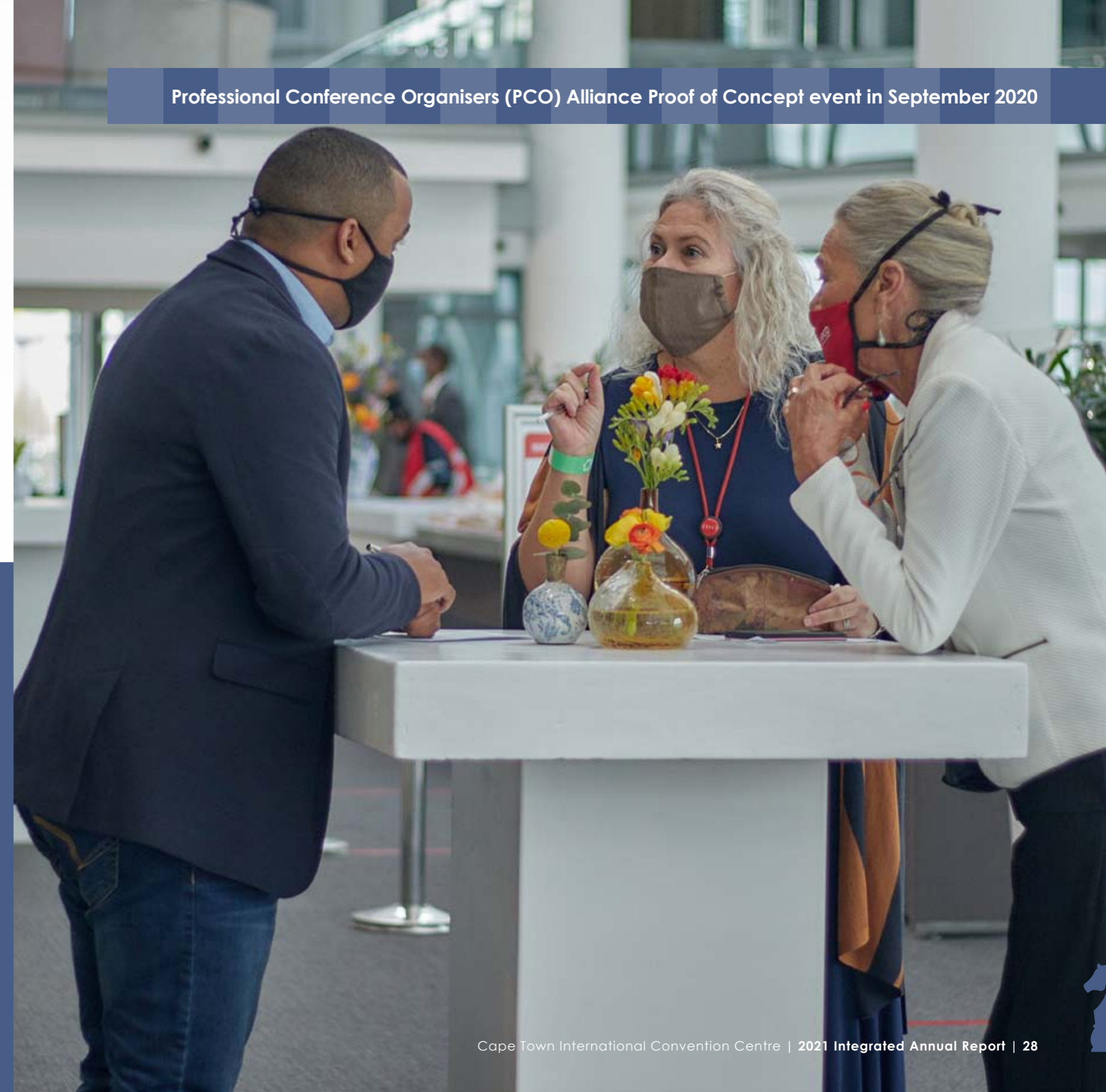
less than 250 persons per event. The reasons indicated that this might result in a restructuring of the business and updating of the EE plan. The DoEL would be informed once all the relevant parties had been consulted in this regard.

The EEA2 was then submitted online to the DoEL portal after Board approval. On 13 January 2021, the CTICC received an acknowledgement letter from the DoEL as confirmation that the report was submitted. Subsequently, the CTICC has appeared in the EEC report as one of the organisations deemed to have reported for the 2020 reporting period.

A further EE&TC meeting took place on 11 June 2021. The workforce profile was presented to the committee, along with an overview of the impact that the retrenchment process had on the employment equity profile.

The committee was taken through the year-to-date training report, as well as the Workplace Skills Plan (WSP) for 2021, which was then submitted to CATHSSETA.

Professional Conference Organisers (PCO) Alliance Proof of Concept event in September 2020



NURTURING PLANET, PROFIT AND PEOPLE

Our triple-bottom-line commitment has been severely challenged by Covid-19 and its lockdown regulations. The consequent decline in event and delegate numbers has reduced our carbon footprint and our public/private partnerships have delivered hope to many in our communities; but our financial sustainability has been severely affected. Our new strategy is designed to resolve this going forward.



Strategically protecting our planet

We remain committed to reducing the emissions and environmental impact of our daily operations and continually refine the way we do business to conserve resources. When circumstances allow, our two new heat pumps will contribute positively in this regard.



Seeking progress through profit

We are mandated to deliver a profit-driven, transparent operation, governed by best business practice and maximised economic spin-off, in line with the strategic priorities of the City of Cape Town and the Western Cape. Our record for clean audits remains untarnished, as does our performance against our Key Performance Indicators (KPIs).



Bringing people hope

We are making calculated moves to stay ahead, remain competitive and thrive. One aspect of this is the way we seek to nurture private and public partnerships, as well as connect with the community in order for businesses to grow and communities to flourish and find hope for a better future.

Our staff are ready to serve world-class meals in a safe environment



COLLABORATION AND RECOGNITION: CERTIFICATIONS AND AWARDS

One of the focuses for the CTICC this year has been collaborating more with the United Nations Global Compact (UNGC), on which our commitment is assessed each year. The Ten Principles of the United Nations Global Compact are derived from: the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development and the United Nations Convention Against Corruption. The principles are listed in the Environment chapter on pages 139 to 146.

In the year under review, we received our UNGC active status, which we will be applying for next year. In addition, we participated in the UNGC Global Compact Accenture CEO Survey 2021, as well as the 2021 UNGC Implementation Survey.

Our Sustainability Officer is also participating in the Climate Ambition Accelerator, which commenced in June 2021. The Accelerator is a six-month learning programme for companies aligned to the UNGC. It is designed for organisations looking to make progress towards setting science-based emissions reduction targets and ultimately transitioning to net-zero environmental impact.

A further move towards international accreditation was our continuing participation in the International Association of Convention Centres (AIPC) Quality Standards Audit. We were delighted to receive a gold award for this audit once again.

This audit process reviews a large number of internal and external criteria that the CTICC has consistently met since 2013, when the CTICC was the first convention centre in Africa to be awarded the AIPC Gold Quality

Standards Accreditation. This accreditation was awarded after a successful audit was conducted by an independent third party. It has retained its AIPC Gold Quality Standards Accreditation consistently since that time.

The CTICC's health and safety certifications remain a vital commitment to our clients and visitors through adherence to the highest possible standards in food safety and preparation. This has been particularly significant during our hosting of and catering for the Hospital of Hope and the Vaccination Centre of Hope.

We, therefore, 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 (the audit for the migration from OHSAS 18001 to ISO 45001 commenced in May 2021 with a final audit completion date of November 2021);
- Food Safety Management System – ISO 22000.

These rigorous standards are globally recognised but they also demonstrate to our delegates, clients, stakeholders, communities and staff that we are committed to delivering inspiring service at the highest level.

MAINTAINING OUR FIVE-STAR GRADING BY TOURISM GRADING COUNCIL OF SOUTH AFRICA

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 2020/21

During the year under review, we received several industry awards, as detailed below:

- **Winner: Best International Conference & Exhibition Venue – Africa 2020** Middle East & Africa (MEA) Business Awards
- **Winner: Events and Communications Leader of the Year South Africa 2021** CEO Today Magazine Global Awards
- **Winner: CEOs and Business Leaders Award – South Africa 2021** CEO Today Magazine Global Awards
- **Winner: Business Tourism Venue of the Year 2021** African Excellence Awards

OUR SECTOR PARTNERS: ASSOCIATIONS AND MEMBERSHIPS

This year, more than ever, we have collaborated with the conference and events sector who provided invaluable data and training support. During the year under review, we were a member of the following associations:



One of the CTICC's key memberships



HOSTING THE HUB OF HOPE



NURTURING OUR COMMUNITIES

SAVING LIVES IN CHALLENGING TIMES: SUPPORTING THE HOSPITAL OF HOPE AND THE VACCINATION CENTRE OF HOPE

The CTICC reported on its transformation into the Hospital of Hope in its 2019/20 integrated annual report, describing its contribution to establishing and operating the 862-bed Covid-19 temporary intermediate care facility, which occupied the exhibition halls of CTICC 1.

It took just six weeks to set up and was ready for its first patient on 5 June 2020, when President Cyril Ramaphosa officially opened it. At the time, the CTICC was the only international convention centre in Africa to host a hospital.

PUTTING FORWARD-THINKING PLANS IN PLACE

The main objective of the project was to establish a mass vaccination site within the Cape Town metropole. The project scope was developed by consulting with experts in the medical field and learning from international best practices.

The following high-level project objectives and deliverables were established and met:

- Provide a **facility** that can accommodate a large number of people per day, efficiently and safely;
- Establish the **infrastructure and services** required to administer vaccines within the requirements, regulations and standards of the South African healthcare environment;

AN EFFECTIVE PRIVATE-PUBLIC PARTNERSHIP DELIVERS

The partnership of the CTICC with the Western Cape Government (WCG) Department of Health, the City of Cape Town and Discovery Health, made the VCOH possible. This public-private partnership (PPP) required a committed team of people to ensure that the site was launched on time and could safely and efficiently accommodate Cape Town's citizens – and this was successfully achieved.

The CTICC and its Provincial Government and City partners started planning the vaccination centre in March 2021, inviting medical aid provider Discovery Health to join them in this endeavour. The plan was to facilitate the vaccination of Western Cape citizens, allowing them to protect themselves from the Covid-19 virus, which has taken such a toll on our province's physical and economic health.

The Hospital of Hope closed its doors on 21 August 2020, 11 weeks after it opened, having provided care to more than 1 500 patients and returned loved ones to more than 1 400 families.

By 30 June 2021, the same exhibition halls were almost ready to open as a positive counterpoint to the hospital. On 7 July, the Premier of the Western Cape, Alan Winde, opened the Vaccination Centre of Hope (VCOH) in CTICC 1. At the time of writing, the VCOH can deliver between 4 000 and 5 000 vaccinations a day until the end of 2021.

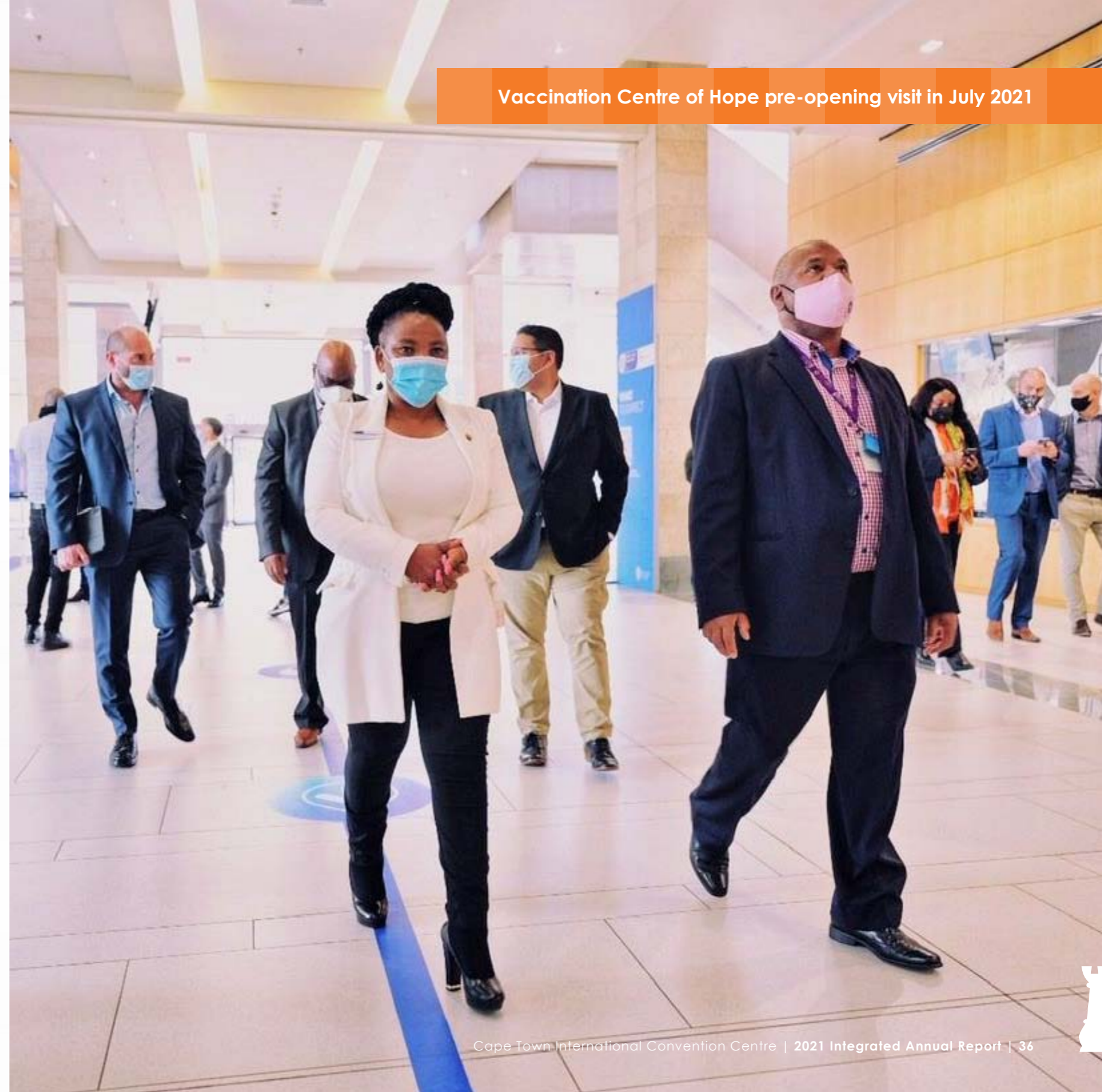
- Appoint and provide a sufficient **trained staff contingent** to operationalise the facility for the administration of vaccines and related auxiliary services;
- Procure and provide **equipment and furniture** to enable the effective and efficient operation of the vaccination centre;
- Ensure that healthcare operations could be conducted **safely** and responsibly, adhering to all applicable standards, regulations, legislation and national directives;
- Develop a **process for the administration of the vaccines**, which could serve the future operation of the centre.

In response, the WCG launched a vast and multi-faceted Covid-19 vaccination programme. This programme included establishing multiple Vaccine Administration Locations (VALs), one of which was the VCOH.

The discussions resulted in a comprehensive vaccination centre plan, and the VCOH preparation phase took just four weeks and involved many meetings and engagements. The actual implementation of the plan and the set up of the vaccination centre took only two weeks in all, a remarkable feat by all concerned.

All partners contributed to the project by leveraging their collective resources, capabilities, skills, knowledge, expertise and experience within the medical field and existing vaccination drives, culminating in a world-class solution.

Vaccination Centre of Hope pre-opening visit in July 2021



Welcoming visitors to the Vaccination Centre of Hope



SUCCESSFULLY SOLVING DESIGN AND IMPLEMENTATION CHALLENGES

The planning phase had its challenges, but existing contracts and mechanisms with the WCG, the City of Cape Town, and its partners helped. Procurement can take time in the public sector due to stringent protocols putting pressure on project deliverables. Achieving the project deadlines required a concerted amount of cooperative effort and senior management support.

Innovation and cost-effective design were critical aspects of the process. This design approach led to, for instance, the adoption of roofless gazebos as vaccination booths, maximising speed and budget in an economical context where public health is nonetheless the primary goal and concern.

Another challenge was the space allocated for the pharmacy at the VCOH, which was just 15m x 17m, in which they store all the vaccines required for the day – up to 5 000, as per specifications – as well as the other consumables necessary to administer the vaccinations, such as gloves, syringes and swabs.

A further issue was the limited availability of healthcare staff due to pressure on the healthcare system as a whole. The recruitment drive for nursing and other medical staff within the broader pandemic proved difficult. However, the project team members responsible for recruitment delivered successfully, despite these challenges. The bulk of the personnel requirement was filled, and operations were ready to be launched on time.

The task was to translate the rigorous and comprehensive specifications into a layout that got maximum efficiency out of the plan: in other words, a vaccination centre that flowed like a well-oiled machine.

PROVIDING AN ESSENTIAL SERVICE TO WESTERN CAPE CITIZENS

Ultimately, the efficiency of operation was the main goal so that the 50 vaccination booths could operate at maximum flow – ensuring that they could accommodate 500 vaccinations per hour. The ideal throughput time per person was set at 30 minutes, including all administration and the 15 minutes of observation time required to check for side effects after the vaccine is administered.

Experience has since shown that these timelines are accurate, with many people saying they are impressed that they can be in and out of the VCOH in under 30 minutes, which compares very favourably with other vaccination centres.

The original contract for the conversion and operation of the VCOH is until the end of December 2021, when the need for it will be reviewed. It has been designed to be easily extended and upgraded.

In summary, by combining public and private sector resources and capacity, the VCOH offers access to the Covid-19 vaccine for all – to medical scheme members and uninsured citizens, free of charge, through payment agreements between the Department of Health and medical aids. The CTICC's current function as an essential health resource and support centre is indicative of its role and intention to remain a key player in the city's landscape – and an ever-evolving hub of innovation and resourcefulness.

"I can wholeheartedly recommend the CTICC for any event, as they are geared and set up to yield venue and conference services to an international quality standard." – Marius Schoeman, Senior Project Manager: Corporate Project, Programme and Portfolio Management, City of Cape Town

SOME SURPRISING VCOH FACTS AND FIGURES

- The space occupied by the VCOH is 5 385m² – CTICC 1's Halls 1A, 1B and 2. In the original plans, Hall 3 was considered but, in the end, it was not necessary, which saved on venue costs;
- The VCOH took four weeks of planning, two weeks of implementation and six days to construct;
- The ten EVDS help desks for walk-ins and the 25 EVDS verification desks for appointment vaccinations are the first stop for all visitors to the VCOH. This system allows for the careful administration of all vaccinations;
- The pharmacy area of the VCOH is just 15m x 17m but is efficient enough to include five different storage areas for cold storage and consumables;
- With vaccine fridges endorsed by the South African Pharmacy Council (SAPC), the vaccine store is powered by CTICC-supplied generator back-up, if required, during load shedding. This is vital to the proper storage of the vaccines at the correct temperature;
- The 50 vaccination booths were set up in five corridors of ten booths each (five per side) to maximise throughflow and facilitate a suitably socially distanced post-vaccination observation area beyond the booths;
- The VCOH is designed to administer one vaccination every six minutes, with a 30 minute throughput time per person, including registration and observation;
- If any changes need to be made to the VCOH site, it can be rolled out within 24 hours;
- There are 1 800m of black duct covering on the floors of the VCOH, securely covering cabling ducts set into the floor of the exhibition halls. This is a significant health and safety requirement.



THIS YEAR'S EVENTS



Client CRM social event in June 2021



Jiva television series shoot in November 2020



ADAPTING TO THE TIMES

HOSTING EVENTS IN A PANDEMIC: OUR REVIEW OF THE YEAR

The year in review was an anomaly, even more so than the previous financial year. Ongoing pandemic lockdown regulations and travel restrictions severely limited the number of international and national meetings we could host, while the negative impact of the pandemic on an already stressed economy affected client budgets across the board.

Public fear of super-spreader events, despite our stringent Covid-19 protocols around social distancing and sanitisation, may not have helped our bookings either. The uncertainty around the pandemic, present in all walks of life and across business sectors, contributed to our overall event total being just 53 events, declining 86.6% compared to 397 in 2019/20 and 560 in 2018/19. These are sobering figures and have had a serious effect on our revenue.

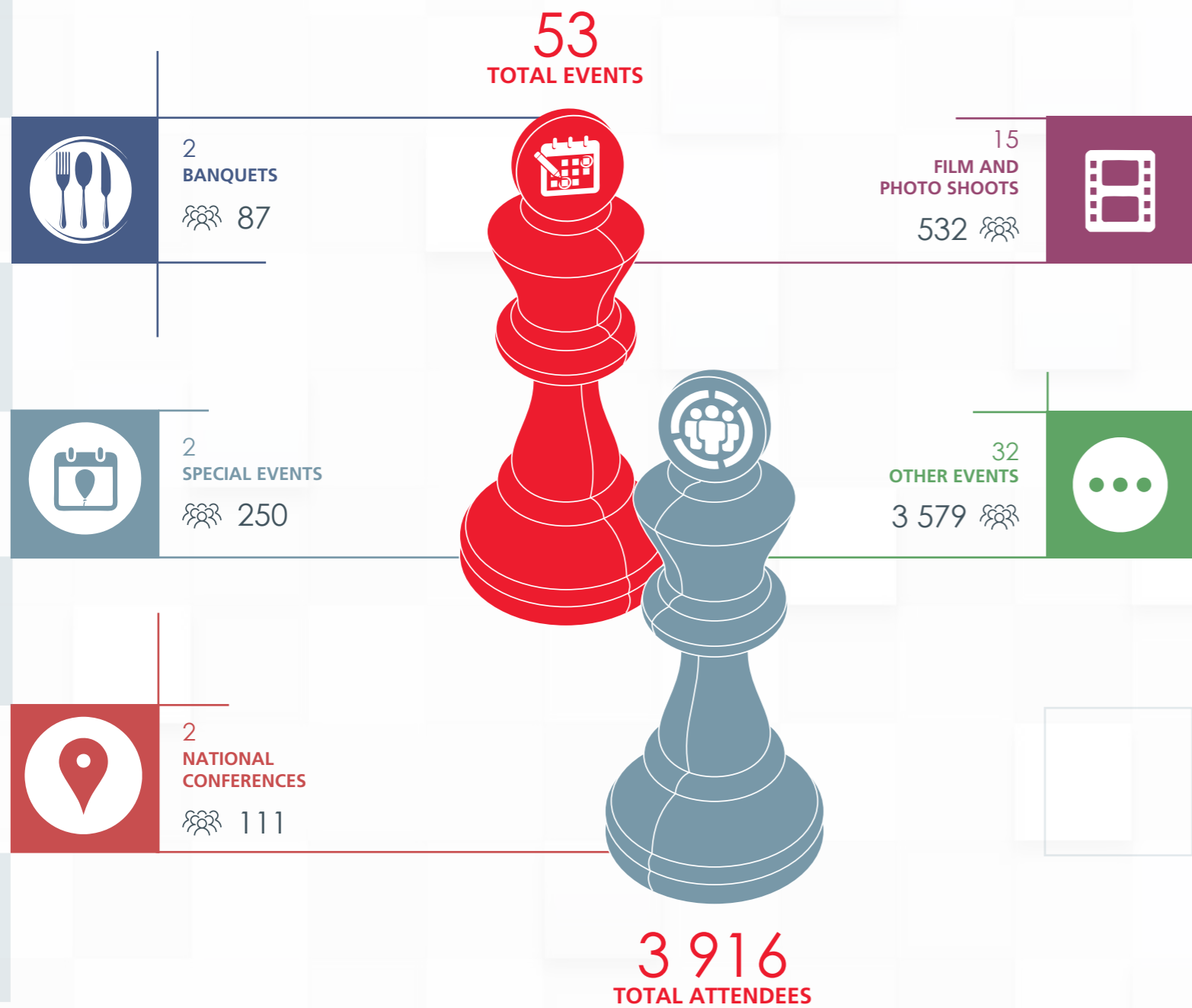
Delegate numbers declined in line with this – just 3 916 visitors and delegates came through our doors in 2020/21. This compares with 223 808 in 2019/20, a 98.3% reduction, and 417 070 in 2018/19.

Nevertheless, several new clients joined us this year, safely and successfully negotiating social distancing protocols to stage examinations, graduations, small conferences and awards banquets. We even hosted an international netball competition – a Tri-Nations challenge between Namibia, South Africa and Uganda – for the first time. A selection of these events are highlighted in our case studies later in this chapter.

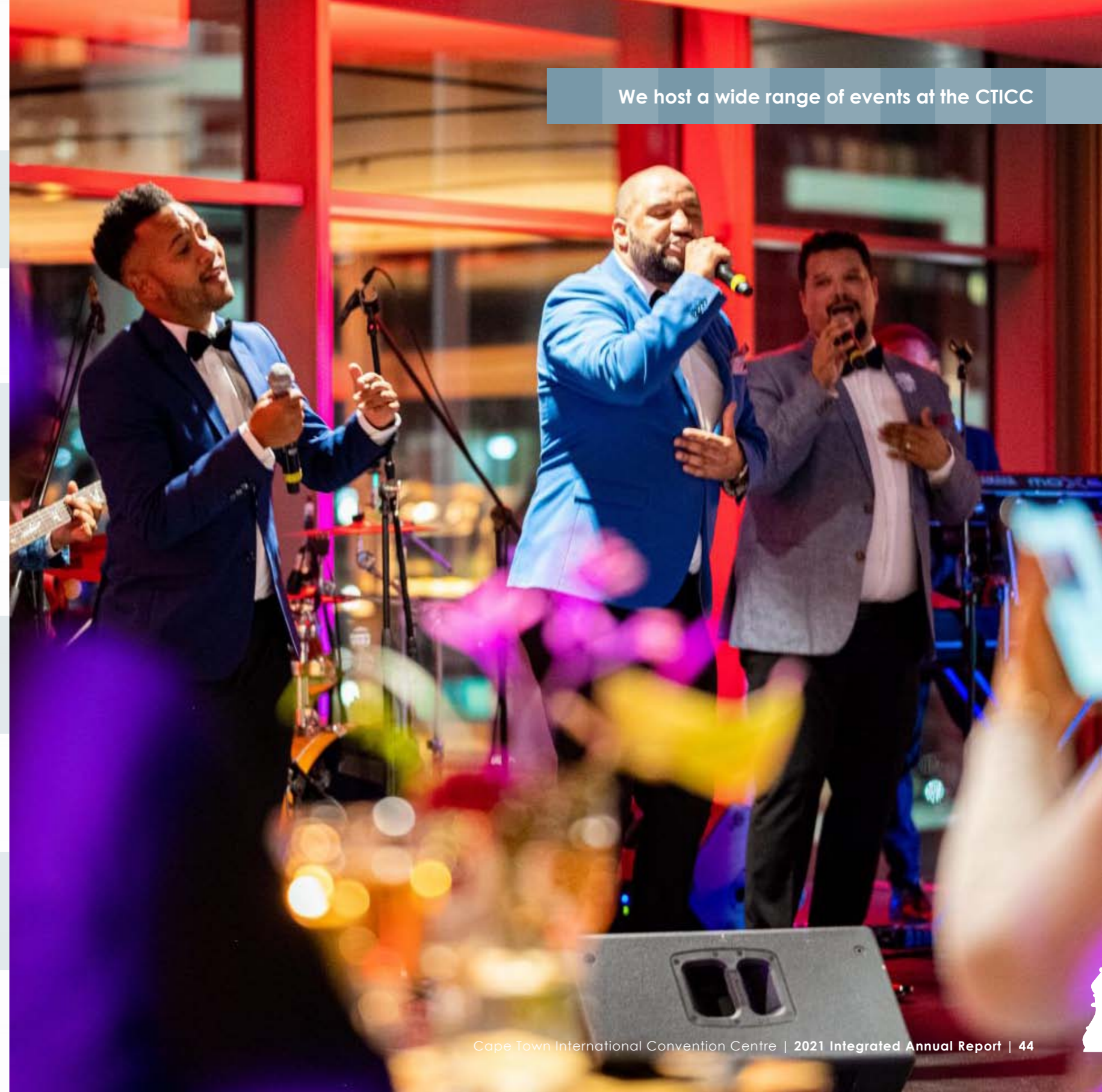
In every case, we sought to bolster our ongoing support for the knowledge economy, with most of our events and case studies focusing on the advancement of education, entrepreneurship, film, health, sport and tourism. These align with the Western Cape Government’s priority productive future growth sectors and the City of Cape Town’s catalytic sectors.

Our focus has been local and regional, seeking to build connections and host events with Western Cape, South African and African clients, as you will read in our Future section (pages 169 to 184).

THE EVENTS LANDSCAPE: OUR REVIEW OF THE YEAR



We host a wide range of events at the CTICC



SHE rep training in March 2021



THE EVENTS OF THE YEAR IN MORE DETAIL: EVENTS AND DELEGATES

As we have indicated, the number of events was significantly down on the previous financial year. The type of events we hosted was also impacted significantly.

Table 1: Event segment breakdown by number and percentage

Event segment	Number of events	Percentage of events	Attendance (Pax)	Percentage of people attending
National Conferences	2	0%	0	0%
Banquets	2	4%	87	2.2%
Special Events	2	4%	250	6.4%
Film / Photo Shoots and Other Events	47	88.6%	3468	88.6%
Total	53		3916	

No international conferences took place, nor were there any exhibitions or trade fairs. This was due to strict lockdown regulations in South Africa and reduced international travel.

We hosted two national events, two banquets, two special events, and 47 other events, of which 15 were film or photo shoots. In the previous year, we had hosted 39 banquets, 61 special events and 214 other events, of which 45 were film or photo shoots.

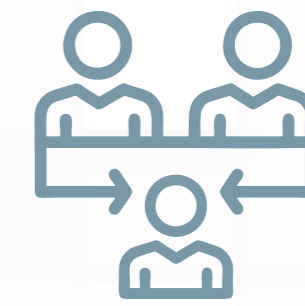
Table 2: Delegates, average event size and average event duration

	2017/18	2018/19	2019/20	2020/21
Total delegates	454 338	417 070	223 808	3 916
Average size	865	745	564	74
Duration	1.3	1.4	1.5	1.1

Delegate numbers and event duration declined compared to the previous year, with a high average of 1.5 days per event in 2019/20 vs 1.1 days in 2020/21. This decline correlates with the primary category of events being other events, as this category accommodates mostly one-day events. The average size of an event came down significantly, as Disaster Management Act lockdown regulations restricted the size of events. But small events within the regulations did continue, albeit on a much-reduced scale.



86.6%
Reduction in events
Compared to 2019/20



98.3%
Reduction in visitors
and delegates
Compared to 2019/20

National conferences: Significant gatherings in tough times

National conferences were a challenge during lockdown regulations, although small events were possible. The two conferences that drew a national audience of delegates were the Tourism Marketing Conference in November 2020 and the Banking Tender Conference in February

2021. The first of these is one of our case studies later in this chapter and its topic was critical to our own business tourism sector, which has faced considerable challenges in the year under review.

Banquets: The importance of eating together

Covid-19 has taken many things from us – eating together to celebrate is one that has hit the socially active hardest. Our banquets have been no exception. Last year, in 2019/20, we hosted 39 banquets. That is 94.9% fewer banquets.

Of the two banquets we hosted, one was a private family affair, while the other accompanied the Western Cape Entrepreneurship Recognition

Awards, which is an important event recognising the tenacity of those prepared to make their entrepreneurial way in life. And in 2020, with lockdowns seriously affecting small business cash flow, this was one of the most challenging years yet. For these awards to choose to go on in such conditions was heartening to see.

Special events: A little international light in the Covid-19 gloom

In many ways, 2020/21 was memorable for all the wrong reasons. The importance of maintaining morale and making connections at a time when the pandemic was creating distance between people cannot be underestimated. The Spar Challenge team had to postpone the three-nation netball tournament between top-ranking international teams,

Namibia, Uganda and South Africa, from January to March because of a Covid-19 resurgence. But in the end, the tournament went ahead – sadly without live spectators – but broadcast on television to many eager fans. But the 50 players and their support teams were there live in CTICC 2 and live on Supersport.

Film shoots: The show did go on

Film shoots – traditionally an essential contributor to our revenue – continued when lockdown regulations allowed. These are usually small in terms of the numbers of people present in the building, so they are safe to host with social distancing protocols in place. The film industry is an important catalytic investment sector for the Western Cape, therefore, these events are important to us and our economic contribution mandate.

Since we opened our doors, television companies, film production companies and feature film studios have used the CTICC as a location or

a base for their filming operations. This year was no exception: advertising and television shoots, along with stills photographic shoots, were hosted for brands including Jose Cuervo, L'Oréal, Nissan and Toyota. The event we have highlighted was an advertising shoot with a South African production company called Farm Film Productions, whose reputation for working with international brands is well established. They're about as local as you can get, and we are grateful to have become their base and location for two of their international shoots.

Other events: A range of smaller events to suit the times

Our other events category has historically been the segment for one-day events, whether small meetings or conferences, presentations or training sessions, team-building events or award ceremonies. Two of our case studies fall into this category: the APC/SAICA examinations saw 668 apprehensive student accountants writing for their careers, across several venues, for social distancing purposes, while the UNISA graduation ceremony welcomed 600 graduates and their families, split across venues with live streaming facilities.

Other events in this category came from clients in the education, financial services and health and safety sectors. Perhaps the most important event of all was our transformation of CTICC 1 into the Vaccination Centre of Hope. Preparations for this undertaking started in May 2021, with its

opening to the general public officially on 7 July 2021. Following our hosting of the Hospital of Hope from April to August 2020, this second contribution to the campaign to manage Covid-19 in the Western Cape is a vital and life-saving service to the public. It can vaccinate up to 4 000 people a day. The full story of how CTICC 1 shape-shifted from a convention centre to a vaccination centre can be read on pages 33 to 38.

Hosting the 59th ICCA Congress Opening Ceremony in November 2020



UNISA spring graduation ceremonies in December 2020



CASE STUDIES: PROMOTING THE KNOWLEDGE ECONOMY INTO THE FUTURE

The case studies showcased in this year's report demonstrate a range of event types: award ceremonies, banquets, day conferences, film shoots, graduation ceremonies and sports events. They also describe the different platforms that events can now use to bring in larger audiences through digital connections and live streaming of smaller in-person events. This digital offering is particularly relevant in a pandemic-affected world with social distancing and travel restrictions.

The CTICC is equipped to offer a range of digital and hybrid event options, as is demonstrated by their own events, such as the AllSport Coaches Workshops, the upcoming revised and revived Gift Fair, the This is Art event and the Ultimate Beverage Show. These are all covered in more detail in our Future chapter on pages 169 to 184.

GRADUATING AND MOVING FORWARD WITH UNISA



Title:
UNISA Spring
Graduation Ceremonies



Date:
11-12 December 2020



Event segment:
Film, photo shoots
and other events



Sector:
Education



Attendance:
600

UNISA held its spring graduation ceremonies at the CTICC, attended by students who should have graduated in October 2020 but could not due to Covid-19. UNISA selected the venue because of the CTICC's extensive and flexible space and its strict Covid-19 protocols.

It was the only venue that could accommodate the graduation ceremonies in multiple areas simultaneously while adhering to social distancing guidelines. Thanks to the CTICC's adjusted floorplan, graduates could be in one venue, while family members could sit in another venue in the same building and still view the proceedings and feel part of the event.

As a graduation ceremony must run to a specific schedule and format, tight teamwork between the UNISA Graduation Department from Pretoria,

the UNISA Communications Department in the Western Cape and the CTICC team was critical. This teamwork ensured that all arrangements went to plan, many falling into place at the last minute. Graduation is a fantastic accomplishment and milestone, so UNISA was happy that they could successfully host the event. "The CTICC was working in high gear to accommodate us. There was no detail too small or request too large," Francois Louw, UNISA's Communications Manager, said.

Above all, the event gave UNISA the opportunity, amid a pandemic, to bring joy to students and their families. This experience creates the kind of goodwill money cannot buy. And the students who graduated will spread the message.

"The CTICC went out of its way to assist UNISA in hosting an event that was still glamorous, but with all social distancing and other safety precautions fully catered for. We'll certainly consider their venue in the future." – Francois Louw, Communication Manager at UNISA.

CELEBRATING THE WESTERN CAPE'S YOUNG ENTREPRENEURS IN STYLE

Title: Western Cape Entrepreneurship Recognition Awards	Date: 26 November 2020	Event segment: Banquet	Sector: Business development	Attendance: 50 in-person guests; 200 virtual guests
-------------------------------------------------------------------------	----------------------------------	----------------------------------	----------------------------------------	------------------------------------------------------------------

The Western Cape Entrepreneurship Recognition Awards (WCERA) is the premier entrepreneurship competition in the Western Cape. It recognises the achievements and potential of some of the Province's most inspiring business people. The 2020 event honoured and recognised young entrepreneurs who rose to the top during the unprecedented pandemic year.

Due to Covid-19, a wider range of people could attend, as a virtual meeting link was made available to the public. The in-person guests included the Western Cape Provincial Minister of Finance and Economic Opportunities, other departmental dignitaries, and the parents of the winners and runner-ups.

The CTICC was chosen because it ticked all the right boxes. The client, the Western Cape Department of Skills and Entrepreneurship, needed ease and security of entry to the venue with undercover parking – including for people with disabilities. They also required a first-class team of audio-visual technicians to pull off this type of hybrid event seamlessly. Another requirement was a superior banqueting service. Not least, the venue needed to be double the size for half the capacity due to Covid-19 regulations.

"The client needed a practical venue that could be transformed into something unforgettable for the very worthy award winners and their loved ones," said Yvette Plumridge, Director of Plum Projects, and the CTICC was able to make this happen.

The success of a ceremony relies on the fact that all sequences happen on time and are executed seamlessly. To achieve this, there has to be teamwork. The CTICC worked with Plum Corporate Events to ensure the success of this event. Even the MC on the night, Africa Melane, remarked on how the event had been set up.

The organisers were particularly impressed with the view from the venue. They said it gave them a good "post-lockdown kick-start to our business, educating us on the 'new normal' technical possibilities for future events."

Finally, the client remarked that the CTICC's health, safety and security are at the highest level.

"The venue was out of this world! The staff were smart and helpful and nothing was too much trouble. We'll no doubt be booking again at the CTICC." – Yvette Plumridge, Director of Plum Projects



The Western Cape Entrepreneurship Recognition Awards in November 2020

Tourism Marketing Conference in November 2020




**TOURISM
MARKETING
CONFERENCE**
 CAPE TOWN 26-27 NOV 2020

Sponsored by:  CapeNature

SUPPORTING SAFE TOURISM IN CHALLENGING TIMES



Title:
2nd Annual Tourism
Marketing Conference



Date:
26-27 November 2020



Event segment:
Film, photo shoots
and other events



Sector:
Tourism



Attendance:
60

The Tourism Marketing Conference, sponsored by Cape Nature, is an annual conference that focuses on the latest trends, opportunities and key areas of tourism marketing, innovation, positioning and branding.

It facilitates the transfer of expert knowledge and experiences so that destination managers and tourism service providers can improve their marketing efforts to attract more business and be more competitive in the global and local tourism marketplace.

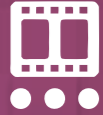




With Covid-19 being an inevitable point of discussion, topics that were addressed over the two-day second annual conference included rebuilding trust in tourism during Covid-19, creating catalysts for economic recovery, responsible tourism and the power of selling locally, to name just a few.

Chris de Klerk, Marketing Strategist and Owner of CADEK Media CC, organiser of the event, said the CTICC was the ideal venue for this conference due to its central location and world-class conference facilities. The CTICC is also an active and prominent partner in the promotion of both national and provincial business tourism, working closely with the South African National Convention Bureau and Cape Town & Western Cape Convention Bureau to rebuild the much-diminished South African tourist industry.

The Tourism Marketing Conference organisers were pleased with the CTICC's service over the two days of the conference.

"The catering was outstanding, even though all Covid-19 protocols had to be followed. The way the centre applied its health and safety protocols were impressive, and the execution of the event was top notch. We will be booking more events – new and repeats – with the CTICC in future." – Chris de Klerk, Marketing Strategist and Owner of CADEK Media CC

FURTHERING EDUCATION DESPITE SERIOUS RESTRICTIONS

				
Title: SAICA APC Examinations	Date: 17 December 2020	Event segment: Film, photo shoots and other events	Sector: Education	Attendance: 610 candidates

Candidates of the premier industry association for accountants, the South African Institute of Chartered Accountants (SAICA), attended an Assessment of Professional Competence (APC) examination at the CTICC. This is an essential step along the way to achieving professional accreditation as an accountant – one that cannot be missed.

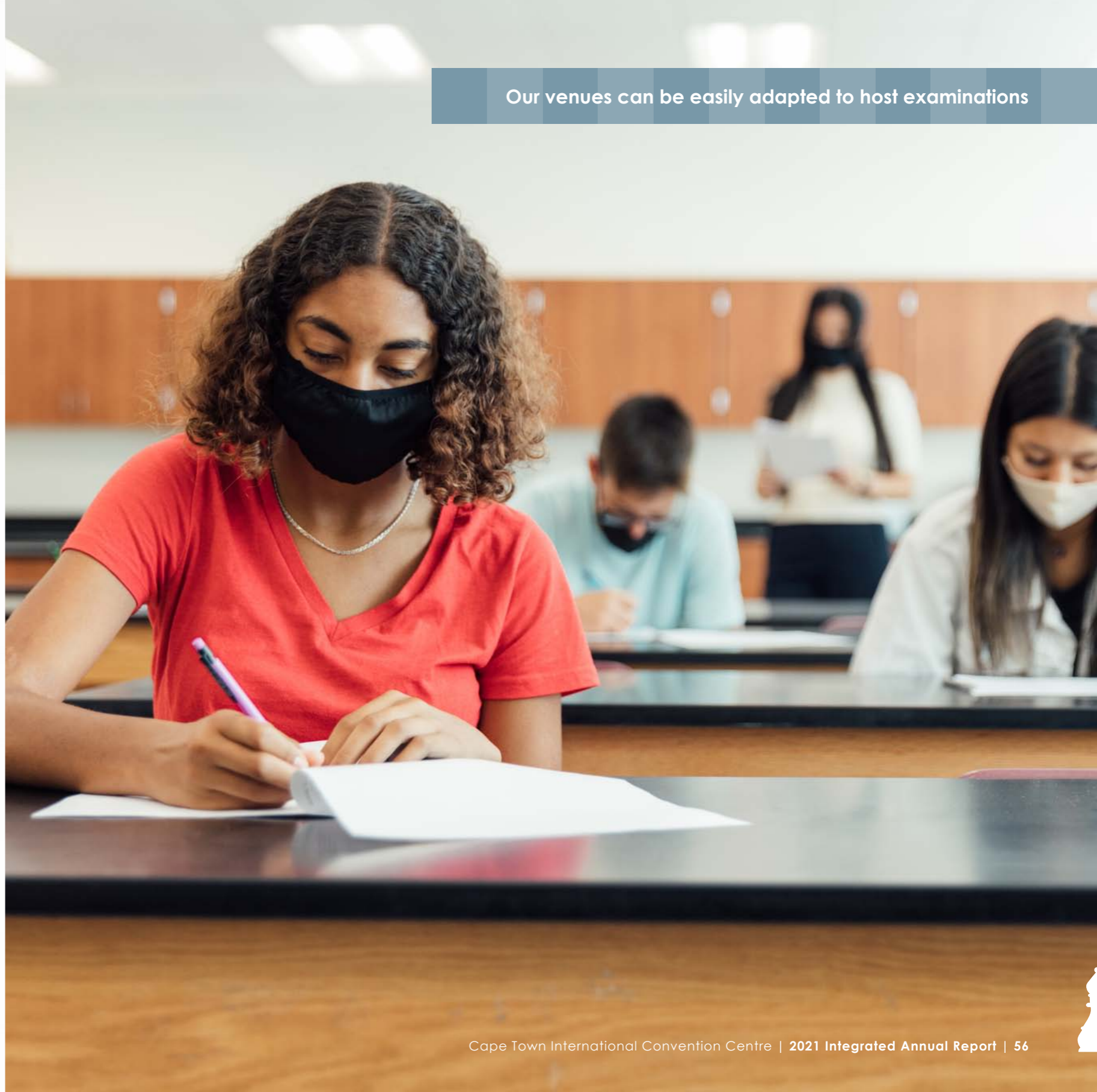
The APC examinations were due to take place at another venue but, two days before the event, lockdown restrictions changed and SAICA was forced to consider alternative venue options. The CTICC was chosen because it could accommodate SAICA at very short notice, with all required social distancing and Covid-19 protocols in place.

The CTICC has been extremely rigorous about implementing Covid-19 guidelines since lockdown regulations came into force in 2020: our Standard Operating Procedures concerning Covid-19 protocols are thorough and always rigorously applied. This is why the CTICC split the examination venues across four separate rooms to ensure maximum safety and peace of mind for SAICA and its candidate accountants.

Octavia Pillay, Examination Officer for SAICA, was delighted with the professionalism, agility and flexibility of the CTICC's response and service under these demanding timelines.

“Although the SAICA examinations are strictly venue-based and we will not be hosting any virtual events in the future, we were impressed with the CTICC and will consider booking further events at the centre.” – Octavia Pillay, SAICA Examination Officer

Our venues can be easily adapted to host examinations



Farm Film Strayer commercial shoot in April 2021



PROVIDING TOP-CLASS FACILITIES FOR WORLD-CLASS COMMERCIALS



Title:
Farm Film Strayer
Commercial Shoot



Date:
1-2 April 2021



Event segment:
Film, photo shoots
and other events



Sector:
Film



Attendance:
55

Farm Film Productions is an experienced Cape Town-based film production company and has been in the business for over 20 years. In April 2021, they made use of the CTICC as a location for an international advertising shoot.

The shoot was for a US-based online university, although the commercial was produced by a British production company and the director is based in Los Angeles. Farm Film Productions was briefed to facilitate the shoot of the film in Cape Town. The result was a truly global collaborative effort.

The CTICC was a good match for the atmosphere and location requirements of the director, offering a variety of venue options that suited the commercial's storyboard in various ways – from lecture-style setups to impressive lobby shots using CTICC 2's towering elevators.

Although times have been tough for all businesses, one of the unexpected results of the pandemic for Farm Films is that there has been less pressure to turn things around very quickly. According to Pete Sherlock, executive producer at Farm Film Productions, this served them well, as fewer people in attendance on the shoot made the process easier to arrange and gave everyone a little more space to breathe.

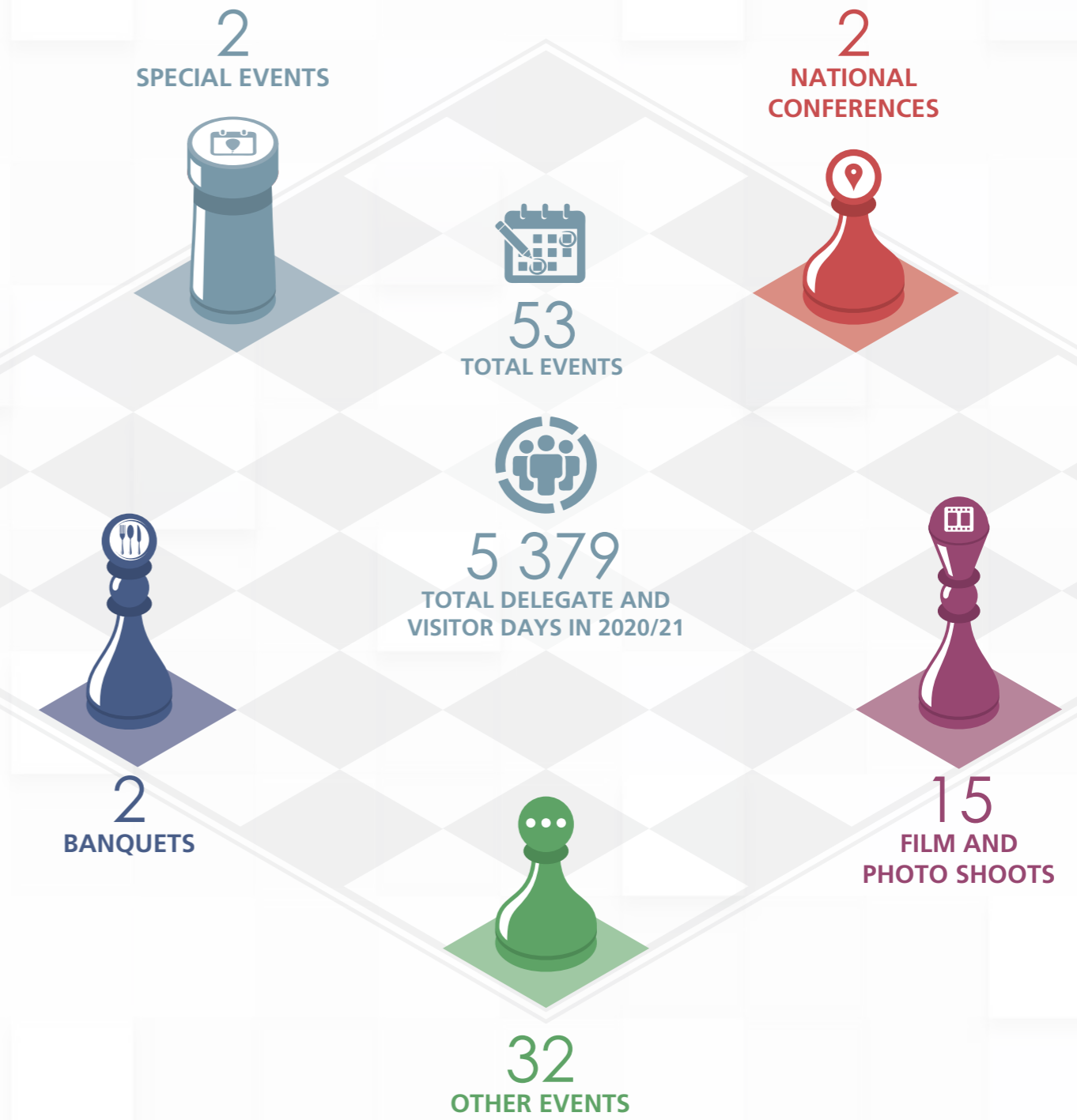
According to Sherlock and his team, the CTICC provided them with a space that was well run and prepared for any eventuality. The staff, he says, were genuinely helpful and able to help in a variety of ways.

"The CTICC is a world-class venue, which is why we featured it in a world-class commercial. The CTICC are committed partners that go above and beyond to integrate the creative brief within their existing structures and protocols. We'll certainly be using them again." – Pete Sherlock, Executive Producer at Farm Film Productions

Cape Town Central Improvement District (CCID) Annual Business Breakfast in October 2020



LOCKDOWN TIMES: OUR EVENT CALENDAR



NATIONAL CONFERENCES



2
TOTAL EVENTS



71
HIGHEST ATTENDANCE
Banking Tender Conference

NOV 2020

Tourism Marketing Conference

40

FEB 2021

Banking Tender Conference

71

FILM AND PHOTO SHOTS



15
TOTAL EVENTS



55
HIGHEST ATTENDANCE
Farm Film Strayer Commercial Shoot

SEP 2020

Always SANSA Shoot

50

JAN 2021

L'Oreal "The Sense of Purpose" TV Commercial

50

Taylor's Film Shoot

50

FEB 2021

Stock Images Still Shoot

50

Toyota Commercial

Trilogy Creative Studios

CG Project – Base Camp

50

MAR 2021

Jose Cuervo Campaign

50

Nissan Photo Shoot

20

Moonlighting Commercials

50

No Everest / Doccie Style Shoot

20

APR 2021

Farm Film Production WLP Shoot

10

Farm Film Strayer Commercial Shoot

30

Health Passport South Africa Shoot

50

International Jazz Day Shoot

15

50

20

20

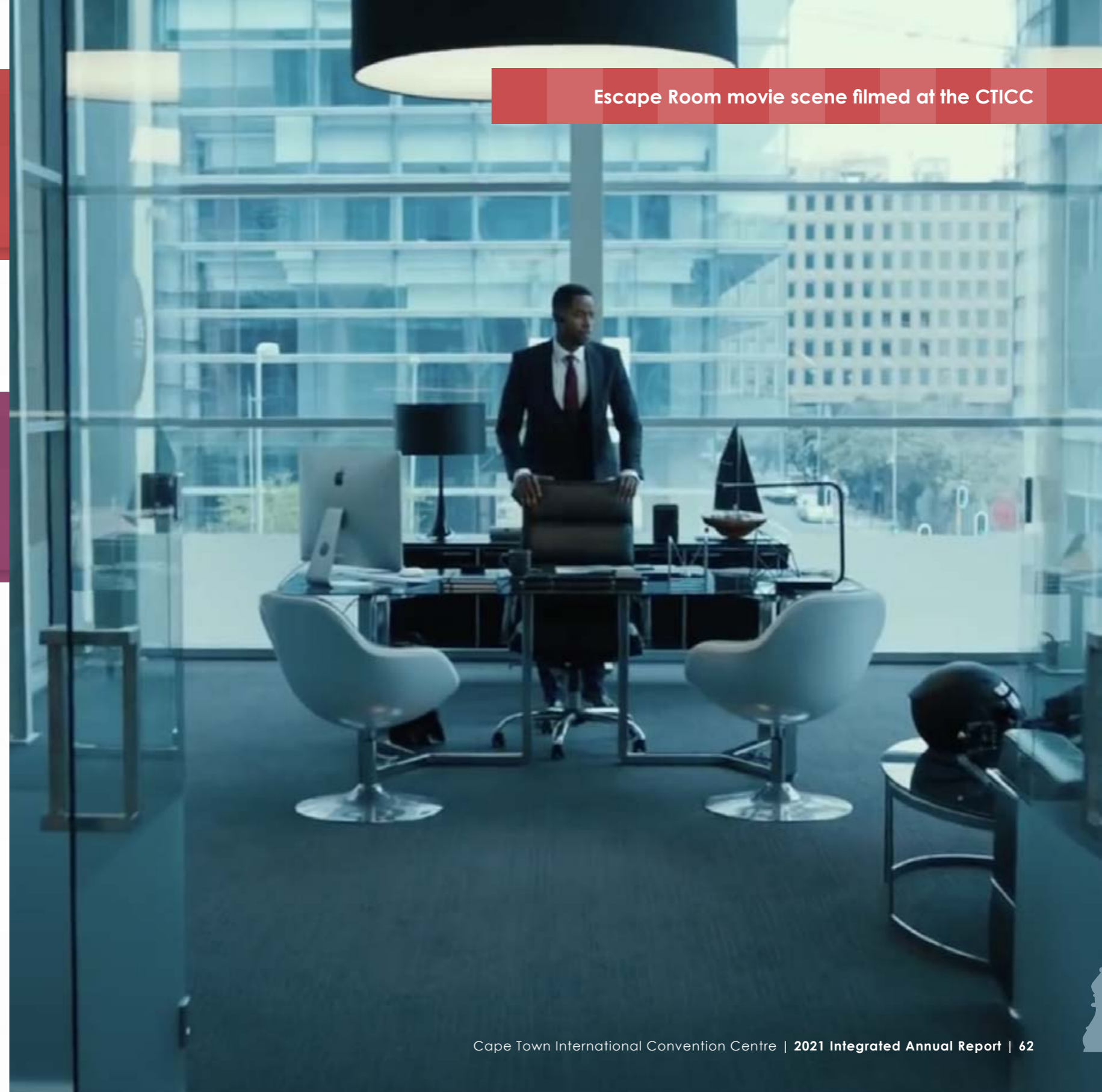
20

55

15

20

Escape Room movie scene filmed at the CTICC



Auditor-General Day Conference in October 2020



OTHER EVENTS




34
TOTAL EVENTS


610
HIGHEST ATTENDANCE
SAICA APC 2020
Examination

JUL 2020

Event Safety Council – Western Cape Regional Meeting
EVSOL Fire Evacuation Training
EVSOL Training

AUG 2020

EVSOL Training

OCT 2020

Cape Town CCID Annual Business Breakfast
Auditor-General of South Africa Day Conference
Atlantis SEZ Strategic Session

NOV 2020

Branson Centre Year-End Celebration

DEC 2020

SAICA APC 2020 Examination

MAR 2021

30 Kay Mason Foundation Scholar Social
20 SHE Rep Training
20 SRM: Workshop

APR 2021

20 SHE Rep Training

MAY 2021

70 CTT Bounce Back Plan Review and Reprioritisation
150 HIRA Training
20 KaBloom Digital Co-Working Space – Hotdesk
30 Santam Leadership Webinar
20 SHE Rep Training

JUN 2021

60 Hot Desk Office Space
6 Incident and Investigation Training
36 Incident and Investigation Training 2
100 Iranian Presidential Elections June 2021
37 Nigerian Social Committee Meeting 1
65 SHE Rep Training
15 The Western Cape Government Temporary Mass Covid-19 Vaccination Centre

BANQUETS



2

TOTAL EVENTS



50

HIGHEST ATTENDANCE
Western Cape Entrepreneurship
Recognition Awards

NOV 2020

Rasool Family Dinner	37
Western Cape Entrepreneurship Recognition Awards	50

SPECIAL EVENTS



2

TOTAL EVENTS



200

HIGHEST ATTENDANCE
Hillsong Cape Town City

MAR 2021

Spar Challenge: International Netball Tri-Nations Tournament (South Africa, Uganda and Namibia)	50
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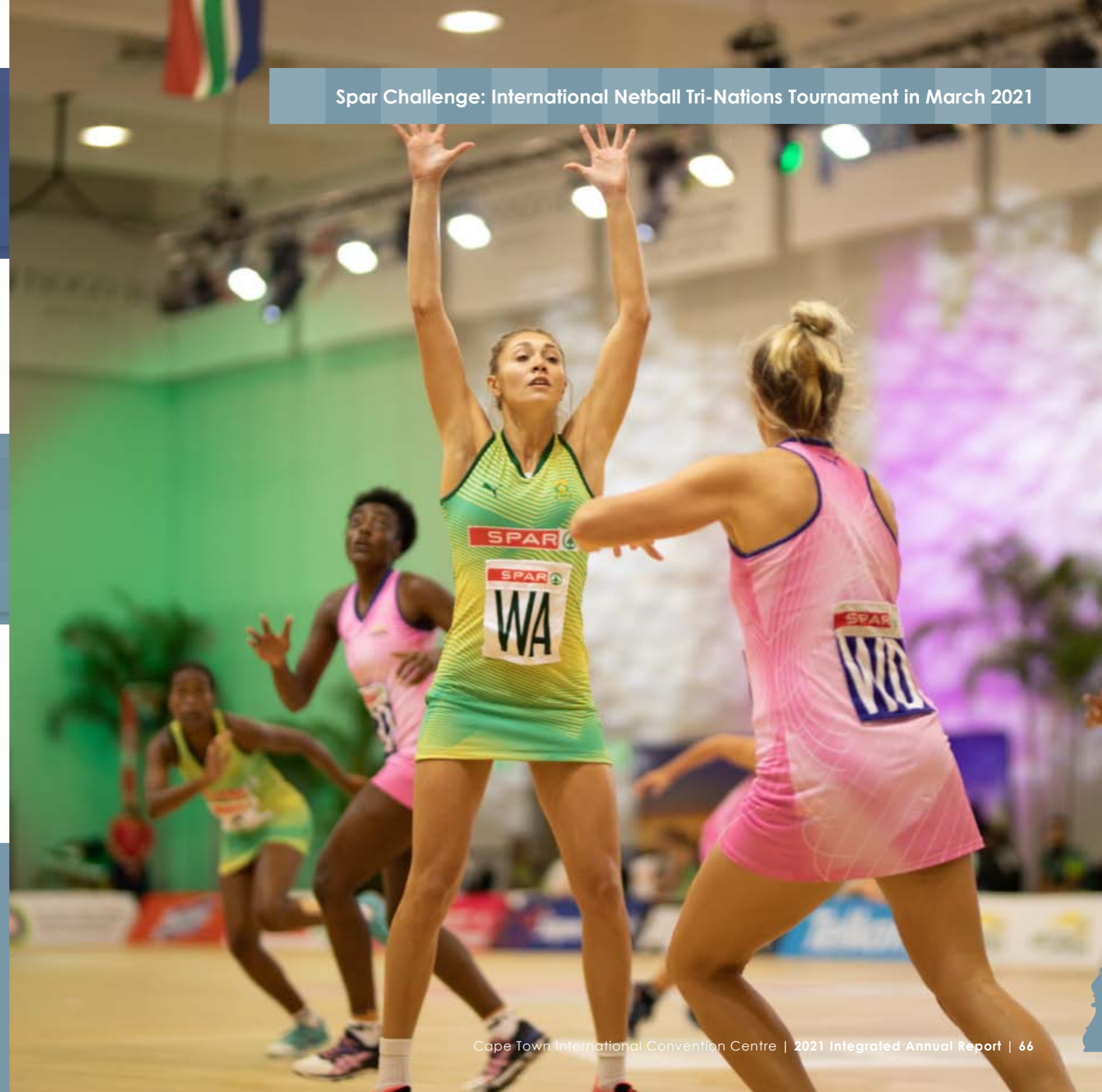
JUN 2021

Hillsong Cape Town City	200
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Promotion is a chess move that allows a player to promote or replace a pawn with a more powerful piece of the same colour when it reaches the last rank, or numbered row, on the chess board.



Spar Challenge: International Netball Tri-Nations Tournament in March 2021





THE ECONOMY



CTICC 2 with the backdrop of Table Mountain



THE ECONOMIC STORM CONTINUES

The coronavirus has continued to dampen already negative and highly volatile economic conditions in the world as a whole and South Africa in particular. Statistics South Africa's Gross Domestic Product (GDP) growth figures have ranged from -16.6% in Quarter 2 of 2020 (the period of hard lockdown) to a 13.5% GDP rebound in Quarter 3 of 2020, the first quarter of the CTICC's 2020/21 financial year under review. Since then, GDP growth has been considerably more subdued, ranging from 1% to 1.4% per quarter. But despite these gains, over the last four quarters of the CTICC's 2020/21 financial year, the economy is 1.4% smaller than before the Covid-19 pandemic, according to Statistics SA estimates.

Add to this the travel and meeting size restrictions necessary to curb the spread of Covid-19, with the consequent direct impact on tourism and events. The overall economic picture for the CTICC becomes very sobering.

Revenue and earnings before interest, taxes, depreciation and amortisation (EBITDA) were seriously affected. The only and minimal consolation was that we could better forecast the losses based on the realities of the last quarter of our previous financial year. Thus, our revenue was R52.1m, compared to R220.7m in 2019/20. In line with this, we anticipated that we would return an EBITDA loss of R137.9m in 2020/21, but we managed to reduce it to R93.7m (a 32% improvement on target).

It is particularly humbling that we said last year that we hoped to improve our earnings as the world slowly opened again. Although the vaccine allows some hope for that, it has not yet happened in South Africa.



Cape Town city bowl lit up at dusk



PANDEMIC FIGURES: THE CTICC'S ECONOMIC CONTRIBUTION

As was the case for the last quarter of the CTICC's previous financial year (March to June 2020), the CTICC remained essentially closed during the 2020/21 year under review. Small meetings of between 50 and 250 people, with all social distancing and sanitisation protocols in place, were permitted during the period, depending on the particular pandemic lockdown regulations in place at the time. Overall event and attendance figures, as well as delegate spend, declined considerably as a result.

As you will read, this directly impacted our contributions to the economy in terms of the parameters we usually measure ourselves: Gross Domestic Product (GDP) and job creation, tax, foreign exchange, household income, and tourism industry contributions declined heavily.

While the CTICC was unable to host large events (pages 39 to 66), the team utilised large parts of the centre for other services that benefited the community. CTICC 1 was transformed into the Hospital of Hope, a temporary intermediate care hospital for Covid-19 patients, during May 2020 and had cared for over 1 500 patients by the time it closed on 21 August 2020. The Vaccination Centre of Hope superseded it. The Vaccination Centre of Hope, which took six weeks to set up, opened its doors to the public on 7 July 2021. At the time of writing this report, close to 2 000 people are being vaccinated daily at the site. Other spaces within the CTICC were rented out as storage facilities.

The following pages share the findings of our independent economic impact assessment report.

MEETING OUR MANDATE: CONTRIBUTING TO OUR SHAREHOLDER GROWTH STRATEGIES

The CTICC has always supported the economic objectives of its primary shareholders, the City of Cape Town and the Western Cape Province. The City's vision of itself as an opportunity city is expressed in its intention to "create an enabling environment for economic growth and job creation, and to provide help to those who need it most". We believe this continues to reflect the way the CTICC has assisted the province's citizens in this atypical year.

are: Safe and Cohesive Communities; Growth and Jobs; Empowering People; Mobility and Spatial Transformation; and Innovation and Culture.

Moreover, our contribution to the economy links to our commitment to empower people and boost the economy. The CTICC achieves this by driving innovation, creating jobs, supporting the knowledge economy, and attracting events aligned with the trade and industry sectors. Sectors identified by the Western Cape Government as priority future growth sectors, as well as the City of Cape Town's catalytic sectors, as illustrated below:



Although harsh economic realities have affected the delivery of our contribution to these sectors in the year under review, the events we have been able to host have still taken these priorities into account (see pages 61 to 66).

CONTRIBUTIONS TO REGIONAL GGP AND NATIONAL GDP

The bulk of the direct benefit the CTICC contributes to the economy applies to the Western Cape region. Still, other provinces also benefit as international tourists travel to other parts of the country. This travel makes up what is traditionally a larger Gross Domestic Product (GDP) figure for the whole country.

For the year under review, the delegates for the events held were mainly from South Africa because of reduced international travel. For this reason, the figures are reversed: contribution to Western Cape Gross Geographic Product (GGP) is somewhat more significant than the contribution to national GDP.

In the year under review, the CTICC's contribution to the regional economy of the Western Cape, in line with the above, was R500.3m, contributing to an economy that has, in any case, contracted over the year in review.

GDP is the total value of all final goods and services produced in the country as a whole. It is the figure quoted by Statistics South Africa when measuring economic growth, as mentioned at the beginning of this section. It is a primary measure of the economic quality of life of all South Africans. It is also the most comprehensive measure of the CTICC's macroeconomic contribution. This year's contribution to national GDP, based on the multiplier effects of induced tourism and direct and indirect job creation, was R439.3m.

CONTRIBUTION TO JOB CREATION

In times of economic stress and high unemployment, which many countries continue to experience due to the pandemic, our contribution to job creation remains a vital economic input.

A total of 956 people were employed across South Africa through our economic contribution and we created or sustained 1 239 jobs in the Western Cape in 2020/21. The higher employment figures for the Western Cape are owing to the higher regional delegate numbers.

CONTRIBUTION TO HOUSEHOLD INCOME

Increasing household income is likely the most crucial contribution the CTICC can make in the face of rising unemployment and economic contraction, where many households battle to make ends meet. We contributed R78.5m to household income in the 2020/21 financial year compared to R975.1m in 2019/20.

CONTRIBUTION TO TAX

Our contribution to the South African fiscus forms part of our economic contribution towards national spend on housing, health, education and transport infrastructure – which benefits all South Africans. Our contribution comprises PAYE on payroll, corporate taxes, and VAT on direct spend. The total tax contribution for the 2020/21 year is projected to be R28m compared to R347.8m in the 2019/20 financial year.

CONTRIBUTION TO FOREIGN EXCHANGE EARNINGS

International delegates and visitors to the Western Cape traditionally contribute to foreign exchange earnings, but this contribution has considerably reduced this financial year due to pandemic travel restrictions. Limited visitors brought in an estimated net total foreign exchange income of R1m in 2020/21, compared to R603.2m in 2019/20.

CONTRIBUTION TO THE TOURISM INDUSTRY

Events hosted at the CTICC generated 4 594 additional room nights in the Western Cape and 4 601 additional room nights in South Africa for the year under review compared to 402 355 and 411 113 rooms in 2019/20. The reduced number of international delegates to South Africa affected this number. The primary beneficiaries of the additional room nights are the accommodation, retail and food and beverage sub-sectors.

Graph 1: Contribution to the South African GDP and the Western Cape GGP in 2020/21



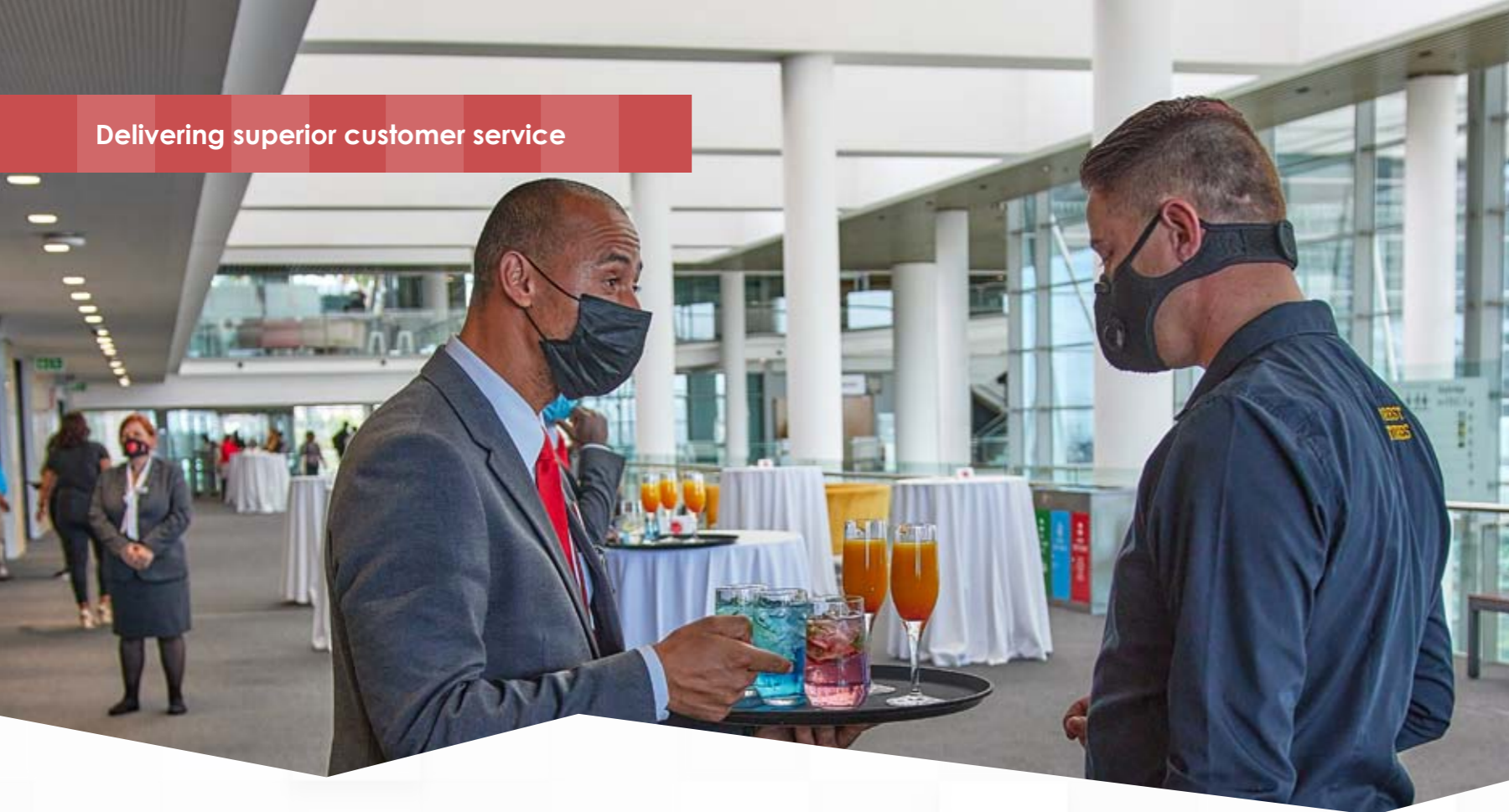
Graph 2: Number of employment opportunities created/sustained by the CTICC in 2020/21



 **4 594**
Room nights generated in Western Cape

 **4 601**
Room nights generated in South Africa

Delivering superior customer service



BEATING OUR BENCHMARKS: KEY PERFORMANCE INDICATORS

The Key Performance Indicators (KPIs) are agreed between the CTICC and the City of Cape Town to ensure 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 and matches the objectives and strategies of our shareholders. The KPIs inform our overall performance and the roles, goals, and performance assessment criteria of each department, team, and the individuals who work with us, including our service partners.

The KPIs were revised and agreed with the Board in December 2020, and these revised targets are reflected in the first column, with the actual KPIs achieved in the second column. We reached or exceeded many of our KPIs, despite an extremely tough economic environment.

Category	Measurement	Target 2020/21	Actual 2020/21
International events	Number of international events hosted compared to annual budgeted target	0	0
Total events hosted	Number of events hosted compared to annual budgeted target	28	53
Human Capital Development	Percentage of annual total salary cost spent on training of permanent and temporary staff	3%	3%
Customer Centricity and Service Excellence	75% of minimum aggregate score for all CTICC internal departments and external suppliers	75%	91%

Category	Measurement	Target 2020/21	Actual 2020/21
Supply Chain Procurement from B-BBEE Suppliers measured in terms of the B-BBEE Act	Percentage spend not lower than 60%	60%	88%
Student Programme: Contribution to Youth Employment and Skills Development	Number of student opportunities provided	4	5
Graduate Programme: Contribution to Youth Employment and Skills Development	Number of graduate opportunities provided	5	5
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	75%	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 (Loss)	Percentage achievement of annual budgeted operating profit (loss)	100%	68%
Capital Projects	Percentage of the total number of capital projects for the year completed or committed	95%	96%
Capital Expenditure (CTICC 2 Expansion Programme)	Percentage of total capital expenditure spend	100%	100%
Governance			
External Audit Report	Clean audit report	Clean audit	Clean audit
Minimum Competency Level	Number of senior managers registered for MFMA Competency Course	7	15
Financial Ratios			
Ratio of Cost Coverage maintained (RCC)	Total cash and investments, less restricted cash for monthly operating expenditure	0 times	1.9 times
Net Debtors to Annual Income (ND)	Net current debtors divided by total operating revenue	9%	0.1%
Debt (Total Borrowings) to Annual Operating Revenue (DC)	Total annual operating revenue divided by total debt	0%	0%

Client CRM social event in June 2021



SUPPORTING OUR PARTNERS THROUGH TOUGH TIMES: OUR SMME SERVICE PARTNERS

Promoting transformation forms part of the CTICC's mandate and our KPI performance targets. Total procurement spend with B-BBEE owned businesses was R130m compared to R211m in the 2019/20 financial year. That spend with B-BBEE service partners, as measured in terms of the B-BBEE Act, amounted to 88% of the total procurement spend, compared to 80% in 2019/20.

This improvement is due to the reduction in spend brought about by the Covid-19 pandemic.

In terms of spending on Small, Medium and Micro Enterprises (SMMEs), this segment represented 43% of our total procurement spend in 2020/21 against 52% of the total spend during the 2019/20 financial year.

PROGRESSING LOCAL BUSINESSES IN THE WESTERN CAPE

Where possible, we use local service partners, provided they meet the Municipal Finance Management Act (MFMA) regulations and our competitive pricing requirements. We define local service partners as those businesses or organisations located in the Western Cape. During the 2020/21 financial year, the total spend on locally-based service partners was R119.2m, compared to the R230.9m spent in the previous 2019/20 financial year. Despite the lower spend, this still represents 80.7% of our total procurement spending for the year under review. This is a 6.8% decline in percentage spend due to fewer events hosted over the financial year, which impacted procurement.

PROMOTING GENDER EQUALITY THROUGH WOMEN-OWNED ENTERPRISES

Gender equity may be constitutionally legislated in South Africa, but the lived reality is often different. This informs our focus on supporting women-owned enterprises. Total procurement spend with women-owned enterprises rose to 44% compared with 42% in the previous financial year. This has increased from 29% in 2016/17.



R130m

Total procurement spend with B-BBEE owned businesses
Compared to R211m in 2019/20



44%

Total procurement spend with women-owned enterprises
Compared to 42% in 2019/20

OVER A DECADE OF SERVICE EXCELLENCE: SIYAFIKA COMMUNICATIONS

Siyafika Communications is a 51% black woman-owned advertising agency specialising in the placement of recruitment, legal notices and tender advertising. It was born out of the consolidation of Siyafika Recruitment Advertising and Siyafika iKapa in 2012.

Siyafika Communications first started placing adverts on behalf of the CTICC in its Siyafika iKapa days in 2011. To this end, they have enjoyed a decade of association with the centre as a preferred supplier, who placed adverts on an ad hoc basis with Siyafika until recently. With the CTICC as a regular and consistent anchor client, the agency was able to grow its fledgling SMME business substantially.

Siyafika has always given back to the communities they serve, traditionally supporting disability associations and educational institutions by doing pro bono work in these spheres.

In June 2020, they were extremely grateful to be awarded a formal two-year tender advertising contract by the CTICC. To be listed as the official service provider of advertising services to the CTICC, an organisation of stature and reputation, has been very beneficial to them as a company, especially from a new business development point of view.

The Covid-19 pandemic and the resultant knock to the economy has meant that business has slowed. As an SMME, the agency's staff were placed on short-time for the initial period and, in response to the Government's call to facilitate social distancing, they have also been working remotely.

They have shown past advertising expenditure received from the CTICC, compared to recent lower pandemic-period spending, to motivate for extended Temporary Employer Relief Scheme (TERS) grant assistance. This has thankfully resulted in the extension being granted.

Despite the trying times, they have continued to have a very good working relationship with the CTICC and believe they have maintained the same level of efficiency and professionalism the centre has come to expect.



51%
Black woman-owned advertising agency



2011
Started placing adverts on the behalf of the CTICC



2020
Awarded a formal tender advertising contract

"We sincerely hope that, going forward into a more promising tomorrow, we can maintain the growth trajectory made possible by the business support from loyal and supportive clients such as the CTICC." – Yvette Brights, CEO.

Jack Bensch, Siyafika Chief Operating Officer



Mark Bastiaans, Matrix Advertising & Communications Chief Executive Officer



KEEPING THE IMPOSSIBLE POSSIBLE: MATRIX ADVERTISING & COMMUNICATIONS

Matrix Advertising & Communications is a Level 2 B-BBEE agency that turned 20 in 2021, which makes them a truly 21st-century business. Two decades is a long time in advertising: a testament to their ability to move and change, whatever the conditions.

They were appointed to the CTICC account in 2019, winning the tender to do their annual report. Since then, they have turned out two top-quality annual reports and you will find this case study in their third.

The benefits of working with the CTICC have been numerous:

- 1) Through their appointment, they have met amazing people and got to work with some of the most passionate and dedicated CTICC staff;
- 2) It has been a great opportunity to partner with one of the Cape's premier business icons;
- 3) The work they have done for the CTICC has enabled them to win other clients, for which they are very grateful;
- 4) The CTICC has enabled the agency to survive the pandemic; and
- 5) In their own words: "It's obviously an excellent client name to drop at a braai!"

From this, you can tell that they don't take life too seriously, which is an essential quality for an agency working with 24/7/365 clients like the CTICC. More seriously, the contract with the CTICC has played a significant role in keeping staff employed during the pandemic. In addition, the often-tight timelines have allowed them to contract out work, contributing in a small way to job creation.

Corporate Social Responsibility (CSR) has always been important to Matrix Advertising, which is why they have an orphanage in Paarl on their books as a pro bono client; but their involvement with CSR projects is more likely to be through their existing clients and, perhaps in time, in connection with the CTICC's Local Community Partners (LCPs).



making the impossible **POSSIBLE**



Level 2
B-BBEE advertising agency



20 years
Servicing clients



2019
Won the tender to produce
the CTICC's Integrated Annual
Reports

"We hope the CTICC features in our future and look forward to seeing where our relationship with the CTICC takes us – so far, it's been a fun ride!" – Mark Bastiaans, CEO.

EXPANDING A FAMILY BUSINESS WITH THE HELP OF THE CTICC: NEW ERA JOINERY

New Era Joinery is a Cape Town-based Level 1 B-BBEE family business that goes back three generations. It was originally founded as Crawford Joinery Works by Isaac Harris and produced timber doors and window frames. It was renamed New Era Joinery when Isaac's son, Zariel Harris, bought the business from his father. The current director of the business is Tashriq Harris, Isaac's grandson, who is a qualified Quantity Surveyor, and has expanded the business into building works under the auspices of New Group Joint Venture. So this is truly a local family business.

New Era Joinery started working with the CTICC in November 2019 and is one of the panel members on the CTICC's general building tender contract. Before the pandemic hit, there was a steady flow of work coming into the business from the CTICC, which resulted in its expansion and increased turnover, as well as the employment of more staff. The work commissioned also allowed the existing staff to grow their skills and experience. Furthermore, their CTICC work helped them win more construction-based contracts.

Covid-19 itself did not change the nature of their work, as they are a construction-based business, but health and safety protocols have been put in place. The pandemic's effect on the construction sector has, however, slowed the business down.



Level 1

B-BBEE family business



Nov 2019

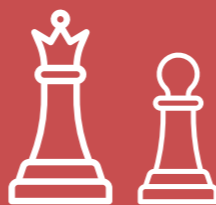
New Era Joinery started working with the CTICC



Panel members on the CTICC's general building tender contract

"New Era Joinery hopes to expand into additional construction and property development markets. And, of course, we hope to continue working with the CTICC as well." – Tashriq Harris, CEO.

The Queen's Gambit is one of the most common chess openings and involves the light square player sacrificing (the "gambit") a queen-side pawn (the "queen") so that it can secure control of the centre of the board. This puts pressure on the opponent or forces them to play in a cramped position.



Roshan Khan, New Era Joinery Production Manager



Our new wheelchair lift



BELIEVING IN A MORE PROMISING TOMORROW: CAPITAL EXPENDITURE PROJECTS

Despite the necessary focus on cost containment this year, we have continued to commit to concluding several already existing projects and some essential expenditure related to the difficult trading conditions we are experiencing.

Carry-over projects from the previous financial year included the following:

- CTICC 1 operable walls upgrade to improve configuration flexibility;
- CTICC 1 completion of retiling project, including the Gallery;
- CTICC 1 installation of a wheelchair lift for improved accessibility;
- CTICC 1 installation of heat pumps to upgrade our ageing boilers for energy savings;
- CTICC 1 replacement of wood cladding;
- Replacement of end-of-life point of sale tills and parking garage LED screen;
- Phase 1 upgrade of the CTICC 1 Building Management System to a Tridium Platform.

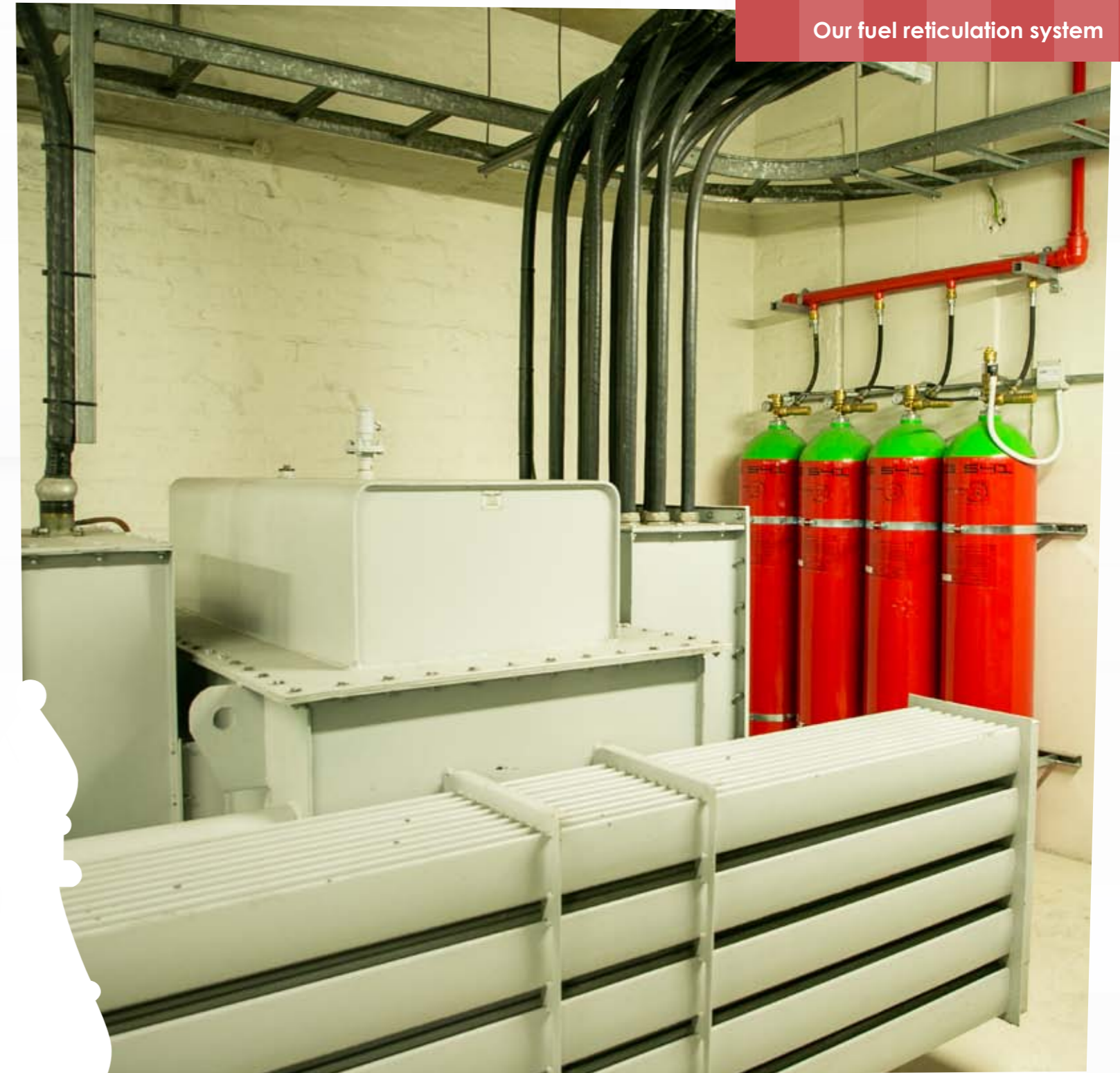
New essential projects rolled out during the 2020/21 financial year:

- Point of sale licensing and warranty for hardware and software;
- A disaster recovery site infrastructure upgrade;
- The raising of disabled toilets to the appropriate regulated height in CTICC 1;
- The redesign of fuel reticulation systems to meet zoning legislation for substation 2 at CTICC 1.

Projects that have been held off due to Covid-19:

- Hall roof replacement in CTICC 1;
- Traffic calming around CTICC 1;
- Wayfinding static signage;
- Parking bay indicator systems;
- Wireless and USB power charging stations;
- Additional power to support emergency lighting in CTICC 2;
- A smoking area for the Mountain View Terrace in CTICC 2;
- Phase 1 of the CTICC 1 refrigeration plant upgrade.

Our fuel reticulation system





OUR COMMUNITY PARTNERSHIPS



Commemorating International Day of Older Persons in October 2020



ENABLING OUR COMMUNITIES TO FLOURISH

The CTICC is committed to its role as a responsible corporate citizen and has always encouraged the development and support of local communities. Since it opened its doors in 2003, it has always taken its role in the community seriously.

The CTICC works with each of our community partners to build a better tomorrow for communities through promoting tangible and incremental change. Each LCP benefits from our community-based initiatives during the year, as do several other causes that we consistently support.

The CTICC's Local Community Partner (LCP) Programme is at the heart of the CTICC's community upliftment in Cape Town and the Western Cape.

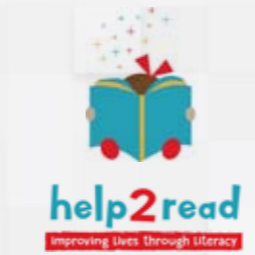







SELECTING OUR LOCAL COMMUNITY PARTNERS: A STAFF-DRIVEN PROCESS

The 2017-2020 LCP contracts concluded during the year in review, and the process to select new LCPs for 2021-2023 began in the second quarter of 2020. Through a staff-driven nomination process, the centre's LCPs are chosen, with staff suggesting community organisations they believe could benefit from a partnership with the CTICC. An internal staff mailer asked for online nominations, and 29 nominations were received.

In 2021, three new partners were chosen, primarily due to their job creation and education focus. The CTICC will assist them with skills exchange, venue sponsorship, catering, and other donations over the next three years.

Nominated organisations were then asked to apply and motivate why a partnership with the CTICC would benefit them. The centre's Nurture Our World (NOW) team evaluated each of the qualifying 17 organisations against a set of criteria. The team then reviewed the top ten organisations' financial statements. A report was compiled based on the cumulative scoring, financial information and evaluation process. The team then presented the report to EXCO for final review.

The Foundation for Alcohol Related Research (FARR) remains a long-term partner, and the CTICC will continue to assist them with venue sponsorship.

Our new LCPs	Our ongoing commitment	Out outgoing LCPs
  	 	  

INTRODUCING OUR NEW LOCAL COMMUNITY PARTNERS: CALL 2 CARE, HELP2READ AND IKHAYA LE THEMBA

Our new Local Community Partners (LCPs) are listed below, together with a welcoming statement of gratitude and intention from each organisation:

Call 2 Care is a Cape Town-based non-profit organisation that supports existing Corporate Social Investment (CSI) projects by linking those in need with those who can help them – businesses, government, and the general public.

They deliver sustainable outreach initiatives through a wide variety of community-supporting events, partnering with and benefiting under-resourced communities.

“We at Call 2 Care are humbled and honoured to have the CTICC as our community partner. This partnership is an incredible opportunity to collaborate with the CTICC in several different initiatives over the next three years. Together, we can make a considerable impact and difference in the Western Cape.

Call 2 Care is involved in a range of communities and has many beneficiary partners. We call the communities and sites we support ‘beneficiary partners’ because we are there as an external entity to support any community project we are involved in.

We are looking forward to what is ahead and working alongside the CTICC to make a significant difference to our community. We thank you for the opportunity of partnership and appreciate the ongoing support.”

Alexandryna Audagnotti, Call 2 Care Founding Managing Director

Call 2 Care



help2read

help2read, founded in 2006, targets underprivileged primary schools across South Africa, providing children who struggle to read with one-on-one support. The gift of literacy can transform a life, a community and even a country. When a person can read, they can get the most out of their education, which can lead to securing a job and breaking the cycle of poverty.

“help2read is extremely excited about being a CTICC LCP, and we are very much looking forward to working with you over the next three years. Already in 2021, we were blown away by the incredible stationery donation that the CTICC made to our organisation for our Literacy Tutor Programme in the Western Cape. Donations such as this allow us to provide quality reading support to children in need.

We can achieve a long-term impact through partnerships with like-minded businesses driven by a desire to engage with under-resourced communities and create opportunities. The professional skills, influence, and guidance that the CTICC can offer us will substantially impact our organisation in terms of fundraising, skills improvement, income generation, and awareness creation. We are incredibly grateful for this opportunity.”

Nikki Knowler, help2read Business Development Manager

Call 2 Care



iKhaya le Themba

iKhaya le Themba is a non-governmental organisation (NGO) that empowers communities by providing holistic support to families and children. Founded in 2004, iKhaya le Themba operates from a purpose-built campus in the informal settlement of Imizamo Yethu, Hout Bay. Its services include its core strategy of education mentoring and home-based care, community pantries, urban farming, and skills development. Despite its almost identical name, iKhaya le Themba is not linked to our outgoing LCP, iKhaya le Themba.

“On behalf of our iKhaya staff, students, parents, and Board, we are all very excited to be chosen as one of the CTICC’s LCPs! Thank you!”

Our experience with our core strategy as education mentors has taught us that students remain in school when they have hope for their future and can imagine purposeful careers that maximise their talents. We have discussed the idea of a career day at the CTICC for our grade seven class, which will be a brilliant opportunity for the students.

Through our combined efforts, we hope to see the transformation of a community with young, new visionary leaders impacted positively by how the CTICC is collaborating with iKhaya. We are very excited to see how we can create shared value together.”

Susan Hill, iKhaya le Themba Director



Foundation for Alcohol Related Research (FARR) receiving our teddy bear donation



OUR ONGOING COMMITMENT TO OUR LONG-TERM LOCAL COMMUNITY PARTNER: FARR

The Foundation for Alcohol Related Research (FARR) continues to do vital work with Western Cape communities affected by foetal alcohol spectrum disorder (FASD). FARR is dedicated to building positive futures in South African communities by significantly reducing birth defects caused by alcohol consumption during pregnancy. The CTICC has been in partnership with FARR since 2012, predominantly through sponsoring the venue for its AGMs and through donations and activations over that time.

Dr Leana Olivier, FARR Chief Executive Officer, shares some of FARR's most memorable moments working with the CTICC over the years.

"For the past nine years, FARR has had the privilege of being associated with the CTICC as a community partner. The relationship has evolved organically over the years, starting as an expression of caring and support from the CTICC staff members and blossoming into a longstanding relationship. It is hard to capture all the ways in which we have engaged with the CTICC and to put a value on the support we have received."

The "FARR parties" 2014-2019

The FARR AGMs are an essential vehicle for their organisational growth and networking. Potential sponsors often attend their AGMs to see what they are all about before coming onboard.

"We strongly believe that funding entrusted to FARR should always be used to the direct benefit of our stakeholders and clients. This approach means that FARR does not spend money on window dressing. It is, therefore, thanks to the generosity of the CTICC that our yearly AGM has become known as the 'FARR party'. We have been able to host professional and elegant events with the support of the CTICC staff and through their very generous donation of the venue. It is truly impossible to put a monetary value on this support," said Olivier

The Wolseley and West Coast Projects: 2014 to date

From 2014 onwards, the CTICC has supported FARR with its Wolseley and West Coast projects. When the Wolseley project closed, the CTICC assisted with their early childhood development (ECD) intervention on the West Coast.

Our focus has always been a holistic approach to developing and assisting communities.

"We had a particularly close relationship between the CTICC staff and our project in the Wolseley area. We will never forget the teddy bears we were given to hand out to the children in our community in 2014. These teddy bears brought unbelievable joy to the disadvantaged children who received them. And then, with the closure of the Wolseley project, the CTICC supported our ECD centre on the West Coast with a donation of school supplies and teddy bears to the children in the preschools we worked with," she said.

Support through the pandemic and beyond

Over the years, as the CTICC has identified opportunities for activism and support, FARR has been a frequent beneficiary.

"Since the start of the Covid-19 pandemic, we have received soap and hand sanitiser for our offices, as well as masks and soap for our clients. We have also been given food to distribute to clients in need. The CTICC was one of the first corporates to provide food support to disadvantaged communities, way ahead of others."

We also want to acknowledge the CTICC's contribution to the fight against the Covid-19 virus. Family and friends of some of our colleagues were hospitalised at the Hospital of Hope, the facility that the CTICC very generously and bravely provided for much-needed support during desperate times. We also applaud the CTICC for opening a vaccine site where we have referred many community members, friends, and family for vaccinations."

We acknowledge that this was (and still is) done during unpredictable times amid a severe economic recession, undoubtedly having a massive impact on the CTICC. We can genuinely say that the CTICC is setting an outstanding example of community care and support to all – and that very much includes their ongoing commitment to FARR as a proud and grateful partner," Olivier said.

SALUTING OUR OUTGOING LOCAL COMMUNITY PARTNERS

We wish our previous Local Community Partners (LCPs) well in their work and thank them for their partnership in realising our community commitment. We also thank them for their kind words, which you can read below.

Ikhaya le Themba's primary focus is providing community development services to vulnerable children and families in South Africa. This includes home-based care for terminally and chronically ill patients, orphans and vulnerable children, youth development, support for the vulnerable, as well as poverty alleviation through their community pantry.

“If I only had one word for our partnership with the CTICC, it would be 'relevant'. Your interventions over the years have been empowering and appropriate. One event that stands out was the Youth Day rally held at the centre, which our youth attended. This event was spoken about for many months – it was a complete spoil for us!

Your assistance with various initiatives regarding 16 Days of Activism Against Abuse of Women and Children was close to my heart. I saw the impact on the women and children who attended these events. Thank you so much!

Practically, providing supplies for our food kitchen as food security made a huge difference – especially during last year's lockdown. We have found our interaction with you as an organisation to be friendly, organised and fun! I think, most of all, we are so grateful for the help you have given to those who need it most.”

Theresa Richardson, Ikhaya le Themba Director

An Ikhaya le Themba activation in November 2019



A Journey of Enrichment event in April 2018

Journey of Enrichment originally started as a feeding scheme in Cape Town's Bo-Kaap community, and their vision is to Feed the Body, Enhance the Mind and Empower the People. This encompasses more than food security, allowing the organisation to uplift communities and restore dignity through outreach projects, education and sport.

“Our partnership with the CTICC has been nothing short of uplifting and rewarding. Through every step of our relationship, we only experienced a genuinely caring concern for our work. It is always a pleasure interacting with the representatives of the CTICC – they embody utter professionalism with hearts to match.

The CTICC helped us extend our reach and engage in some initiatives that we may otherwise not have been able to. The two most memorable times were the 2018 Africa Day Activation with Mitchell's Plain Primary School and the CTICC's 15th birthday. We invited kids from the same school to engage and enjoy treats and activities that they would usually never get to do.

We also valued the invitations to AGMs, events and the launch of CTICC 2, to name just a few. These invites allowed us to network with other organisations and companies and learn about the excellent work being done in our city.

Thank you for always finding ways to support us. We know that future LCPs will benefit from a partnership with the CTICC, and we wish you every success in your business and your acts of service to communities in Cape Town and beyond.”

Tasneem Abrahams, Journey of Enrichment Treasurer



Celebrating World Water Day with Mothers Unite in March 2019

Mothers Unite provides a positive environment for children in the Lavender Hill and Seawinds communities by providing nutritional, educational and emotional support, and positive alternatives to anti-social behaviour. It seeks to achieve this through interventions and programmes guided by mothers from a community challenged by poverty, crime, gangsterism and drugs.

“Mothers Unite has benefited greatly from working with the CTICC and the assistance has been truly invaluable. The CTICC has always gone above and beyond for Mothers Unite. We will always be so appreciative of all the World Water Days, Youth Days and Mandela Days, as well as donations of materials, such as wood, planks and boards, for our community to fix their homes. Thank you, too, for getting contractors to do maintenance on our shipping containers and fixing up our facilities, including our toilets. Finally, we'd like to express our gratitude for assisting in exposing the registered children at Mothers Unite to a world beyond Lavender Hill through exciting excursions. You also gave our Nissan van a much-needed makeover! We'll always be eternally grateful to the CTICC. We can't thank you enough.”

Ricardo Kleinsmith, Assistant Operations Coordinator: Mothers Unite

Abalimi Bezekhaya is a development organisation that promotes small-scale urban farming. They partner with active members of the community to aid with greening, growing and bettering their communities. Abalimi develops farmers and partners with people who understand the need to source small and local to build a better community food system.

“Abalimi has been working in happy partnership with the CTICC for many years. The CTICC has mainly been involved in activations, where CTICC staff come and help in the township gardens on Mandela Day each year. They have also donated furniture and have always provided space for us at the CTICC for expos, workshops or conferences.

Furthermore, the CTICC restaurant regularly bought fresh produce from our township farmers and used it to cook wonderful dishes for its menu – the Executive Chef even created a salad called the Harvest of Hope salad!

Recently, for World Water Day, the CTICC helped Nomonde Educare in Khayelitsha with grow boxes, a rainwater collection tank and watering equipment for them to use to grow fresh vegetables to include in their kids' lunches.

Mrs Lungiswa Yokwana, the gardening teacher, has also organised to have the area around their grow boxes dug over and plans to extend her gardening initiative into this area.”

Rob Small, Abalimi Bezekhaya Resource Mobilisation Support



Mandela Day activation with Abalimi Bezekhaya in July 2018

Abalimi Bezekhaya's Harvest of Hope

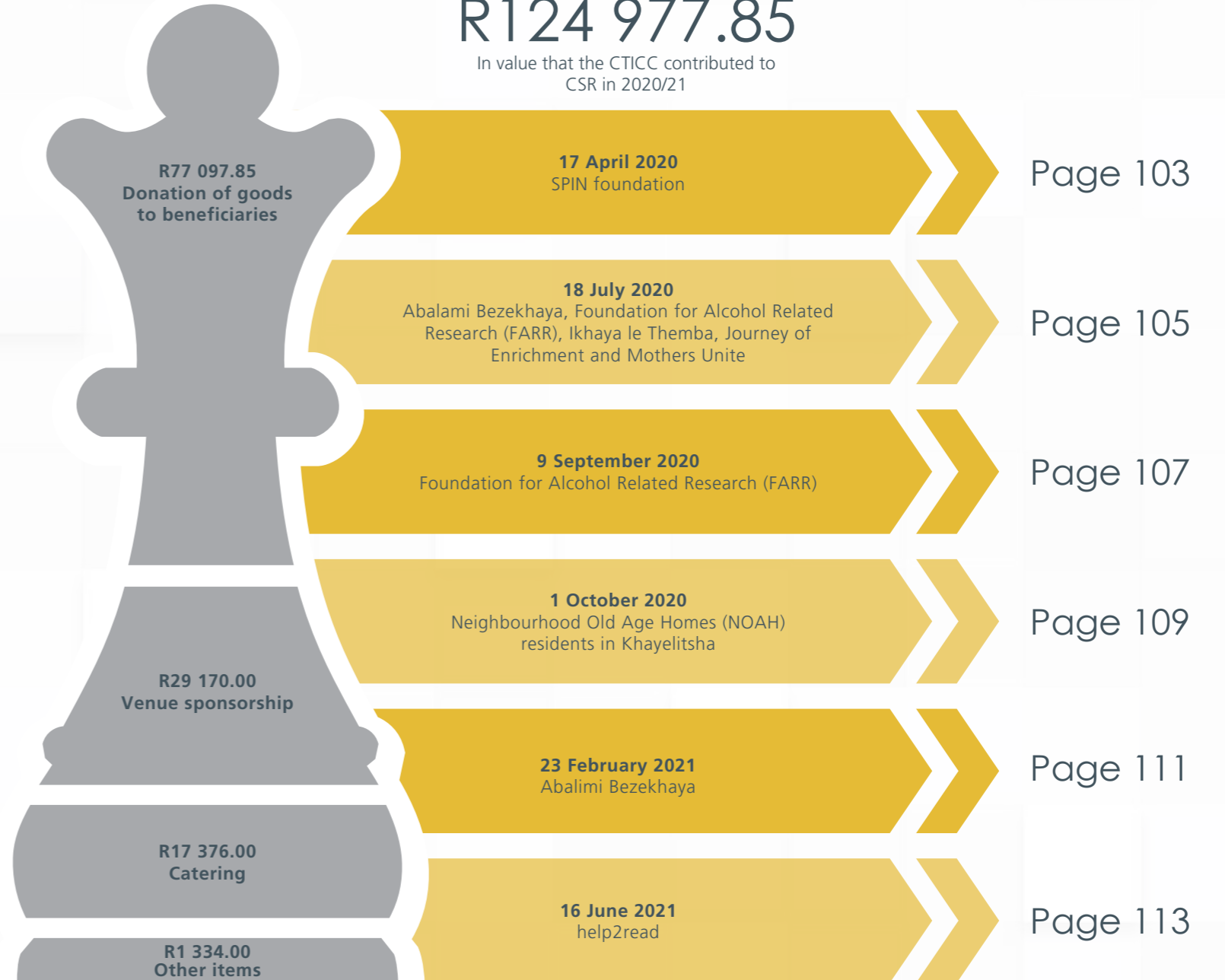


OUR COMMUNITY SPEND FOR THE YEAR IN REVIEW

We have committed funds and venue sponsorship value totalling almost R125 000 in the year under review. These funds and sponsorship have been shared with our outgoing Local Community Partners (LCPs) and our incoming LCPs. The support, donations and activations are listed and described below.

R124 977.85

In value that the CTICC contributed to CSR in 2020/21



VENUE SPONSORSHIPS: PROVIDING PLATFORMS FOR COMMUNITY ORGANISATIONS TO PROSPER

SETTING THE STAGE FOR INTERNATIONAL JAZZ DAY 17 APRIL 2021



Institution supported:
SPIN foundation.



Objectives:
To shoot a video showcasing South African jazz around the world in recognition of International Jazz Day 2021.



Needs analysis:
The SPIN Foundation needed a location to shoot the video, and the CTICC's Mountain View Terrace fit the bill.



Event response:
In 2011, the Herbie Hancock Institute of Jazz, a non-profit organisation (NPO) dedicated to using jazz music as an instrument of global peace, was mandated by The United Nations Science Education and Culture Organisation (UNESCO) to establish International Jazz Day. In 2012 this project was launched worldwide, with Cape Town as one of the showcase destinations, recognised for its jazz culture through its leading International Jazz Festival, hosted annually at the CTICC.

UNESCO Director-General Audrey Azoulay noted that International Jazz Day in South Africa is a "recognition of South Africa's strong commitment to cultural diplomacy through a high degree of creativity and an outstanding diversity in its programming, supported by a large network of partners." The CTICC was happy to assist in the showcasing of our South African talent.



Outcomes:
The video was broadcast from the UN Headquarters in New York to jazz lovers across 165 UNESCO territories and continents on 30 April 2021. This day is intended to raise awareness of the potential of jazz as an educational tool and a force for empathy, dialogue and enhanced cooperation among people. South African vocalist, trumpeter and musical director Mandisi Dyantyi, saxophonist Buddy Wells, pianist Lonwabo Mafaniz, drummer Kevin Gibson and bassist Steve De Souza featured in the 2021 International Jazz Day Virtual Global Concert, which was viewed by over five million people worldwide.

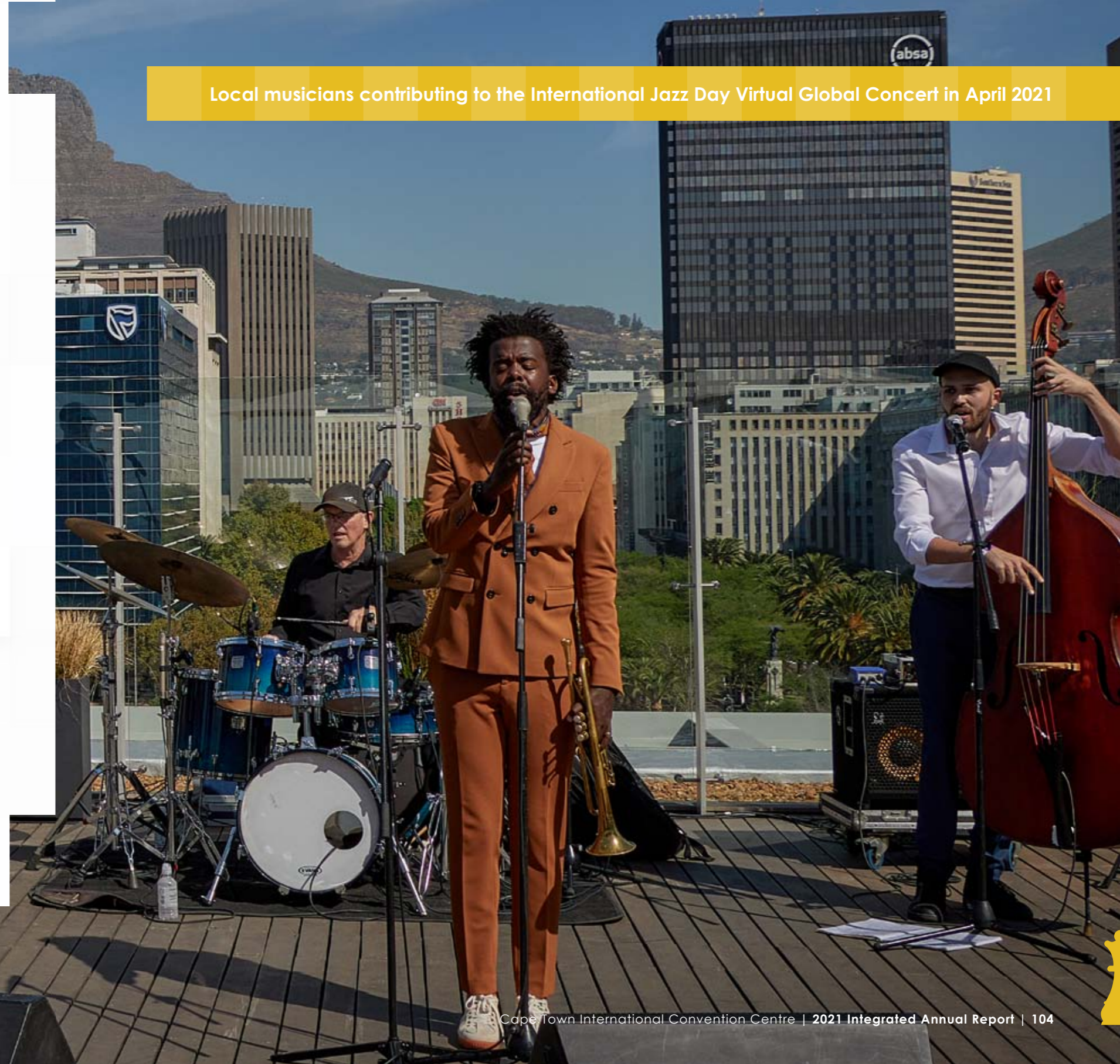


Broadcasted to
165 UNESCO territories
and countries



International Jazz Day
30 April 2021

Local musicians contributing to the International Jazz Day Virtual Global Concert in April 2021



COMMUNITY ACTIVATIONS: NURTURING SUPPORTIVE PARTNERSHIPS

MAKING A DIFFERENCE ON MANDELA DAY

18 JULY 2020



Institution supported:

Abalami Bezekhaya, Foundation for Alcohol Related Research (FARR), Ikhaya le Themba, Journey of Enrichment and Mothers Unite.



Objectives:

To provide essential food and sanitation supplies for our Local Community Partners (LCPs) during the Covid-19 pandemic.



Needs analysis:

Due to the pandemic, an LCP needs analysis was conducted, and the five LCPs requested non-perishable food, masks, and hand sanitiser. FARR specifically asked for a nutrient-rich porridge.



Event response:

Mandela Day is celebrated on 18 July each year to commemorate Nelson Mandela’s birthday. For this activation, we worked with all five of our LCPs to assist their respective communities in response to the Covid-19 pandemic and subsequent national lockdown.

The CTICC donated pantry staples to Ikhaya le Themba, Journey of Enrichment (JOE) and Mothers Unite to aid their food distribution projects. Hot chocolate and cookies were given to JOE to assist with their CUPPA JOE activation at the Culemborg safe space in the city centre. We donated nutrient-rich porridge to FARR to be used at their centres for learners who were diagnosed with foetal alcohol spectrum disorder (FASD) and/or other developmental delays. For Mandela Day, Mothers Unite had a target of distributing 6 700 face masks to every person in their community, and we donated face masks to help them reach this goal. Masks were also given to Abalami Bezekhaya to distribute to their farmers, volunteers, and community members who purchase gardening resources from them.



Outcomes:

Food security is a historical issue in South Africa, which the Covid-19 pandemic has exacerbated. The food donations helped provide nutrition to vulnerable individuals – this improved food security in communities that are often food insecure. The homeless individuals who received the hot beverages and food at the CUPPA JOE activation were provided with some comfort and warmth during winter. Companies sponsoring FARR’s enriched porridge scheme were no longer able to do so due to the national lockdown, so the CTICC’s donation helped feed these children. The donated masks helped improve access to better health and sanitation in the impoverished communities where the donations were received.



Pantry staples donated to Ikhaya le Themba, Journey of Enrichment and Mothers Unite



Hot chocolate and cookies were given to Journey of Enrichment for their CUPPA JOE activation



Donated nutrient-rich porridge to FARR



Providing essential pantry staples for the Mandela Day activation in July 2020

SUPPLYING SANITISATION SUPPORT ON INTERNATIONAL FOETAL ALCOHOL SPECTRUM DISORDER AWARENESS DAY 9 SEPTEMBER 2020



Institution supported:
Foundation for Alcohol Related Research (FARR).



Objectives:
To assist FARR in continuing their important work of researching and preventing foetal alcohol spectrum disorder (FASD) safely.



Needs analysis:
An LCP needs analysis was conducted due to the pandemic, and FARR specifically requested face masks for their clients and soap to ensure hygiene protocols were adhered to.



Event response:
International FASD Awareness Day is commemorated on 9 September to raise awareness about the risks of drinking alcohol during pregnancy and the difficulties faced by those struggling with FASD. FASD is the leading cause of preventable birth defects and developmental disabilities in children around the world. We partnered with FARR to provide masks and soap to assist their invaluable research and treatment of FASD.



Outcomes:
We donated 500 bars of hand soap and 500 reusable face masks. FARR distributed the donations to their projects around South Africa to enable their staff to continue their important work of researching and preventing FASD safely. Lockdown prevented CTICC staff from participating in any activations, but we invited them to take part in an online engagement. A Teams meeting was arranged where the centre's Sustainability Officer shared a message about FASD awareness.



FASD Awareness Day
9 September



500
Bars of hand soap
were donated



500
Reusable face masks
were donated

Foetal Alcohol Spectrum Disorder (FASD) Awareness Day in September 2020



SUPPORTING AND PROMOTING THE INTERNATIONAL DAY OF OLDER PERSONS 1 OCTOBER 2020



Institution supported:

Neighbourhood Old Age Homes (NOAH) residents in Khayelitsha.



Objectives:

To highlight the vital contribution older people make to society and raise awareness about the challenges of ageing, particularly during the pandemic.



Needs analysis:

There was a need for: 1) Sanitary items to continue to ensure the NOAH members are equipped to prevent the spread of Covid-19; 2) Ready-made meals to provide sustenance to the aged and the families they support; 3) Increased awareness for CTICC staff about International Day of Older Persons (IDOP) and their role in our communities.



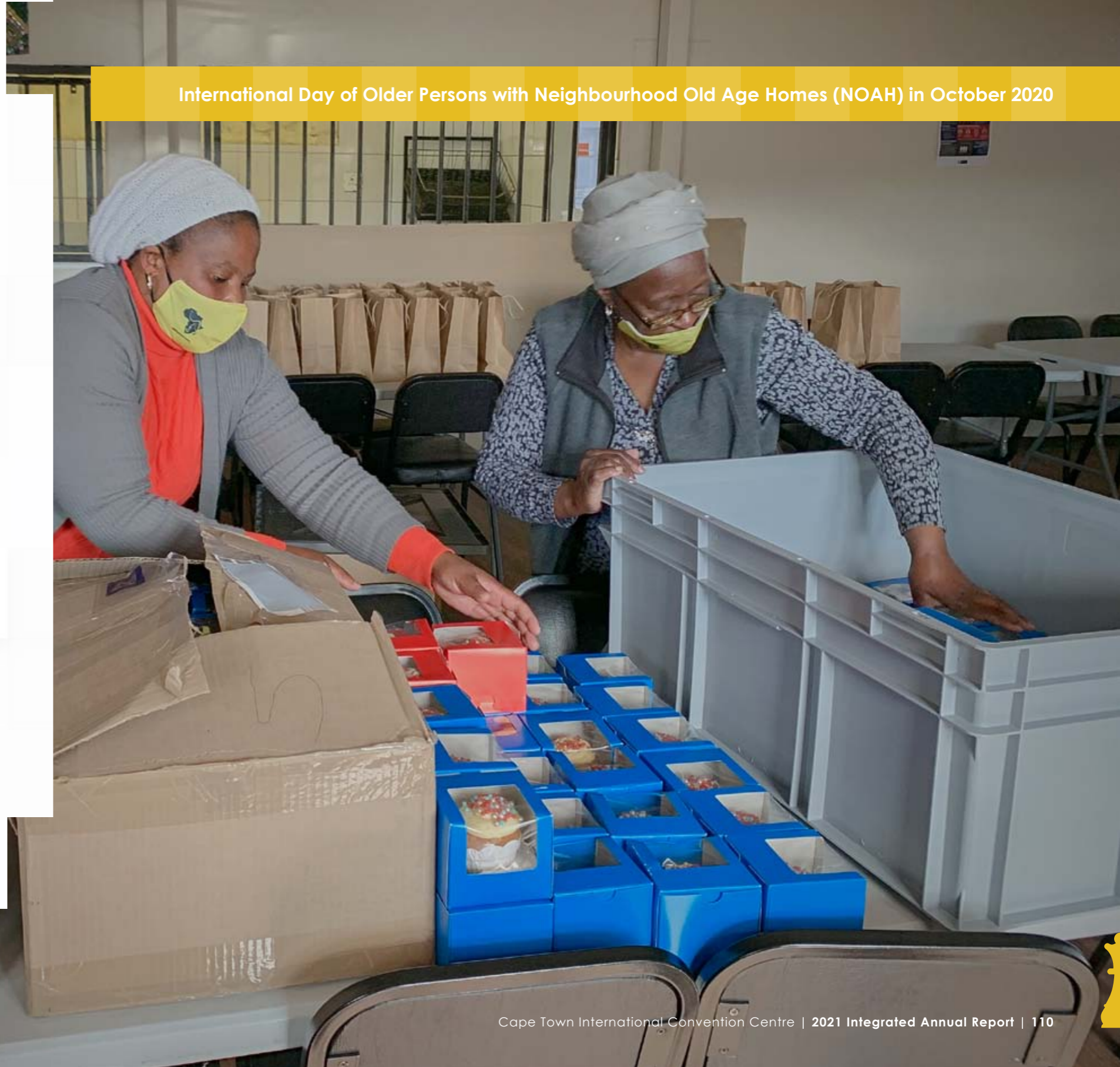
Event response:

Established on 14 December 1990, IDOP is an opportunity to highlight the significant contributions that older people make to society and raise awareness about the issues and challenges of ageing in today's world. The theme of IDOP 2020 was 'Pandemics: Do They Change How We Address Age and Ageing?' We partnered with NOAH, which we have supported for the last two years. This year, we focused on the NOAH Khayelitsha home. The organisation works to ensure pensioners have their basic needs met. As a result of Covid-19, the CTICC could not invite staff to participate in the engagement physically.

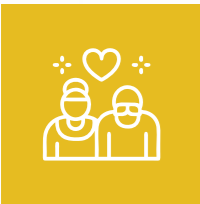


Outcomes:

We donated sanitary items, face masks and hand sanitiser, as well as catering to the 80 NOAH Khayelitsha members, many of whom have become the sole breadwinners during the pandemic. We hosted a virtual activation with staff. Anne Dobson, director of NOAH, engaged staff in a Zoom call and discussed IDOP, the NOAH organisation, and their work. This activation allowed 48 staff to participate in the CSR activation this year, albeit in a slightly different way.



International Day of Older Persons with Neighbourhood Old Age Homes (NOAH) in October 2020



International Day of
Older Persons
1 October



80
NOAH Khayelitsha
members were
catered for



Sanitary items, face
masks and hand
sanitiser were donated

CREATING WATERWISE FOOD SECURITY FOR AN EDUCARE CENTRE IN KHAYELITSHA

23 FEBRUARY 2021



Institution supported:
Abalimi Bezekhaya.



Objectives:

1) To provide a waterwise vegetable garden and water storage for a school that will supplement the school’s food supply and help provide wholesome meals for the learners; 2) To encourage children to work in the garden and learn about subsistence farming and ecological processes from an early age.



Needs analysis:

The pre-existing food insecurity challenges in South Africa, specifically in the Western Cape, have drastically increased due to the pandemic and subsequent national lockdowns. Abalimi Bezekhaya identified an educare centre as a beneficiary for their small-scale urban farming development programme.



Event response:

World Water Day is an annual United Nations (UN) observance day that highlights the importance of fresh water. The day is used to advocate for the sustainable management of fresh water resources. People are invited to consider how adapting to the water effects of climate change will protect health and save lives. The CTICC partnered with Abalimi Bezekhaya to establish a waterwise school garden at Nomonde Educare centre in Khayelitsha – a nursery school for learners up to five years old. This activation was chosen because the Western Cape is a water-scarce region, and regular water cuts in the area, as occurred on the day of handover, mean that the educare centre does not receive a consistent water supply.



Outcomes:

A rainwater collection tank and planter boxes with spinach, carrots and beetroot seedlings were set up, and tools were provided to help the centre maintain its garden. Shade cloths were also installed to cover the vegetables and protect against the wind. The rainwater collection tank will ensure the school will have the water security to care for their garden, despite external factors. The vegetables will provide supplementary food sources for the 180 learners at the school and create and sustain jobs for the staff.



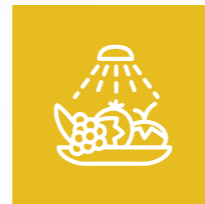
Engaging with Abalimi Bezekhaya on food security in February 2021



Waterwise garden established at Nomonde Educare



Provided a rainwater tank for watering the garden



180
Learners benefited from the vegetable garden

BUILDING YOUTH LITERACY IN OUR PROVINCE FOR YOUTH DAY 16 JUNE 2021



Institution supported:
help2read primary school literacy programme.



Objectives:
1) To provide the study materials required for learners who are part of the help2read reading clubs, assisting their education; 2) To aid in running the reading programmes where Literacy Tutors will be employed.



Needs analysis:
Stationery donations, including pencils, pens, paper, colouring crayons, glue, pencil sharpeners, erasers and rulers, are required for the help2read reading clubs.



Event response:
The donation, received on 15 June 2021, will be used in the help2read reading clubs. The stationery donations provided the study materials required for the learners. This is especially important as the education these learners receive during their foundation phase is vital for laying the groundwork for their future learning and careers. The literacy programme is run by Literacy Tutors, unemployed and literate young people from township communities, who help2read recruit and train to deliver the programme to township schools. Tutors receive an income and participate in personal development and work readiness programmes.



Outcomes:
This donation met the stationery needs of approximately 200 learners from grades R to four from the following three beneficiary schools: Dennegeur Primary School (Strandfontein), Simondium Primary School (Cape Winelands) and Sobambisana Primary School (Khayelitsha). The donation from the CTICC will assist in continuing to run the reading programmes in these schools, where 45 Literacy Tutors will be employed. 35 CTICC staff participated in the online engagement for this activation and learned about the type of work that help2read provides.

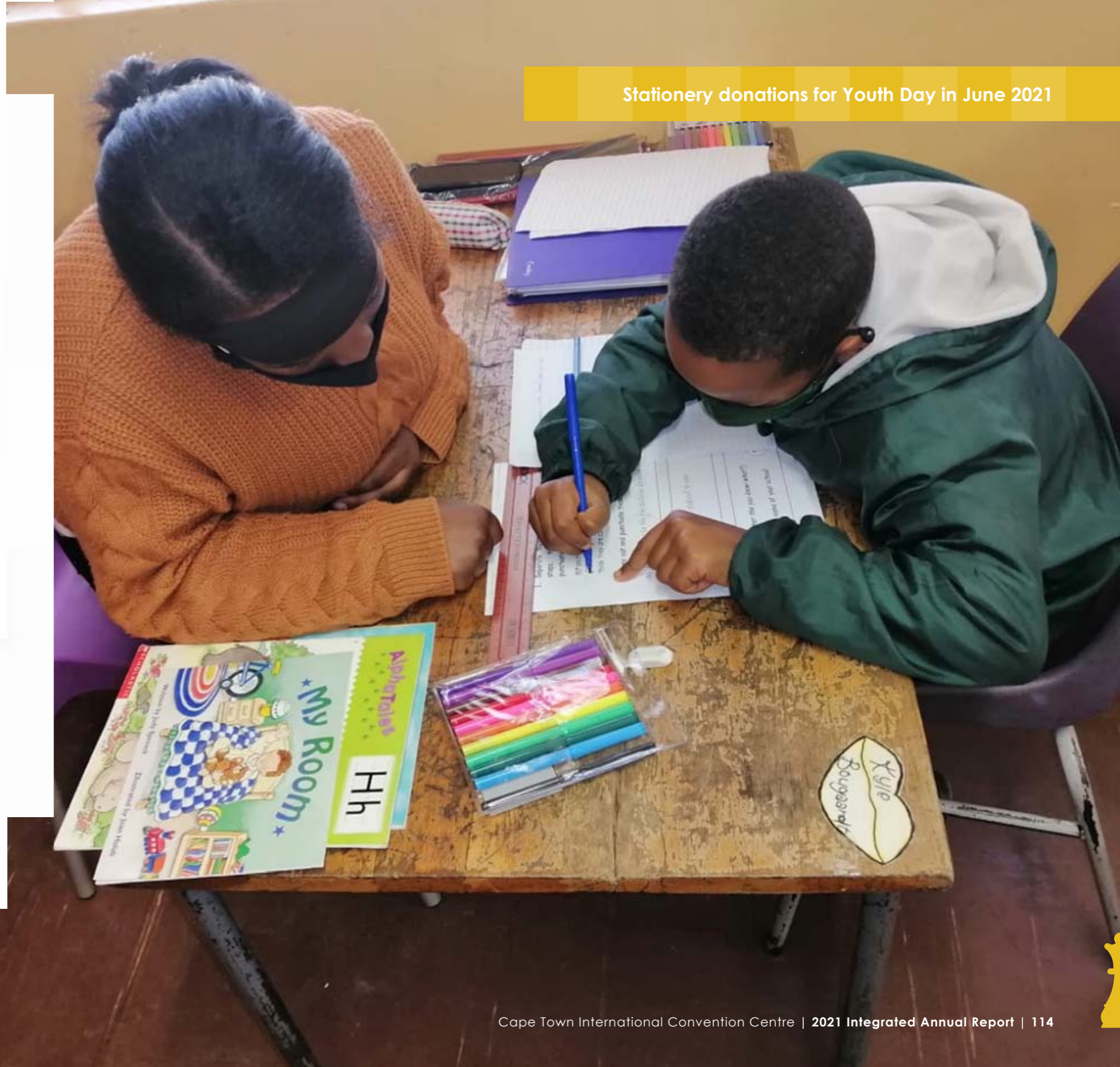


Stationery items
provided to learners



200
Learners benefited
from the engagement

Stationery donations for Youth Day in June 2021





OUR UNSTOPPABLE PEOPLE



Following strict Covid-19 food and beverage protocols at our events



CTICC staff are always at your service



RIISING TO A CHALLENGING FUTURE

The shock that Covid-19 dealt to our world in 2020 saw the CTICC pivoting to adapt to new working and living conditions. The economic impact was immediate and serious – in South Africa and throughout the world.

For the CTICC, the restrictions on large meetings and travel affected our ability to do business. We delayed retrenchments for as long as we could; but the operating conditions simply did not allow us to keep our full staff complement on stand-by.

Even at the time of writing, with lockdown regulations easing, only one thing is certain – and that is uncertainty. The CTICC has always thrived on such challenges. The staff that remain have risen like never before.



Our remaining staff have adapted to a challenging environment by embracing new roles and responsibilities



OUR ADAPTABLE TEAM

The 159 staff who remain as the core CTICC team have embraced new roles, absorbed new responsibilities and, in some cases, accepted the opportunity of secondment outside the business. They have also put their best feet forward for both the Hospital of Hope, which closed on 21 August 2020, and the Vaccination Centre of Hope, which opened on 7 July 2021, bracketing the year in review with a little more hope for a more secure future.

Their steadfast endurance and exemplary service levels in the face of these changes has been extraordinary, as this chapter of our report hopes to demonstrate.

TALES OF FLEXIBILITY AND RESILIENCE: STRATEGIC RESTRUCTURING AND SECONDMENT

Redefined roles

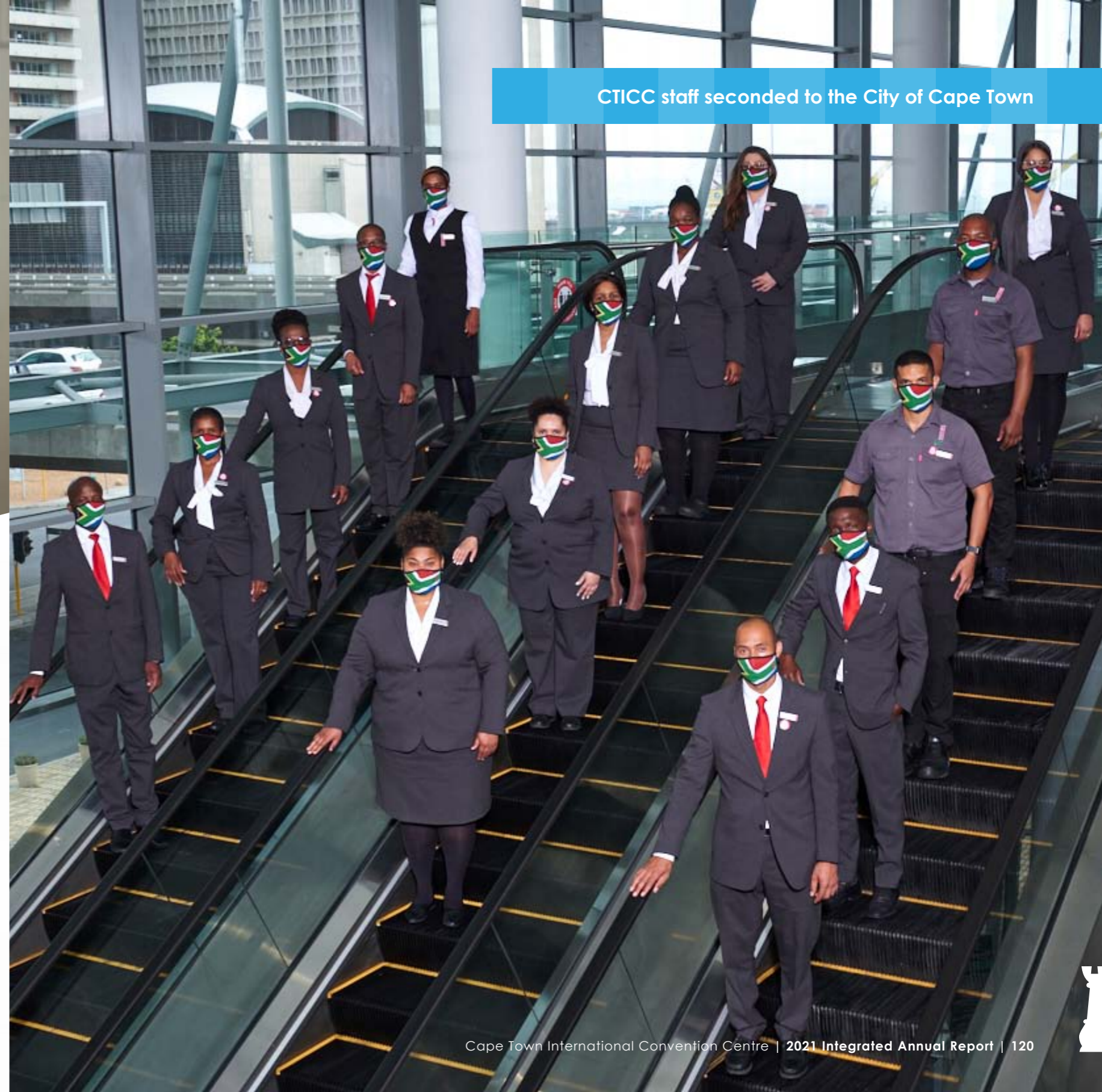
As part of the restructuring process this financial year, we asked some staff to take on redefined roles that suit our constrained times more effectively. Indeed, the very nature of our transformation into a hospital and then a vaccination centre has influenced some of those changes. The key roles that were redefined reflect those realities.

Our Back of House Manager is now our Banqueting and Back of House (BOH) Manager; our Beverage Manager has become our Beverage, Coffee Shop and Risk Catering Manager; our Commercial Administrator: Business and Research Development became our Sales Administrator; our Food and Beverage Assistant Controller also took on the role of Beverage Store Supervisor; our National Sales Executives embraced long- and short-term Sales Executive roles, and all our Personal Assistants now assist with additional administrative tasks.

The transitions to these roles have been smooth, and these individuals have risen to the task with positivity and enthusiasm. Teamwork continues to be a hallmark of our approach to our work across all aspects of our business.

Staff secondments

Secondments offer valuable opportunities for both individual and organisational development. By facilitating the placement of employees in new and different work situations, we recognise that secondments provide the chance to improve and enhance skills and experience. To that end, 16 staff were seconded to the City of Cape Town – six were placed in the Supply Chain Department until 31 March 2022, and ten were placed at the Water and Sanitation Department until 31 December 2021.




 Caron van Niekerk and Geraldean Daniels

BUILDING SKILLS FOR THE FUTURE: TRAINING STORIES

One aspect of the challenging and changing times – the advent of working remotely – has necessitated a shift in training and event activity to online. The benefit of this has been our ability to ‘send’ staff to online international conferences at far less cost than previously, increasing their exposure to global trends without the time and cost involved in travel and accommodation. Other forms of training have gone online, although cost containment has necessitated a focus on essential training only. Indeed, our target percentage of annual total salary cost committed to training was reduced from 6% to 3% for the year under review.

Nonetheless, we were able to spend R1.9m on training in the year under review, which covered 5 309 hours of short-term training for all 159 of our staff across a range of topics, representing 1 989 hours for female staff and 3 321 hours for male staff. This included, in particular, essential training for OHSAS 18001, to ensure our accreditation to that important yardstick, as well as Ethical Awareness training for all staff.

In addition, the CTICC provided 25 permanent staff (13 females and 12 males) with long-term training, equating to a total of 108 months.

SHORT-TERM TRAINING

Geraldean Daniels: Remaining adaptable in every situation Payroll Officer – Human Resources Department

Geraldean Daniels has been at the CTICC for almost four years and has taken every opportunity to upskill herself. In the 2020/21 financial year, she took part in a six-hour Mid-Year Labour Update training course with Global Business Solutions.

“The training session focused on government relief measures to ensure that small and medium enterprises stay afloat and that the economy is

not entirely negatively impacted once everything goes back to normal,” she says.

Although Covid-19 and lockdown have been challenging, Geraldean believes that the CTICC’s culture of teamwork and collaboration has served everyone well. It has also highlighted the need to remain flexible and adaptable in every situation.

“It is important to be constantly updated and conscious of how things are changing. This awareness not only assists individuals in their roles but also the organisation as a whole. I was fortunate (during the Covid-19 lockdowns) to continue working as I usually do and to attend the necessary training pertaining to my specific role,” Geraldean says.

Caron van Niekerk: Keeping us safe in a changing environment Senior Safety, Health, Environment and Quality (SHEQ) Officer – Safety and Security Department

Caron van Niekerk has been at the CTICC for just over a year. During this time, she attended a four-hour course titled ‘Convention Centre Re-openings: Practical Risk and Crisis Management’ with the International Association of Convention Centres (AIPC). Included in the training were the steps required to implement a crisis management process, as well as reputation management – all very topical, given the situation.

Caron says that upskilling is the key to living in our ever-changing times.

“Covid-19 brought about changes that affected not only the CTICC but organisations in general. Organisations were forced to adapt, align business operations and implement protocols to become legally compliant and to ensure a safe, healthy work environment,” she says.

She believes that further training will improve her skills and knowledge so that she can assist the CTICC in bigger and better ways.

“As the Senior SHEQ Officer, I complete health and safety risk assessments based on hazards identified. The training course provided me with more information on risk control, based on a conceptual approach,” says Caron.

Driaan Jordaan: Taking the CTICC to the next level Social Media Coordinator – Commercial Department

Driaan Jordaan joined the CTICC almost two years ago and is currently the CTICC’s Social Media Coordinator. Over the last financial year, he did a ten-week online ‘Digital Marketing’ course through UCT’s GetSmarter platform.

Coming from a social media marketing background, Driaan had some knowledge of digital marketing. However, the course developed his online copywriting skills, and taught him about pay-per-click advertising and website analytics reporting, which has broadened his knowledge and expertise.

“Digital marketing reaches a vast audience in a way that is both cost-effective and measurable. It reaches more customers for less money than

traditional marketing methods. We get to know our audience and allow them to engage with us, which strengthens brand loyalty,” says Driaan. With the onset of the Covid-19 pandemic, Driaan says social media and digital marketing became crucial communication tools for disseminating information during and post-lockdown.

As marketing materials and artwork had to be adjusted to convey a different message during the lockdown, Driaan jumped in and got creative. “I had the opportunity to get more involved in the design process of marketing materials, copywriting and the positioning of the CTICC’s brand during this crucial time,” he says.

“My enhanced skills in digital marketing assisted with promoting the CTICC across various online channels, as well as engaging with our current and potential clients, digitally,” says Driaan.

Thokozani Mthethwa: Working together to win Senior Building Services Manager – Catering Department

Thokozani Mthethwa is a face we all know very well. He has been at the CTICC for 17 years and has completed multiple courses during his time with us. In 2020/21, he took part in a two-week Safety Management Training Course (SAMTRAC) through NOSA.

Through this course, Thokozani learnt about South Africa’s legal framework,

legislation and common law, the Occupational Health Services, risk management and health and safety auditing.

Thokozani says teamwork has become more critical than ever at the CTICC. “It promotes healthy employee relationships, which lead to better team performance and overall productivity,” he says.

“This training has helped me upgrade myself in the latest developments and trends in the market and has made a difference in both my career and life in general. I can perform my duties better so I can assist the company in accomplishing its objectives,” Thokozani says.

OHSAS 18001 training: Maintaining our global accreditations

OHSAS 18001 training was scheduled in the year under review to meet the quality standards required by the ISO certification. This resulted in 11 staff members attending OHSAS 18001:2007 Occupational Health and Safety Management Systems Awareness, Implementation and Internal Auditing training on-site at the CTICC at the end of July 2020 over eight days.

The OHSAS awareness training took place over one day, while the implementation training lasted four days and the internal audit training three days.

The CTICC has accreditations for four ISO systems: ISO 9001 (Quality Management), ISO 14001 (Environmental Management), OHSAS 18001 and ISO 22000 (Food Safety Management). These quality control standards give vital peace of mind to conference organisers and clients, as well as our shareholders.

Thokazani Mthethwa and Driaan Jordaan



Siyabonga Didi and Lillian Hlabangane



LONG-TERM TRAINING

Lillian Hlabangane: Upskilling for a brighter future
Head of Sales – Commercial Department

Lillian Hlabangane has been at the CTICC for 11 months. Although Covid-19 meant she spent most of this time working from home, she says she has been on a steep learning curve thanks to a Municipal Finance Management Act (MFMA) course at Assessment and RPL College, covering three modules: governance, risk management and performance management.

Lillian says she has found it easy to access information within the CTICC, and engage with colleagues, regardless of departments or levels of seniority. Also, the CTICC's commitment to uplifting the community has encouraged her to contribute personally to the community, she says.

"I now have the tools to perform within the parameters of what the MFMA requires. My goals are to upskill myself through studies and knowledge. Covid-19 has been a reminder to trust your skillset and use it wherever you can. I don't want to become irrelevant, which is why training is so important. This time has forced me to become more creative and to think on my feet. I can successfully do my job due to the CTICC's willingness to communicate and collaborate within and outside the organisation," says Lillian.

Siyabonga Didi: Taking the opportunity to grow
Coffee Shop Supervisor – Catering Department

Siyabonga Didi has been at the CTICC for two years and went on a four-month restaurant management course at UCT in the year under review, learning to create menus, cost food and run restaurant operations. He says the training has improved his work efficiency.

"The hospitality industry has been hard hit, but this time has allowed me to grow." Part of this is due to the CTICC's insistence on collaboration and communication.

"It is important to up-skill myself," he says, because "if I am knowledgeable, I can educate and uplift the staff that I am working with, and in turn, the staff will have confidence in me as their manager."

Regarding his career, Siyabonga believes the CTICC will change his future for the best, and he can't wait to see what he can achieve next.

"Teamwork has always been fundamental at the CTICC and, thankfully, Covid-19 didn't change that. The great thing about the CTICC staff is that we are always willing to lend a hand where possible," says Siyabonga.

Willem Scholtz: Communication and community are key
Senior Supply Chain Management (SCM) Practitioner: Demand and Acquisitions Management – Supply Chain Department

Willem Scholtz has been employed at the CTICC for nearly 11 years. He is currently completing a course in Municipal Minimum Competency at Assessment and RPL College, although he is already applying new skills to his daily duties.

The training has enhanced Willem's soft skills, like communication, critical thinking and teamwork, which he says can add value to his department and the CTICC as a whole. He says the pandemic proved that, as humans, we are strong enough mentally to overcome challenges when the going gets tough.

On this note, Willem believes that training isn't the only way to grow. He is thankful to have also been involved in so many special Corporate Social Responsibility (CSR) projects. "To give back to the community is and

will always be an important duty of any business. Business is about give and take. We want the community's support and, therefore, we need to support and give back to the community as a token of our appreciation."

On events, Willem thinks hybrid events will become the new "buzz", where both live and virtual elements will be the norm – something that the CTICC is already offering to their guests. "Virtual events will probably take up some space in the market, but I hope that some form of normality will return soon. There is no way to replace the feeling of being at a live concert or walking in between different displays at an exhibition."

At the CTICC, we know this feeling all too well. Here's to a brighter future for us all.

"Attending the training gave me a lot of confidence to participate in discussions. You are never in a position where you can say that you know everything. Every new day is a day to learn something new," says Willem.

Edward Mtonga: Planning his next move
Event Services Manager – Catering Department

Edward Mtonga has been employed at the CTICC for just over three years and is excited about business returning to normal now that more people are getting vaccinated. Over the last financial year, he has attended a four-month course in Events Management at the University of Cape Town. This has given him the tools to move forward in the company.

The training covered financial management of events, event marketing and event planning. "It allowed me to understand events in all its spheres. The course equipped me with an introduction to the roles of our financial department, coordinators and sales teams," says Edward, who currently works in the Food and Beverage Department.

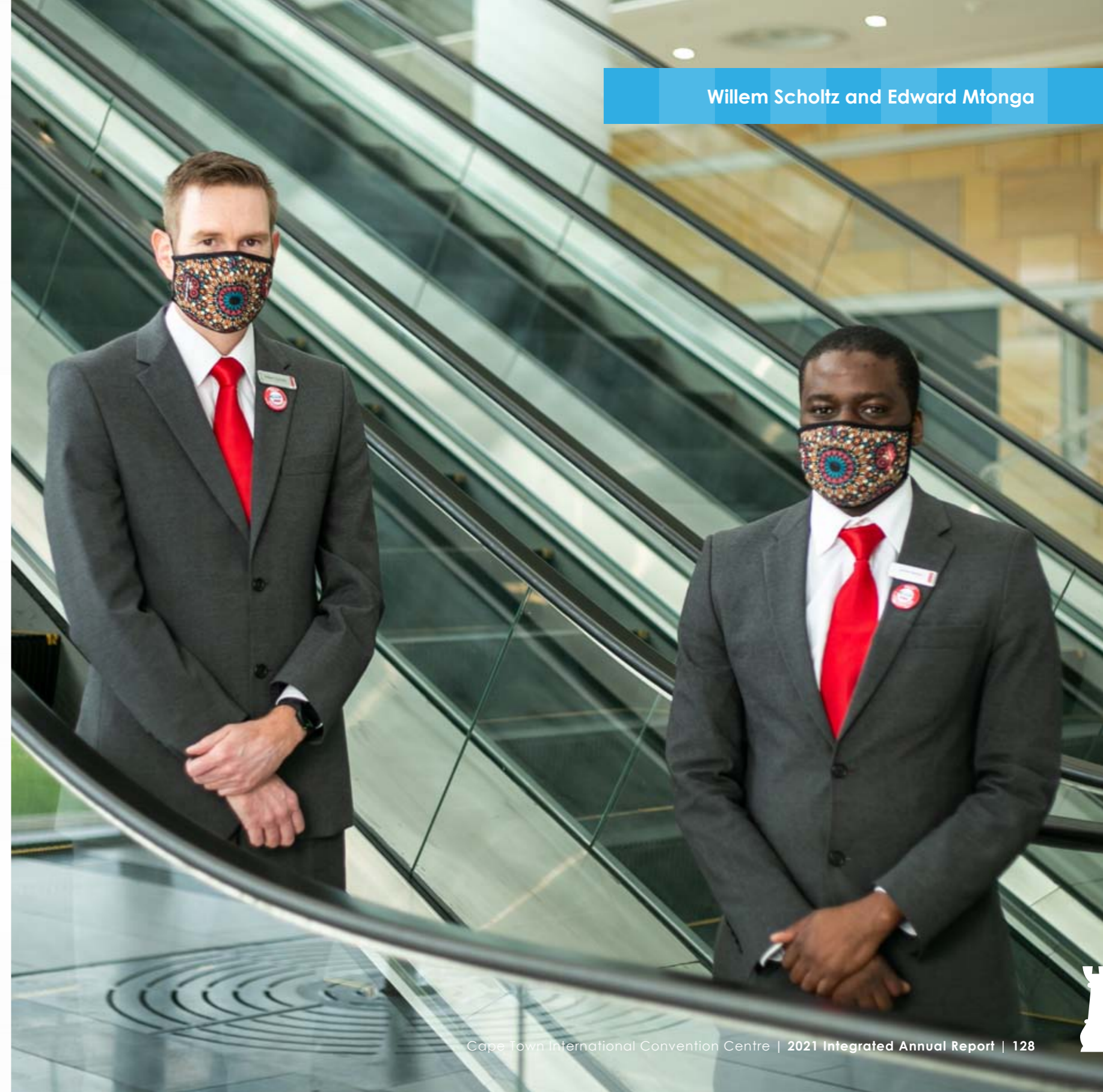
Edward is committed to upskilling himself so that he can take on more responsibilities and significantly impact the CTICC.

With the opening of the Vaccination Centre of Hope, Edward started feeling "connected to the world again". "Being in the Food and Beverage Department allows me to connect with and serve people, which wasn't possible during the hard lockdown. Now that the situation has eased, I can interact with people again," he says.

Edward says he is optimistic about his future at the CTICC. Although the CTICC has had to adapt its operations, he is inspired by the centre's post-pandemic vision.

"Teamwork and inter-departmental collaboration have been critical during this time. Many of us had to adjust our job specifications to meet new business needs. I am ready to focus on my career and grow within the company," says Edward.

Willem Scholtz and Edward Mtonga



Charlene de Waal



STAYING POWER: LONG SERVICE AWARDS

CHARLENE DE WAAL: FIVE YEARS OF FRIENDSHIP AND FOCUS

Buyer – Finance Department

Charlene de Waal, a CTICC buyer, joined the company five years ago as a Senior Procurement Officer. Aside from loving her work, the CTICC’s culture and colleagues are the reasons why she is still so happily with us.

For all her years working at the CTICC, communication and teamwork have always been at the forefront of how we operate. “During the lockdown, the CTICC was well able to continue with staff working from home. The only thing that has shifted is the medium in which we do teamwork and collaboration.”

And although the environment is very different, “the CTICC has risen above Covid-19 and is finding new ways to conduct business – in-person and remotely – and maintain its teamwork standard.” This, she explains, is an exciting turn of events.

Charlene is in the last stretch of getting her BCom in Supply Chain Management, having acquired a certificate in it while at the CTICC. Charlene also has a diploma in Hotel Management, as well as a certificate in Events Management.

“I am looking forward to my future at the CTICC, especially with the company’s new and upcoming outlook. Although Covid-19 has changed many things, my career goals have not been affected by it. I am still focused and will still strive to grow in my career here,” she says.

BIANCA D’ARAUJO – TEN YEARS AND BEYOND
Finance Controller – Finance Department

Bianca D’Araujo has been at the CTICC for ten years. She started as an intern finance assistant in the Finance Department and currently holds the position of Fixed Asset Controller.

As a goal-oriented person, the CTICC has offered an excellent platform for Bianca to advance her career. She has her eyes set on climbing the next step within the Finance Department and obtaining a CTICC’s leadership team position.

Covid-19 has changed the way of work at the CTICC, says Bianca, making it more efficient. “The reduction in ‘wet ink’ signing of documentation has increased productivity, reduced costs and contributed to sustainability,” she says, adding that the use of technology has pivoted the CTICC to become a more digitalised organisation.

Bianca has had a considerable amount of training over the years, including Fire and Evacuation training, Ethics Awareness training, POPI training, as well as a course in Plain Business Writing. She has also done an Advanced Executive PA programme, attended a VAT Application Process webinar,

and received several awards, such as Employee of the Month and Employee of the Year.

Bianca says she loves the dynamic environment at the CTICC and enjoys collaborating with other departments and building working relationships with her colleagues. “I work with a great team, who are tremendously supportive. I have only grown from strength to strength as an individual. I consider the team I work with as ‘family,’” she says.

She also notes that the CTICC isn’t just committed to improving and growing their staff but also the community. For her, the CTICC’s hosting of the Hospital of Hope and the Vaccination Centre of Hope is indicative of the centre’s broader responsibilities.

Part of her success has been due to mentorship. Bianca says she’s been fortunate enough to have had many supporters in all areas she has worked in. “They have equipped me with the capabilities and confidence to respond efficiently to current and future business needs and challenges – and that’s just one example.”

“The CTICC has added immense value to my life – not only professionally but personally too. I have learnt that if you have grit, a whole lot of perseverance, determination and the willingness to work hard, you can achieve anything. The CTICC has given me stability, a sense of direction and a purpose,” says Bianca.

Bianca D’Araujo





JONATHAN ISAACS: MAKING THE RIGHT MOVES FOR MORE THAN A DECADE

Business Systems Administrator – Information Communication Technology (ICT) Department

Jonathan Isaacs worked for the CTICC from 2003 as a contractor and officially joined the organisation in August 2006 as an Information Technology (IT) assistant. He was then promoted to Knowledge Management Administrator, followed by Business Systems Administrator, the position he holds currently.

Jonathan says that the CTICC enables new opportunities in the hotel and hospitality industry, creating jobs and more international exposure for the Western Cape. He wanted to be part of that.

One of the highlights of his career was travelling to Europe and visiting industry venues, as well as meeting and training at the head offices of one of the software companies used by the CTICC. Another high point was a trip to the FARR centre in Wolseley, part of the CTICC's Corporate Social Responsibility (CSR) programme.

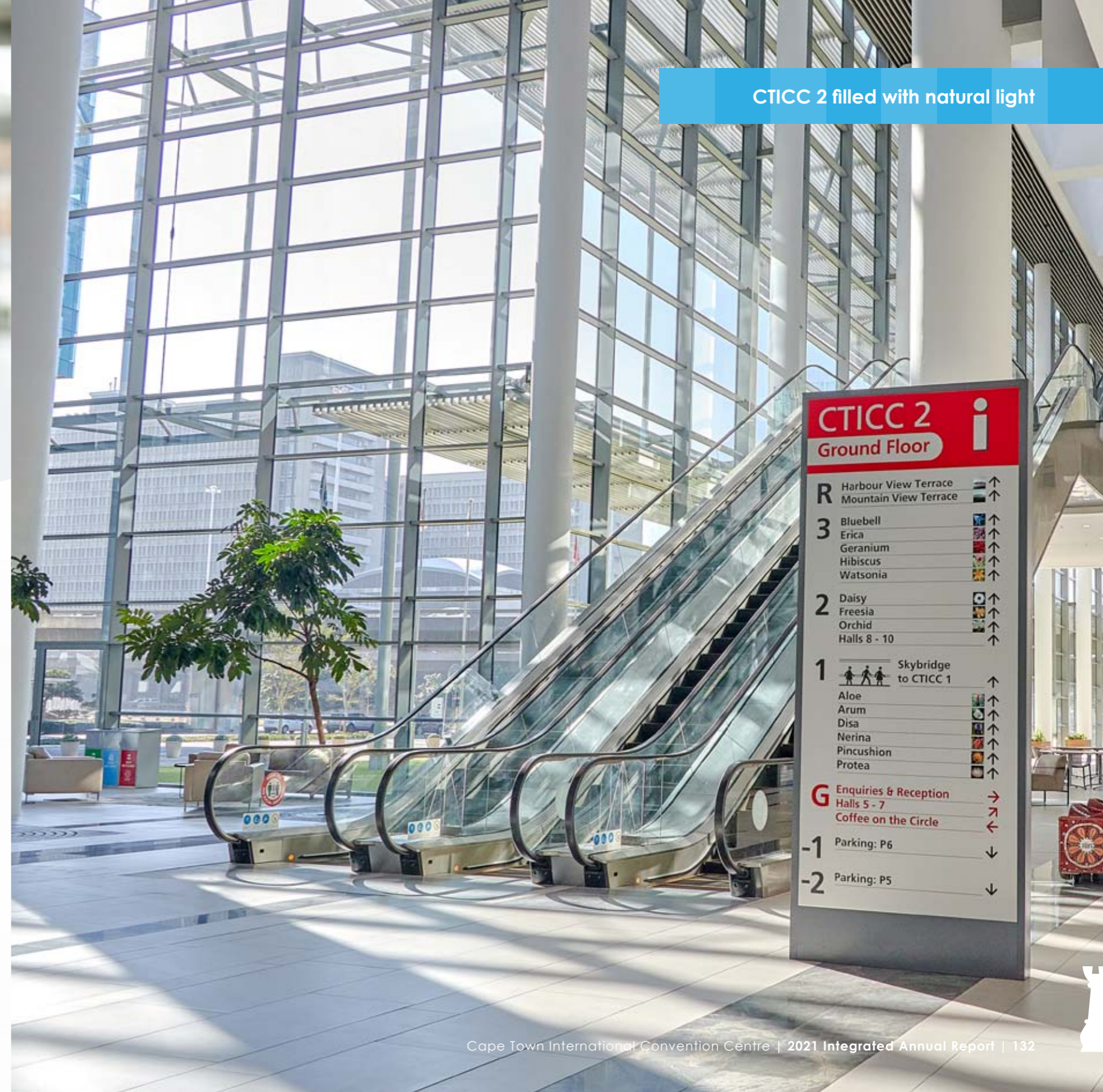
In terms of the current climate, Jonathan is optimistic. "Covid-19 heavily impacted the events and hospitality industry, but it has also made the

industry change its outlook, bringing in digital events, hybrid events and new ways of doing face-to-face meetings. One of my new goals is to assist the CTICC in this transition, to investigate and implement new and innovative ideas from an IT perspective and keep the CTICC on the list of leading convention centres around the world," he says.

At the heart of the CTICC is collaboration. Jonathan believes it's vital to maintain constant communication between staff and ensure that teamwork remains active and easy for all. It will help everyone deliver on a much higher level during this time of remote working. This has been achieved through the CTICC's introduction of cloud-based computing, an exciting innovation with which he is happy to be involved.

Jonathan says he has been mentored by both managers and general managers at the CTICC, all of whom have positively impacted his time at the company.

"I have been gifted with great, talented, amazing and humble mentors. They have helped me grow – both in my personal life and in my career. I will be forever grateful to them," says Jonathan.



CTICC 2		i
Ground Floor		
R	Harbour View Terrace Mountain View Terrace	↑↑
3	Bluebell	↑↑
	Erica	↑↑
	Geranium	↑↑
	Hibiscus	↑↑
	Watsonia	↑↑
2	Daisy	↑↑
	Freesia	↑↑
	Orchid	↑↑
	Halls 8 - 10	↑
1	Skybridge to CTICC 1	↑
	Aloe	↑↑
	Arum	↑↑
	Disa	↑↑
	Nerina	↑↑
	Pincushion	↑↑
	Protea	↑↑
	G	Enquiries & Reception Halls 5 - 7 Coffee on the Circle
-1	Parking: P6	↓
-2	Parking: P5	↓

Mashudu Mbengeni



A WELL-DESERVED PROMOTION

MAKING MOVES: MASHUDU MBENGENI BECOMES THE CTICC'S NEW FINANCE MANAGER

Mashudu Mbengeni joined the CTICC in January 2019 as a Financial Accountant and has since been promoted to Finance Manager. "I believe I was promoted because I was able to demonstrate enough skills and created significant value for the Finance Department and the CTICC as a whole," he says.

Since joining, Mashudu says he has gone above and beyond and worked with honesty, dedication and integrity, showing consistent improvement in the last two years and achieving his KPI goals. "I also feel that I was able to establish a trustworthy and honest relationship with my team and other managers, which has greatly benefited both of us in terms of communication and efficiency," he says.

Mashudu says Chief Financial Officer (CFO) Wayne De Wet has been his most valued mentor, teaching him to produce and report reliable financial and non-financial management information to support the requirements of the business. "When the position of the Finance Manager became vacant, everyone in the team allowed me to manage and to lead them, because they recognised my knowledge and experience, and that I lead by example," he says.

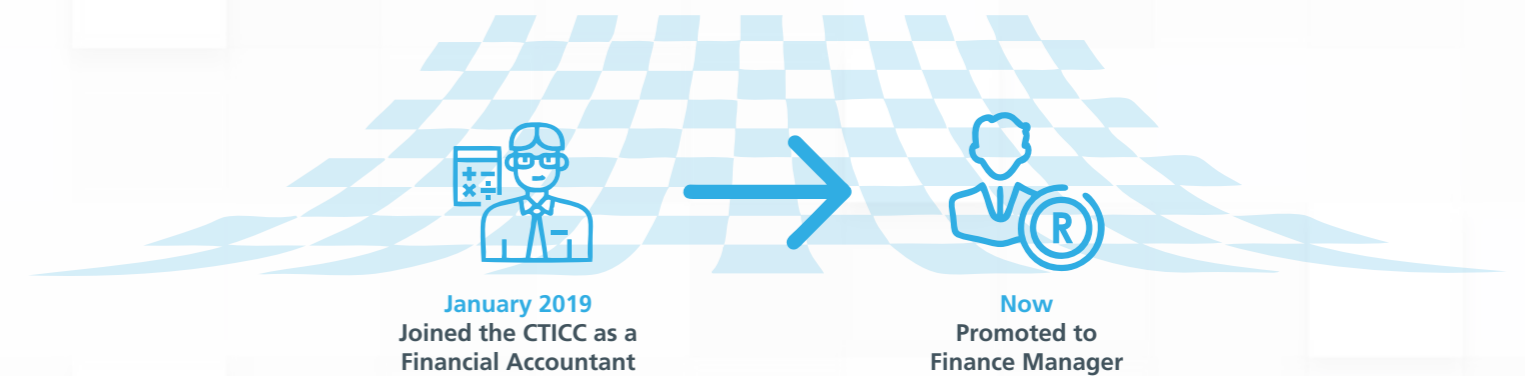
The highlight of Mashudu's promotion is his team, he says, and how it has taken on tasks and responsibilities without complaining, showing understanding and appreciation of the CTICC's financial position due to the impact of Covid-19. "We currently have seven positions vacant within Finance and Supply Chain Management: the workload is being shared amongst the team," he says.

Mashudu says his main focus now is "maintaining the integrity of the financial information that we produce for all our stakeholders. I have regular online meetings with my team to ensure that we communicate effectively and can meet deadlines," he says.

The CTICC has always been a place of ambition and innovation for Mashudu.

A significant moment during his tenure was watching the CTICC transform "in front of our very own eyes and become the Hospital of Hope that saved so many people's lives and, most recently, providing space for a vaccination centre. It gives me so much pride knowing that I was part of the team that contributed to the fight against the pandemic," says Mashudu.

"There are a lot of things that inspire me about the CTICC, but the one that stands out is the economic impact that the CTICC has made not only in the Western Cape but nationally as well. Knowing that this is the organisation that I work for, and am part of the team that delivers all these world-class events, motivates me to give my best every day," says Mashudu.



PROMOTING FORWARD THINKING

INTRODUCING ERNEST VAN SITTERS: ICCA FUTURE LEADER FOR AFRICA

Ernest van Sitters has always reached for the stars. He started at the CTICC in February 2017 as an administrator in the Conference and Exhibitions Services Department. Within seven months, he was appointed as the Operations Services Coordinator within the same department. A few months later, in 2019, he was promoted to Sales Executive: National within the Sales Department.

Due to his hard work, ambition and forward thinking, in 2020, Ernest was nominated for the International Congress and Convention Association (ICCA) Future Leaders Council, representing the Africa chapter. Part of his entry required him to write a short paper outlining his vision and new ideas for the association conference market, and ICCA as an association, over the next five years.

He also had to produce a three-minute video clip introducing himself and an overview of how he was going to innovate in the conference market. The ICCA Board reviewed the applications and on 27 May 2021, Ernest's future strategy led to him being invited to join the Inaugural ICCA Future Leaders Council for two years, starting from the end of May 2021.

The CTICC's work in reimagining events, and what the centre means as a business and a hub of hope, perfectly coincide with what the ICCA Board is trying to achieve. Says Ernest, "Our first white paper at the 2021 ICCA Congress focused on the centrality of social responsibility in meeting the post-pandemic needs of ICCA's association meetings. The idea is framed by an understanding that change begins with the people attending and organising meetings, rather than meeting environmental KPIs."

"The paper also aims to redefine social sustainability through the eyes of young event professionals and will provide ICCA with recommendations on how to attract and retain them in the industry," he continues. As the CTICC prepares for the future, many of these same ideas form the architecture of their reimagined business outlook.

As the first spokesperson for the Future Leaders Council, Ernest believes he will further enhance and refine his approach to selling the CTICC, dealing with its amazing clients and working with industry colleagues and peers.

Teamwork is critical to Ernest, and his mentors have been instrumental in his growth, he says. By becoming an ICCA Future Leader, he can, in turn, extend his hand to other CTICC colleagues. He particularly mentions Esmaré Steinhöfel, ICCA Africa Regional Director; the CTICC's own Taubie Motlhabane, CEO; and Lillian Hlabangane, Head of Sales, for assisting him every step of the way.

Through this new role, Ernest hopes to nurture partnerships and connect with the best minds in the global events sector, to grow the CTICC business, including its acceleration of the digitisation of events in the future.

With Ernest on our team, the sky is the limit. Congratulations, and we can't wait to see how far you'll go!

"Each mentor continues to provide me with expert advice and wisdom around the operations of both the ICCA community and the global association conferencing market. This role will allow me to make a difference and counsel others at the CTICC," says Ernest.



Ernest van Sitters



The right corporate governance moves



HUMAN RIGHTS, ETHICS AND ANTI-CORRUPTION TRAINING

The CTICC has six values, of which integrity is one. Furthermore, we are governed by the Municipal Finance Management Act (MFMA), aligned to the United Nations Global Compact (UNGC) principles and follow the CTICC Code of Good Conduct policy. The purpose of this policy is to give a broad outline of the rules, regulations and standards of work performance that apply to all staff. For this reason, we value the importance of our team understanding the concept of ethics and working in an ethical environment.

The UNGC, furthermore, is aligned to the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development and the United Nations Convention Against Corruption. The MFMA also oversees ethical financial practices.

For all these reasons, training our staff in ethical practice was necessary. The CTICC prides itself on being a responsible corporate citizen, and we must be seen to live up to our purpose and values.

The training was designed to improve our staff's ability to make ethically sensitive decisions.

Topics covered included:

- Making sense of ethics;
- The public interest (who decides?);
- Ethics management;
- Managing organisations of integrity: instruments, approaches and policies.

The training was conducted in seven separate groups, each allocated one day of training, between 14 June and 23 June 2021. A total of 127 staff (80% of our total workforce) were trained over the seven days.

In addition, the CTICC directly employs one person to manage safety and security and oversee its external security contractors. The manager is trained on all policies and procedures relating to the company and the relevant aspects of human rights. The outsourced security services at the CTICC are governed by a comprehensive Service Level Agreement (SLA) that requires all security personnel to be trained and licensed as per the Private Security Industry Regulatory Act.

LABOUR PRACTICES AND EMPLOYEE ENGAGEMENT PERFORMANCE

Employees can raise any concerns regarding Conditions of Employment, Employment Equity and Skills Development with their line managers. The CTICC also has an Employee Relations Forum (ERF), with staff-nominated ERF representatives who take a collective approach in resolving employee relations matters. Concerns can be raised directly with the Human Resources Department or via the ERF on a variety of matters varying from working conditions to dispute resolution (see page 26).

Fair labour practices and human rights principles are adhered to at the CTICC and included in all contractor procurement processes. This includes protection against child, forced and compulsory labour.

The CTICC does not have any employees who are covered by a collective bargaining agreement. The centre has five employees (3.1%) who belong to the South African Commercial, Catering and Allied Workers Union (SACCAWU).



3.1%
Belong to the South African Commercial, Catering and Allied Workers Union (SACCAWU)

ENSURING MENTAL HEALTH: OUR EMPLOYEE WELLNESS PROGRAMME

The Employee Wellness Programme (EWP) employed by the CTICC has seen increasing use this year, with 64 more staff benefiting from its services in the year under review compared to 2019/20. This just over 50% increase in take-up is likely due to the service being extended for an additional six months to those who were affected by the restructuring.

The services offered by the EWP include career counselling, retrenchment support and Covid-19 support. Personal financial and debt management services were an essential and relevant new offering added in the year under review. There was also an increase in staff and family members seeking guidance on mental health issues relating to stress, anxiety, trauma, critical incidents and depression.



Employee Wellness Programme usage:



184

Total number of people who used EWP in the 2020/21 financial year



NURTURING OUR PLANET



we are a green conscious convention centre

PRESERVING THE PROMISE OF TOMORROW

The year under review saw wildfires burning longer, heatwaves becoming hotter, hurricanes getting stronger and sea levels rising higher. Floods are increasing and droughts are becoming more intense – something South Africa has been experiencing directly for some time. The planet is sending a clear message to those who want to hear, and we must all hope that the upcoming COP26 meeting in Glasgow in October 2021 will mark a turning point in our relationship with our planet.

The CTICC has always been aware of the importance of a business' relationship with nature, and our Nurture Our World (NOW) team continues to lead the charge. It has taken its commitment to the environment and resource conservation very seriously since it opened its doors. This year has been no different. We have continued to preserve our environment by reducing our water and energy usage, as well as minimising waste.



The CTICC is committed to protecting the environment, diverting waste from landfill and minimising energy and water usage



OUR NOW MISSION: WORKING TOGETHER FOR A SUSTAINABLE FUTURE

The Nurture Our World (NOW) team is the central driver of our sustainability strategy. It advises on sustainability policy and ensures we meet our environmental commitments regarding energy, water and waste, as well as our social commitments reported on in the Community Partnerships chapter.

The committee draws members from every CTICC department and has been transforming forward-looking strategic commitment into future-changing action since 2009.

The committee meets quarterly to discuss social and environmental sustainability plans and report on activations. Challenges are discussed and resolved, and progressive strategies are proposed and implemented. This ongoing commitment extends to assisting clients with greening their events wherever possible. All such initiatives are led by the NOW team, in conjunction with their dedicated CTICC Sustainability Officer.

The NOW initiative has a precise mandate:

- It oversees and ensures commitment to our triple-bottom-line approach;
- It supervises the design and implementation of sustainable Corporate Social Responsibility (CSR) initiatives that contribute to social cohesion;

- It tracks our sustainability activities to ensure they have a measurable impact (financial, social and environmental) on the organisation and contribute to the achievement of our purpose and mission;
- It promotes sustainable events through early assessment of their potential for social and environmental impact;
- It builds our brand and raises the profile of the CTICC as a leader in sustainability, while leveraging sustainability as a selling point;
- It refines the CSR strategy to maximise the impact of targeted investments in support of Local Community Partners (LCPs) and upcycling initiatives;
- It ensures the effectiveness of our efforts to minimise the centre's negative environmental impact while maximising the positive contribution made to a sustainable future for society.

The CTICC was the first convention centre in Africa to report our sustainable practices in line with the United Nations Global Compact (UNGC) principles detailed below and has maintained its active UNGC status for many years.

OBSERVING THE UNITED NATIONS GLOBAL COMPACT PRINCIPLES

We operate in line with the ten guiding principles of the United Nations Global Compact (UNGC), of which we are a member. The ten UNGC principles are as follows, and this report is aligned to them on page 257:

Human rights

- Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and
- Principle 2: Make sure that they are not complicit in human rights abuses.

Labour

- Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- Principle 4: The elimination of all forms of forced and compulsory labour;
- Principle 5: The effective abolition of child labour; and
- Principle 6: The elimination of discrimination in respect of employment and occupation.

Environment

- Principle 7: Businesses should support a precautionary approach to environmental challenges;
- Principle 8: Undertake initiatives to promote greater environmental responsibility; and
- Principle 9: Encourage the development and diffusion of environmentally-friendly technologies.

Anti-corruption

- Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

We bottle our own water to serve at events



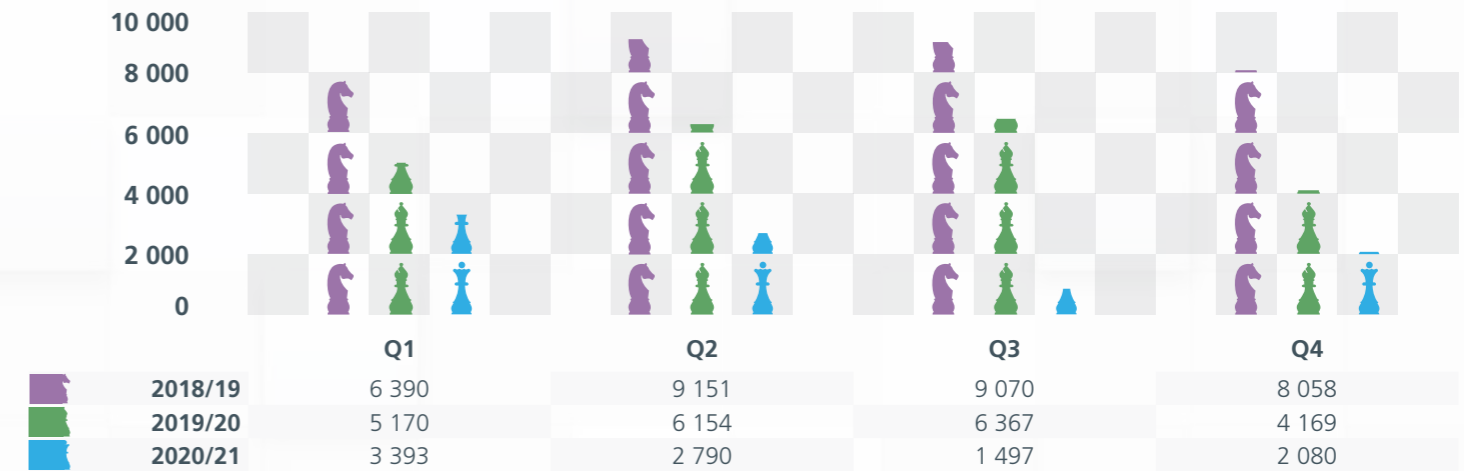
EVERGREEN CLIMATE CHAMPIONS: CONSERVING RESOURCES ACROSS THE BOARD

The year in review was an anomaly in terms of comparing previous financial year resource consumption and waste diversion figures. Due to lockdown regulations throughout 2020/21, energy and water consumption declined as events were severely restricted. Without any exhibitions or trade fairs, waste diversion was significantly reduced. These events generally produce the most recyclable waste.

CONTINUALLY REDUCING OUR WATER CONSUMPTION

The City of Cape Town provides the CTICC's water supply. During the 12 months under review, the CTICC used a total of 9 760 kL, representing a decrease of 55% from the previous 12-month period.

Table 1: Total water consumption and breakdown by quarter in kL



The significant reduction in usage is attributed to low business levels and the mothballing of CTICC 1, as well as the savings created by remote working. Although there was water usage while the Hospital of Hope was in place in CTICC 1, this was only for just short of two months (July and August 2020) of the financial year in review. The CTICC did not use the reverse osmosis plant in the year under review.

Table 2: Total water consumption breakdown by month in kL

Date	Q1			Q2			Q3			Q4		
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
2018/19	1 970	2 020	2 400	2 450	3 841	2 860	2 110	3 740	3 220	4 508	1 690	1 860
2019/20	2 039	1 740	1 391	1 514	3 715	925	1 800	2 806	1 761	1 021	666	2 482
2020/21	0	1 883	1 510	992	1 040	758	823	0*	674	1 005	384	691

* The zero value is due to the CTICC not receiving a water bill from the municipality for the month in question

When the CTICC is fully operational, it implements a range of water-saving measures across all its departments and services, including:

- Rainwater storage tanks capture up to 50 000 litres of water. This water is used for irrigation of indoor plants and cleaning;
- We can collect up to 20 000 litres of condensate from the air-conditioning units every week for cleaning purposes;
- We can limit the use of our washing machines by not using tablecloths

and offering disposable napkins and biodegradable cups. We also provide this option to clients who want to host environmentally-friendly events;

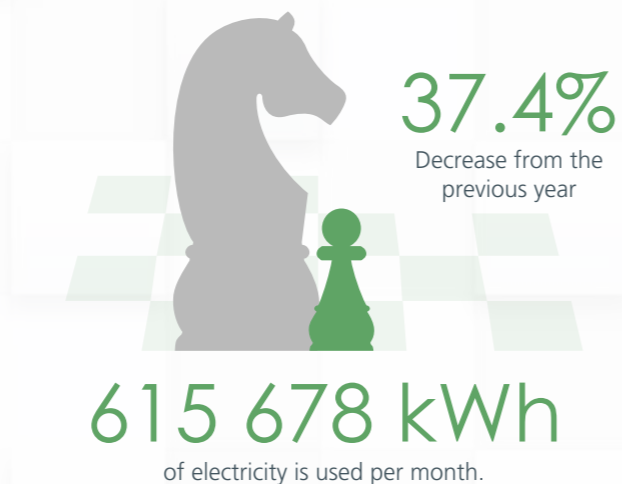
- Water usage is controlled with the installation of aerators in all taps in the kitchens, staff showers and meeting suites;
- We supervise all plumbing orders and the amount of water used by exhibitors.

KEEPING OUR ENERGY CONSUMPTION TO A MINIMUM

During the 12 months under review, the CTICC utilised 26 702.9 total gigajoules of energy from primary sources (fuel) and electricity generation.

This amount equates to a 37.4% decrease year on year and, when compared to the new baseline year 2017/18, it shows a 36.6% decrease.

These savings are mainly because CTICC 1 was closed for much of the year in review (from October 2020), while there were low business levels in CTICC 2. Travel and fuel consumption were also minimal due to remote working and lockdown conditions.



ELECTRICITY USAGE CONTINUED ITS DOWNWARD TREND

During the 12 months under review, the CTICC used an average of 615 678 kWh of electricity per month. This amount is 37.6% less than the average monthly electricity usage in the previous financial year (986 813 kWh). It equates to an average of 19 888 kWh per day

compared to 32 426 kWh for 2019/20. Considerable savings can be seen in all areas of consumption for the previously mentioned operational reasons.

Table 3: Combined energy consumption for CTICC 1 and CTICC 2 for the 2020/21 year

Year	Total kWh	Fuel Litres	Total Gigajoules	Year-on-Year
2018/19	12 416 212	1187.6	44 742.8	6.3
2019/20	11 841 755	797.0	42 660.2	-4.7%
2020/21	7 388 138	2758.6	26 702.9	-37.4%

COOLING THE PLANET WHEN IT NEEDS IT MOST

Greenhouse gas emissions fell by 4 444 metric tonnes equivalent this year, which equates to a 37.8% reduction. This reduction was due to a significant decrease in electricity consumption, as well as minimal travelling and fuel usage due to travel restrictions imposed by the pandemic.



Greenhouse gas emissions fell by 4 444 metric tonnes
Compared to 2.9 tonnes in 2019/20

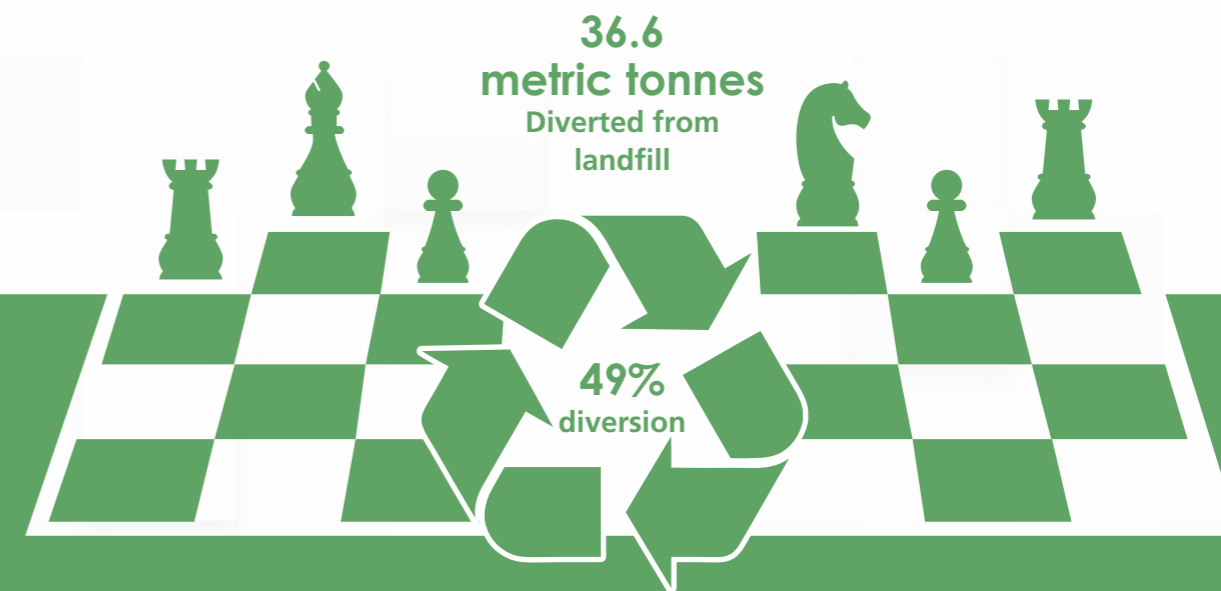
HARNESSING ENERGY-SAVING TRENDS FOR THE FUTURE

The CTICC remains committed to reducing its energy consumption and carbon emissions, aligning with the UNGC principles. In addition, as outlined in our five-year strategy, we are investigating more sustainable electricity generation options.

Heat pumps were installed for CTICC 1 during the year under review, replacing ageing and inefficient boilers, but with the building mothballed, minimal savings have been achieved to date. Some of the proposed methods to reduce consumption include the use of photovoltaic solar PV panels, which remain under consideration. We hope that we are now more than prepared for a greener, cleaner tomorrow.

REDUCING OUR WASTE: CONTRIBUTING TO A CLEANER TOMORROW

The overall weight of waste has decreased substantially by 92.1% in the past financial year. We produced 36.6 tonnes in 2020/21 compared to 462.4 tonnes in 2019/20. We saw a decrease in the diversion of materials for recycling: 13.5 tonnes were recycled in 2020/21 compared to 274.8 tonnes in 2019/20. This reduction is due to the limited number of events that generated recyclable items, such as wooden stands, metal cans, cardboard, and glass. This has resulted in a considerable decrease in the diversion from landfill rate, simply because these types of events have not been held due to lockdown restrictions. We diverted 49% of our waste in 2020/21, compared to 71% in 2019/20 and 86% in 2018/19.

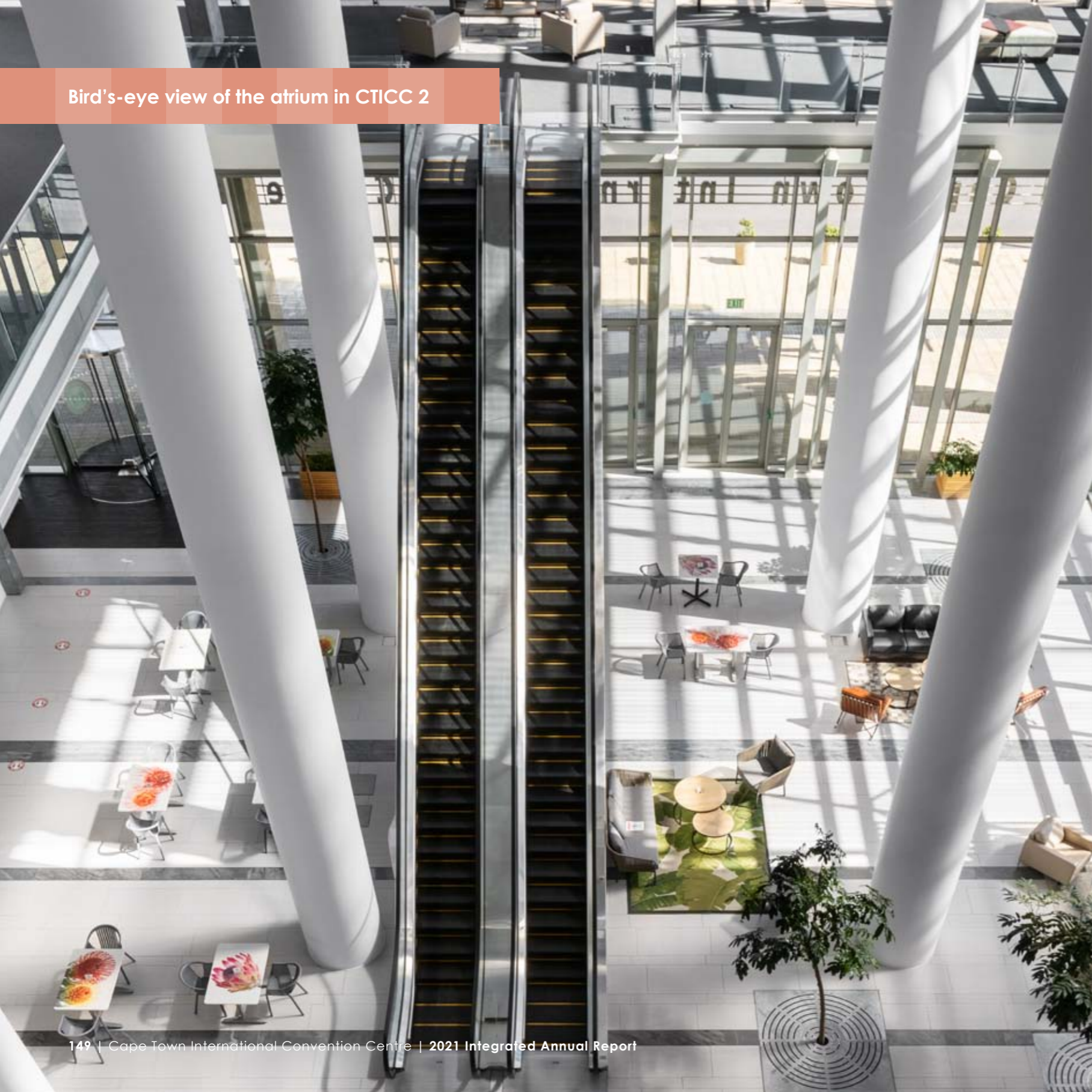




GOVERNANCE



Bird's-eye view of the atrium in CTICC 2



ENSURING BEST PRACTICE GOVERNANCE

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, 2016™ ("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

King IV™ 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, determines the strategic objectives of the CTICC and acts as the custodian of our corporate governance framework. The Board is supported by five 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. It is satisfied that it has fulfilled its responsibilities required by its mandate this year.

COMPOSITION OF THE BOARD

The Board comprises ten Directors, of which eight are Non-executive, and two are Executive Directors. Of the Non-executive Directors, six (75%) are independent. The Board is satisfied that its members have a diverse range of knowledge, skills, qualifications and experience, enabling it to contribute meaningfully to the CTICC.

CONFLICTS OF INTEREST

Directors are required to declare their personal financial interests and those of related persons in contracts with the group. A register in this regard is maintained and reviewed at each Board meeting. 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 CTICC and implementing 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 the CTICC 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 five committees is set out on pages 195 to 204.

COMPANY SECRETARY

The Company Secretary is responsible for providing the Board with guidance on discharging its responsibilities in terms of legislation and regulatory requirements, as well as 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 appropriately and that there is an arm's length relationship between the Company Secretary and the Board.

BOARD MEETINGS

The Board met seven 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.



King IV™ encourages organisations to take a proactive approach to corporate governance, which is exactly what the CTICC is doing

DIRECTORATE AND ADMINISTRATION

for the year ended 30 June 2021

DIRECTORS

DA Cloete

Chairperson
Independent Non-Executive Director
Appointed: 27 October 2015

A Cilliers

Lead Independent Non-Executive Director
Appointed: 16 October 2018

JC Fraser

Independent Non-Executive Director
Appointed: 24 August 2017

S Myburgh-De Gois

Independent Non-Executive Director
Appointed: 16 October 2014

N Pangarker

Independent Non-Executive Director
Appointed: 16 October 2018

SW Fourie

Non-Executive Director
Appointed: 22 November 2011

CK Zama

Non-Executive Director
Appointed: 24 August 2017

TT Motlhabane

Executive Director
Appointed: 1 February 2020

W De Wet

Executive Director
Appointed: 16 October 2018

MB Mdebuka

Independent Non-Executive Director
Appointed: 9 July 2019

BOARD COMMITTEES

Audit and Risk Committee

A Cilliers (Chairperson)
M Burton
L Ndaba
D Singh
CK Zama

Human Resources and Remuneration Committee

JC Fraser (Chairperson)
DA Cloete
MB Mdebuka
S Myburgh-De Gois

Nominations Committee

DA Cloete (Chairperson)
A Cilliers
SW Fourie
N Pangarker

Social and Ethics Committee

S Myburgh-De Gois (Chairperson)
MB Mdebuka
TT Motlhabane
CK Zama

Finance Committee

N Pangarker (Chairperson)
JC Fraser
MB Mdebuka

ADMINISTRATION

Company Registration Number

1999/007837/30

Registered Office

Convention Square
1 Lower Long Street
Cape Town
Western Cape
8001

Company Secretary

Kilgetty Statutory Services (South Africa) (Pty) Limited
Appointed: 3 March 2021

Auditors

Office of the Auditor-General
Private Bag X96, Bellville, 7535

Principal Bankers

Nedbank Limited
PO Box 1144, Johannesburg, 2000

DETAILS OF DIRECTORS' MEETING ATTENDANCE 1 JULY 2020 – 30 JUNE 2021

Name of Director	Board	Audit and Risk Committee	Finance Committee	HR and Remuneration Committee	Nominations Committee	Social and Ethics Committee
Total number of meetings	7	7	6	4	3	4
Cloete DA	7	-	-	4	3	-
Cilliers A	7	7	-	-	3	-
De Wet W	7	-	-	-	-	-
Fourie SW	7	-	-	-	1	-
Fraser JC	7	-	6	4	-	-
Mdebuka MB	7	-	6	4	-	4
Motlhabane TT	7	-	-	-	-	4
Myburgh-De Gois S	7	-	-	4	-	4
Pangarker N	7	-	6	-	3	-
Zama CK	6	6	-	-	-	3
Burton M #	-	7	-	-	-	-
Ndaba L #	-	7	-	-	-	-
Singh D #	-	6	-	-	-	-

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

DETAILS OF THE CTICC BOARD COMPOSITION 2021

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		•				•				•
#	Motlhabane	Tebogo Taubie	1 February 2020	•		•							•
*	Fourie	Solly William	22 November 2011		•		•						•
(*)	Fraser	John Cameron	24 August 2017		•				•				•
(*)	Myburgh-De Gois	Sharon	16 February 2014	•					•				•
*	Zama	Carol Kholeka	24 August 2017	•		•						•	•
#	De Wet	Wayne	16 October 2018		•		•						•
(*)	Cilliers	Annelise	16 October 2018	•					•				•
(*)	Pangarker	Nisaar Ahmed	16 October 2018		•			•				•	•
(*)	Mdebuka	Menelisi Bennet	9 July 2019		•	•							•
Total				4	6	3	2	1	4	0	0	3	7

* Non-Executive Director # Executive (*) Independent Non-Executive Director

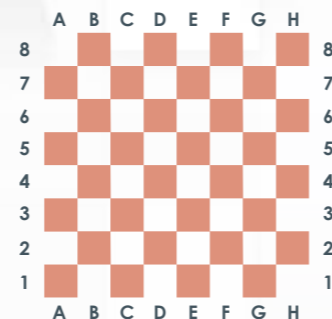
DIRECTORATE

for the year ended 30 June 2021



- A3** John Fraser
- A6** Kholeka Zama
- C1** Deon Cloete
- C6** Taubie Motlhabane
- D3** Sharon Myburgh-De Gois

- E3** Nisaar Pangarker
- F1** Annelise Cilliers
- F6** Wayne De Wet
- H3** Solly Fourie
- H6** Bennet Mdebuka



BOARD COMMITTEES

The 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 151.

AUDIT AND RISK COMMITTEE

The committee comprises five members, of which one is an independent Non-executive Director and one a Non-executive Director and all of whom hold appropriate qualifications and experience. The members 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 Chief Financial Officer, as well as the internal and external auditors. The committee met seven 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, Municipal Finance Management Act (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 members, of which all are independent Non-executive Directors. The committee 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 Executive Directors 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 four members, of which three are independent Non-executive Directors and one a Non-executive Director. The committee met three times 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 Board and its committees, 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 the evaluation of the 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 four members, of which two are independent Non-executive Directors, one a Non-executive Director and one a Prescribed Officer. The committee 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.

FINANCE COMMITTEE

The Finance Committee comprises three members, of which all are independent Non-executive Directors. The committee met six times during the period under review.

The purpose of this committee is to provide an oversight role over the finance, cash flow, financial reporting, investment, and IT-related matters of the company by making recommendations to the Board of Directors.

CTICC 1 main lounge



SAFEGUARDING THE FUTURE: BEST PRACTICE COMPLIANCE AND OVERSIGHT

The Covid-19 pandemic and the subsequent lockdown regulations, gazetted under the Disaster Management Act, No. 53 of 2005, impacted both the South African economy and the business operations of the CTICC.

THE NEW FINANCE COMMITTEE: PREPARING THE GROUND FOR TOMORROW

Consequently, the Board highlighted a need to form a Finance Committee to assist it in dealing with its financial oversight and business planning, in accordance with the CTICC's short-, medium- and long-term strategic objectives.

In this regard, the Finance Committee was formed primarily to assist the Board with financial oversight. This includes:

- Budgeting, business planning and financial planning;

- Monitoring the CTICC's cash flow position, investments, debtors book and performance against the Key Performance Areas (KPIs) as set by the City of Cape Town;

- Adherence to relevant supply chain management laws and regulations.

The Finance Committee further assists the Board with oversight on the effectiveness of the Information Technology (IT) Governance Framework and the CTICC's financial and IT-related policies.

OUR GOVERNANCE FRAMEWORKS: ENSURING OUR BUSINESS ADVANCES SAFELY

As per the King IV Report on Corporate Governance for South Africa, the Board is responsible for several aspects of risk governance, namely:

- How risk management is approached and addressed;
- How technology and information is managed to support the CTICC in setting and achieving its strategic objectives;
- How compliance is implemented in line with applicable laws, rules, codes and standards to ensure the CTICC acts as an ethical corporate citizen;
- How assurance services and functions can provide adequate controls that ensure the integrity of information used for internal decision-making and external reports.

During the 2021 financial year, the CTICC revised and implemented its Enterprise Risk Management Framework, Combined Assurance Framework, IT Governance Framework and Legal and Compliance Framework to ensure that they were all:

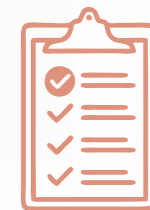
- Concise, accessible and aligned with the responsibilities outlined above;
- Appropriate for the size and nature of the CTICC's business operations;
- Aligned with recent changes in laws and regulations, such as the Protection of Personal Information Act, No. 4 of 2013 (POPIA).

The revision of the frameworks also included formulating a revised business continuity plan, a disaster recovery plan, and promotion for access to information (PAIA) manual, which is a legislated requirement along with compliance with POPIA.

The CTICC's PAIA manual was updated and signed on 22 June 2021. The manual has been formulated in accordance with requirements of Section 51 of the Promotion of Access to Information Act No. 2 of 2000 (PAIA).

With regard to POPIA, a page has been added to the CTICC website, enabling users to access their records, which the CTICC holds electronically and updates when necessary.

The governance frameworks referred to in this section are critical. They set out the structure and the rules that outline how the CTICC is managed and controlled in terms of risk, combined assurance and IT governance, as well as legal and regulatory compliance.



The new Finance Committee and revised governance frameworks assist the Board with oversight and ensure that the CTICC is compliant

BUILDING ALL OUR FUTURES THROUGH STAKEHOLDER ENGAGEMENT

For the financial year 2020/21, the CTICC held several corporate stakeholder engagement events, a selection of which is illustrated on the following pages. Our stakeholders are listed below:

OUR STAKEHOLDERS

Shareholders



City of Cape Town

Primary shareholder and investor. Essential to the governance of the CTICC.



Western Cape Government

Second largest shareholder and investor. Important to the governance of the CTICC.



SunWest International (Pty) Limited

Minority shareholder. Partner in overseeing our success as a viable commercial enterprise.

Clients, staff, community and business partners



Clients: Professional conference, exhibition, and event organisers

Vital to our financial sustainability and the retention of the 159 permanent and temporary staff complement we work with.



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

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



CTICC staff

Fundamental to our longevity, sustainability, service and reputation.



Cape Town Tourism and other industry stakeholders

Vital partners in raising the tourism profile of the city and region while also promoting the job and career opportunities this sector offers. We collaborate to position us and the region top of mind for leisure and business tourist role players.



Service partners

Important for effective delivery of organisational goals and KPIs, including economic contribution and job creation targets.



Media

Partner in raising awareness about us. The primary target audience for reputation management action plans and economic contribution promotion success stories.



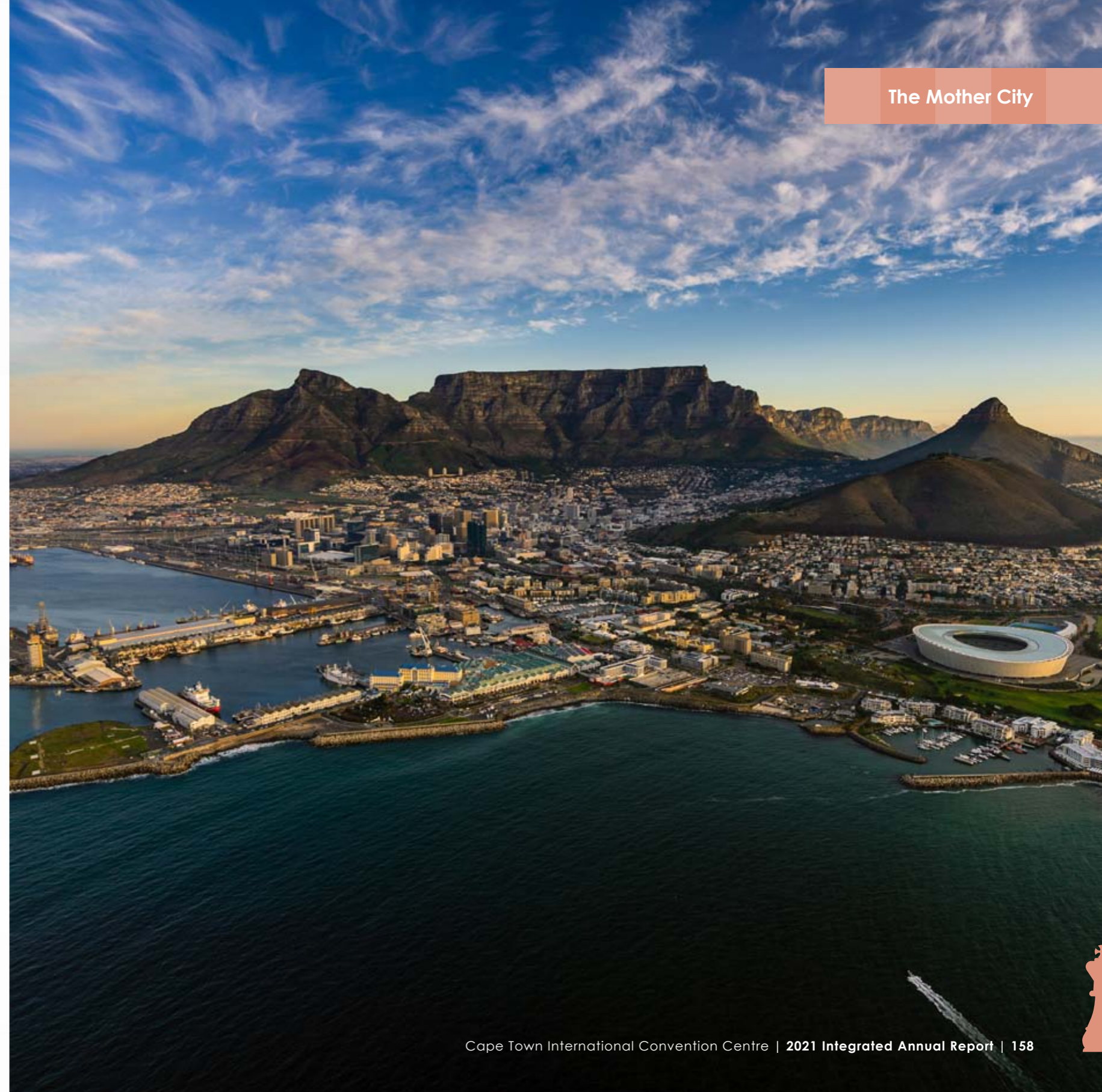
Local community partners: Call 2 Care, help2read, iKhaya le Themba and Foundation for Related Research (FARR)

Partnerships were established to strengthen community ties and offer ongoing support to the valuable work of the organisations



CCID: Safety and security stakeholders and hotel security group

Partner in ensuring the safety and security of delegates during events within our precinct and surrounding hotels.



Cape Town Tourism Venue Guide event in March 2021



There is a range of mechanisms for shareholders, employees, clients and other stakeholders to provide recommendations or direction to the company and the Board, where applicable. These include:

- AGMs and Board meetings, which shareholders and stakeholders are invited to attend;
- Customer surveys, which all our clients are asked to complete by a third party research organisation;
- Our Employee Relations Forum and Employment Equity and Training Committee, whose work in support of employees is outlined in the "About the CTICC" chapter on pages 15 to 32;
- Our CEO open door policy, which is available to all of the above.

In addition, the CTICC utilises many communication mechanisms to liaise with stakeholders, share news of our performance, market the centre and respond to questions and concerns about the CTICC.

These include external communication platforms, such as:

- The CTICC website;
- CTICC press releases;
- CTICC editorials and opinion pieces placed in relevant media;
- Digital signage in public spaces around the CTICC;
- Above-the-line advertising in various media;
- Collaborative marketing platforms;
- The CTICC's Integrated Annual Report;
- CTICC stakeholder and client engagement sessions;
- Participation in local and international industry events and tradeshows;
- Social media accounts on Facebook, Twitter, Instagram, LinkedIn, Trip Advisor and Google My Business.

Internal communication platforms to keep staff informed include:

- The CTICC's intranet;
- Our Employee Relations Forum;
- Our Employment Equity and Training Committee;
- Staff meetings in various formats, including quarterly staff breakfasts;
- Staff communications such as email, memos, notice boards and posters; and
- KPA meetings.

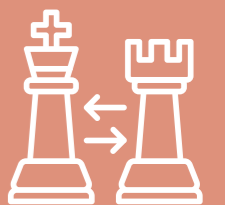
The CTICC usually has a comprehensive programme of employee engagement activities that provide us with a platform to connect with our staff on an ongoing basis. Due to lockdown restrictions, we could not host the majority of our staff engagements, such as Poorman's Friday, Richman's Friday, or our mid-year bash. We were, however, able to honour our long service employees at a staff breakfast and lunch.

Staff engagements that took place in the year under review:

- Staff breakfast, which included our long service awards, took place on 15 October 2020;
- Celebrations continued with a long service awards lunch on 18 February 2021.

We have chosen to highlight a sample of the stakeholder engagements we initiated or participated in during the year under review. Of necessity, many of them have been online digital or hybrid events – something we have adapted to and embraced while knowing that the personal interaction a face-to-face meeting offers is still of considerable value.

Castling is the only time in chess when two pieces can move at once. The king moves two spaces to the left or the right and the castle moves over and in front of the king. It serves two valuable purposes – it moves the king away from the centre of the board and it moves the castle to a more active position in the centre of the board.



STAKEHOLDER ENGAGEMENTS

Showcasing the future: Introducing our hybrid studio to the PCO Alliance
1 September 2020

Stakeholder:
Professional Conference Organiser (PCO) Alliance

Event:
PCO Alliance Hybrid Event

Objective:
To showcase our new digital studio, including our Covid-19 protocols and food offering, to the professional conference organisers of Cape Town. We did this by hosting a hybrid event.

Needs analysis:
Our new digital studio required a formal launch to the conference and event organiser community, and the PCO Alliance was the perfect fit.

Engagement:
The CTICC hosted the Cape Town leg of the national PCO Alliance event as a customer relationship management activation. The event was attended by PCOs and corporate clients who gathered to reboot the events industry and demonstrate that safe meetings are possible. We hosted 30 clients on-site, with the balance attending online.

Outcome:
We demonstrated that it is possible to have meetings and events safely. And we showed that there are different ways to host events, such as hybrid and virtual events.

PCO Alliance Hybrid Event in September 2020



CTICC Client Open Day in June 2021

Strengthening relationships: Hosting our clients in a safe environment
24 June 2021

Stakeholder:
New and existing clients based in Cape Town

Event:
CTICC Open Day

Objective:
To strengthen relationships with clients after lockdown and to showcase our Covid-19 protocols.

Needs analysis:
There was a need to welcome clients back to the CTICC after lockdown.

Engagement:
The CTICC hosted the Cape Town clientele as a CRM activation. The event was attended by PCOs, and new and current corporate clients, to restart the events industry and demonstrate that safe meetings are possible. We hosted 30 clients on-site.

Outcome:
Strengthened relationships through showing support and demonstrating our flexibility and agility.



Welcoming international travellers to Cape Town International Airport after lockdown in October 2021

CEO ENGAGEMENTS

Lift-off after lockdown: Celebrating our connections
1 October 2021

Stakeholder:
Airports Company South Africa and Cape Town Tourism

Event:
Arrival of the first international travellers at Cape Town International Airport since lockdown.

Objective:
To welcome international travellers back to Cape Town after lockdown.

Needs analysis:
The CTICC wanted to support the tourism industry during a difficult time and foster collaboration with its stakeholders.

Engagement:
Celebration of the arrival of the first international visitors to South Africa since lockdown. The CTICC was excited to welcome them back to our beautiful city.

Outcome:
The CTICC successfully collaborated with its stakeholders and showed support for the tourism industry.

Moving forward: Helping uplift the tourism industry
19 October 2020

Stakeholder:
Africa Tourism Leadership Forum (ATLF)

Event:
ATLF Conference

Objective:
To provide professional career development opportunities. To learn how to run effective organisations, as well as engage with tourism ministries and departments. To equip the private sector and small enterprises with the necessary skills and knowledge to effectively approach the government on issues impacting the success of the tourism industry.

Needs analysis:
The CTICC needed to build regional networks, both within the conference sector and in terms of attracting new regional clients and business opportunities.

Engagement:
The ATLF is a pan-African dialogue platform that brings together key stakeholders from Africa's travel, tourism and hospitality sectors.

Outcome:
The CEO, General Manager: Commercial and Business Management, and Head of Sales attended the African Leadership Tourism Conference, which took place in Rwanda. The conference was a hybrid, virtual and face-to-face event and ran over two days. At the conference, we met with the South African Consulate, who hosted us for a day. The programme was informative regarding the challenges the tourism industry faces both during and after the pandemic.

Africa Tourism Leadership Forum (ATLF) in October 2020



Strategising a new tomorrow: Reviving the international meetings sector

1 – 3 November 2020



Stakeholder:

International Congress and Convention Association (ICCA)



Event:

59th ICCA Congress Opening Ceremony



Objective:

To bring the international ICCA community together during the pandemic



Needs analysis:

The need to collaborate and share ideas and strategies to revive the international meetings sector.



Engagement:

As part of the ICCA interactive congress “Road to Kaohsiung” programme, ICCA invited the global ICCA community to connect online with each other and explore new ideas, formats and technologies. Together the “Kaohsiung Protocol” was created, a framework identifying significant trends and key strategies that will enable the international meetings industry to thrive now and into the future. Cape Town hosted the ICCA Africa Chapter Hub.



Outcome:

As members of ICCA and with our CEO as the African chapter chair, we successfully showed our support and ensured that our goals align with that of the association.

Observing social distancing at the 59th ICCA Congress Opening Ceremony in November 2020



Stakeholders attending a socially distanced CTICC Strategic Session in June 2021

Reimagining the CTICC: Our new way forward

24 – 25 June 2021



Stakeholder:

CTICC stakeholders



Event:

CTICC Strategy Session



Objective:

To reimagine the way forward for the CTICC in a post-pandemic world.



Needs analysis:

The need to collaborate and share ideas and strategies to plot the way forward for the CTICC.



Engagement:

The CTICC EXCO held a strategy session with the CTICC Board to discuss the trajectory of the CTICC.



Outcome:

An outline strategy was drawn up, which has been shared with the CTICC staff.



CTICC 18th birthday celebration in June 2021

Achieving milestones: Building relationships with our staff on our birthday
25 June 2021



Event:
CTICC's 18th Birthday



Objective:
Build staff morale and relationships between the Board and the CTICC staff.



Needs analysis:
To provide a platform for engagement between staff and the Board and build relationships.



Engagement:
The CTICC celebrated its 18th birthday with a cake created by our incredible kitchen team and shared it with all staff that were on the premises.



Outcome:
We celebrated 18 years of providing extraordinary experiences for our staff, clients, and visitors. We thanked our shareholders for their ongoing support.

SATISFYING OUR CLIENTS: CUSTOMER FEEDBACK

The CTICC prides itself on its service levels, which have consistently exceeded its targets over the years. Due to the uncertainties that the year under review presented, we revised our Customer Satisfaction Index target down to 75%. Our service levels rose to new heights across all our hybrid, digital, and face-to-face offerings.

The CTICC uses an independent company, N'Lighten, to measure its Customer Satisfaction Index. The survey is done monthly face-to-face, telephonically or via email. As an ISO 9001 accredited company, it is vital to track and analyse customer feedback and monitor trends to enhance our offering.

The survey includes all the different events such as conferences, banqueting, exhibitions and special events. It also covers a range of topics that are relevant to the CTICC's business operations.

During the period under review, the CTICC received an overall Customer Satisfaction Index of 91%, despite not receiving any surveys for July 2020, September 2020, November 2020 and February 2021 due to lockdown.

CCID Annual Breakfast in October 2020





THE FUTURE





NEGOTIATING A NEW WORLD

The year in review has made one thing clear: the future looks, feels and is already different. Many uncertainties remain around the pandemic and its economic impact – on business tourism, in particular. But in that uncertainty lies opportunity and the chance to think ahead to the promise of a new tomorrow.

This forward thinking has always been part of the CTICC mindset across all three of its triple-bottom lines – financial, environmental and social. Now, more than ever, we know that we must shape-shift to adapt and thrive. And so we have done so, crafting a new future-looking strategy that is more inclusive, innovative and transformative.

PROMOTING OURSELVES INTO A NEW FUTURE

At the CTICC, we've always understood that the events and conferencing industry provides a platform to uplift businesses and entrepreneurs. This is why we set up our Own Events unit in 2019 with three core objectives: to create new revenue streams, to support Small, Medium and Micro Enterprises (SMMEs) and to boost job creation in the region, in line with our shareholder mandates.

real need to market South African products and talent, especially since many industries were affected by lockdown and restrictions, and this is something we are actively pursuing.

To support our communities, we ensured that our own events offering could be accessible to as many people as possible by only charging a flat rate per square metre and no commission, unlike other markets. This model covers our costs and helps our target market generate much-needed sales and return on investment (ROI).

We have already hosted two popular own events and have more lined up for the year ahead and beyond.

The impact of Covid-19 on SMMEs made this strategy even more important, and we believe this type of event offering can go a long way to ensuring inclusiveness in a struggling economy.

Our first own event, the 2019 CTICC Gift Fair, was a great success – one we hope to repeat in November 2021. The CTICC Gift Fair boasts a wide variety of local entrepreneurs selling top-end health and beauty products, arts and crafts, clothing, toys, accessories, gadgets and jewellery – all under one roof.

Our long-term outlook for own events has transformed due to the pandemic – but not for the worse. We quickly realised that there is a

The team launched the AllSport Coaches Workshops in March 2020, designed to capitalise on South Africans' love of sport. Then came Covid-19 and our plans for live, people-centred, large-audience events were challenged. We have now adapted our plans for these and other own events.

AllSport Coaches Workshop in October 2020



SUCCESSFULLY TRANSITIONING ONLINE: ALLSPORT COACHES WORKSHOPS

By the middle of 2020, we had swiftly adapted the AllSport Coaches Workshops to a fully digital format, with four events successfully held online in October and November 2020, followed by two in March 2021. These events consisted of a series of three-hour workshops targeted at school sports coaches.

The key focus was to assist sports coaches with valuable information about reconditioning their teams to prepare them for when competitive sport resumed. The intention remains to share and discuss the latest learnings and best practice ideas on sports psychology and nutrition, as well as injury prevention and rehabilitation.

The workshops also advised coaches on how to safely build teamwork, performance and resilience in these unusual Covid-19 times. All this took place online with a range of experts presenting on their specific sports expertise in these areas.

These events have been a great success due to the excellent content and quality of speakers, attracting 865 attendees to the six workshops held to date. We have every intention of continuing to offer these workshops in the future.

FORWARD THINKING FOR MORE OWN EVENTS: THIS IS ART AND THE ULTIMATE BEVERAGE SHOW

Not only have we reimagined our Gift Fair, but we have also combined its revival with a new event called This is Art. The CTICC has considerable experience with these worlds, having hosted several gift-focused exhibitions and trade fairs, including the respected Investec Cape Town Art Fair.

This is Art has been specifically created to celebrate South African artists and support local talent, showcasing their art and handmade pieces.

The CTICC Gift Fair and This is Art events will run side by side in late November 2021, with a number small art and craft skills workshops for those keen to break into the art, craft and gifting worlds.

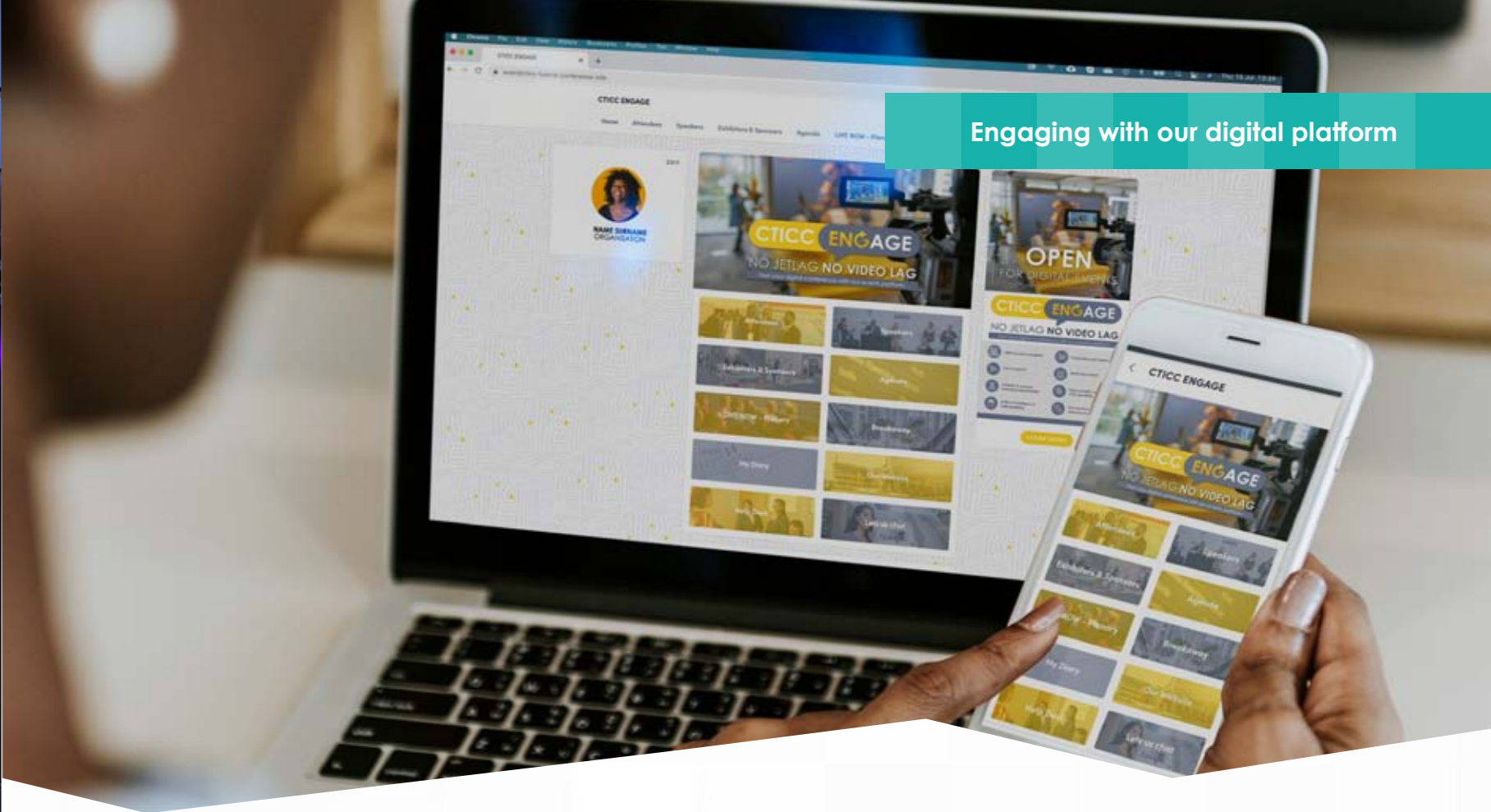
Finally, we are excited to have created another bespoke own event called The Ultimate Beverage Show, in partnership with Schweppes and Musgrave Crafted Spirits, which will take place in January 2022. We intend this to be South Africa's premium boutique beverage experience: a one-day trade exhibition followed by a two-day consumer exhibition, showcasing the finest local craft and small batch producers. Visitors will have the opportunity to taste and purchase the wide selection of beverages on offer, as well as learn about the different techniques used in creating the ultimate flavour combinations in these products.

One of our upcoming own events



THE ULTIMATE CRAFT EXPERIENCE

27 – 29 JANUARY 2022



TOWARDS A NEW NORMAL: THE CTICC ENGAGE DIGITAL PLATFORM

The CTICC launched its digital platform in the previous financial year and rebranded this offering during the year under review. Now known as CTICC Engage, this online platform offers clients a variety of digital and hybrid event options that they can adapt to their particular needs. CTICC Engage uses our digital studio, which has been reimaged to suit client requirements as they evolve.

CTICC Engage makes use of artificial intelligence (AI) matchmaking to recommend which events and speakers attendees should engage with. It also provides data analytics and continuing professional development (CPD) reporting, letting organisers know how many people attended their sessions and for how long. There are also several exhibitors and sponsor branding opportunities available.

This package allows organisers to host seamless and successful events where attendees can make use of in-platform interactive online meetings, live presentation sessions and other added extras, such as chat boxes and polls. This allows for real-time networking opportunities, making for endless possibilities.

Although digital events are still new to the industry, we believe it will be part of conferencing's new normal. Covid-19 has provided an opportunity for people to consider their engagement options. If they cannot attend in person, they can still link in virtually.

We also believe there's an upside to this scenario. Virtual meetings can bring in a whole new crowd: if you were selling out in-person before, you can now potentially double that by offering an online component.

Digital conferencing is still fairly new in the industry and has not yet created a significant new income stream for the CTICC. However, this is an option that is becoming increasingly popular and something that many attendees demand in a Covid-19 world, so we firmly believe it will become one.

Santam virtual suite



A NEW MOVE FOR THE CTICC: ADDITIONAL REVENUE STREAMS WITH PROMISE

The CTICC has been quick to adapt its spaces to attract alternative revenue streams due to lockdown restrictions on large meetings. Our “Open for Business” campaign was designed in response to Covid-19 lockdown regulations restricting our core meetings business. We transformed the spaces we do have in such a way as to incentivise potential clients around two reassurances (1) that our venues are safe and (2) that we would assist in economically challenging times with up to 50% off our venue charges.

Options included the following offerings:



Co-working spaces – this offering showcases the CTICC’s ability to adapt our venues to provide hot desks, meeting rooms or private offices for business purposes. The CTICC provides visitors with a productive, safe and flexible space (by the hour, the day, the month or longer), with access to Wi-Fi, free parking, coffee and strict health and safety protocols in a central location;



Graduation ceremonies – the CTICC provides students, schools and universities with customisable venues to make their special day picture perfect. The package includes a gourmet menu, area for pre-dance photos, décor, lighting and a PA system, amongst other things;



Marking and examination centres – due to restrictions on large gatherings, the CTICC set up venues to assist students and teachers with examinations and marking. Covered secure parking and access control, combined with health and safety measures, screening and contact tracing, creates the perfect environment for these tasks;

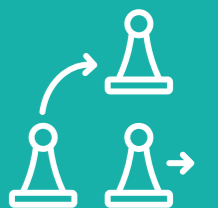


Hybrid events – the CTICC’s digital events platform offers virtual and hybrid event solutions, with several in-platform interactive options. The CTICC can set up a digital studio at a moment’s notice, and provide several different seating layouts for guests. Digital events are not a replacement for in-person meetings but rather an alternative of bringing people together and keeping them connected, safely.

The “Open for Business” campaign successfully brought in close to R10m in revenue for the CTICC across all the offerings listed above.

In addition, we expanded our own events offering as we mentioned earlier, and we have plans to initiate our advanced campus for innovation, which will allow us – and others – to explore new technologies and inspiring developments. Watch this space!

En passant (French for “in passing”) is a special chess move that can only occur immediately after a pawn makes a move of two squares from its starting square, and it could have been captured by an enemy pawn had it advanced only one square. The pawn captures the just-moved pawn “as it passes” through the first square. En passant is an excellent move to catch an opponent off guard.



BUILDING OUR PARTNERSHIPS WITH AFRICA

We have had a lot of engagement with our African Association Management Company partner over the year under review and have extended our contract with them. We have also made an effort to ensure ongoing engagement in the region.

The increasing use of digital meetings means that people from across the continent have been able to attend African regional events more easily. In addition, the focus for South African business tourism is firmly on the regional and domestic market, which is in line with provincial investment promotion strategies.

Despite long haul travel restrictions still being in place in October 2021, regional travel has been less affected. In October, the CTICC travelled to Rwanda to participate in a regional customer relationship management event in Kigali, which was linked to the African Leadership Tourism Conference. The CTICC hosted an event for clients at the conference in conjunction with the South African Consulate.

Our continent is still a core focus for the CTICC, mainly because people are currently more willing to travel within Africa. In addition, we already have strong ties with several regular African events, including Africa Oil Week

and Investing in African Mining Indaba. They are each contracted with us for the next three years.

Additional Africa-focused events include the ever-growing AfricaCom digital communications conference and expo, as well as a new client in the form of the Solar Power Africa trade fair, which will take place in February 2022.



Africa is a core focus for the CTICC. We have strong ties with several regular African and Africa-focused events

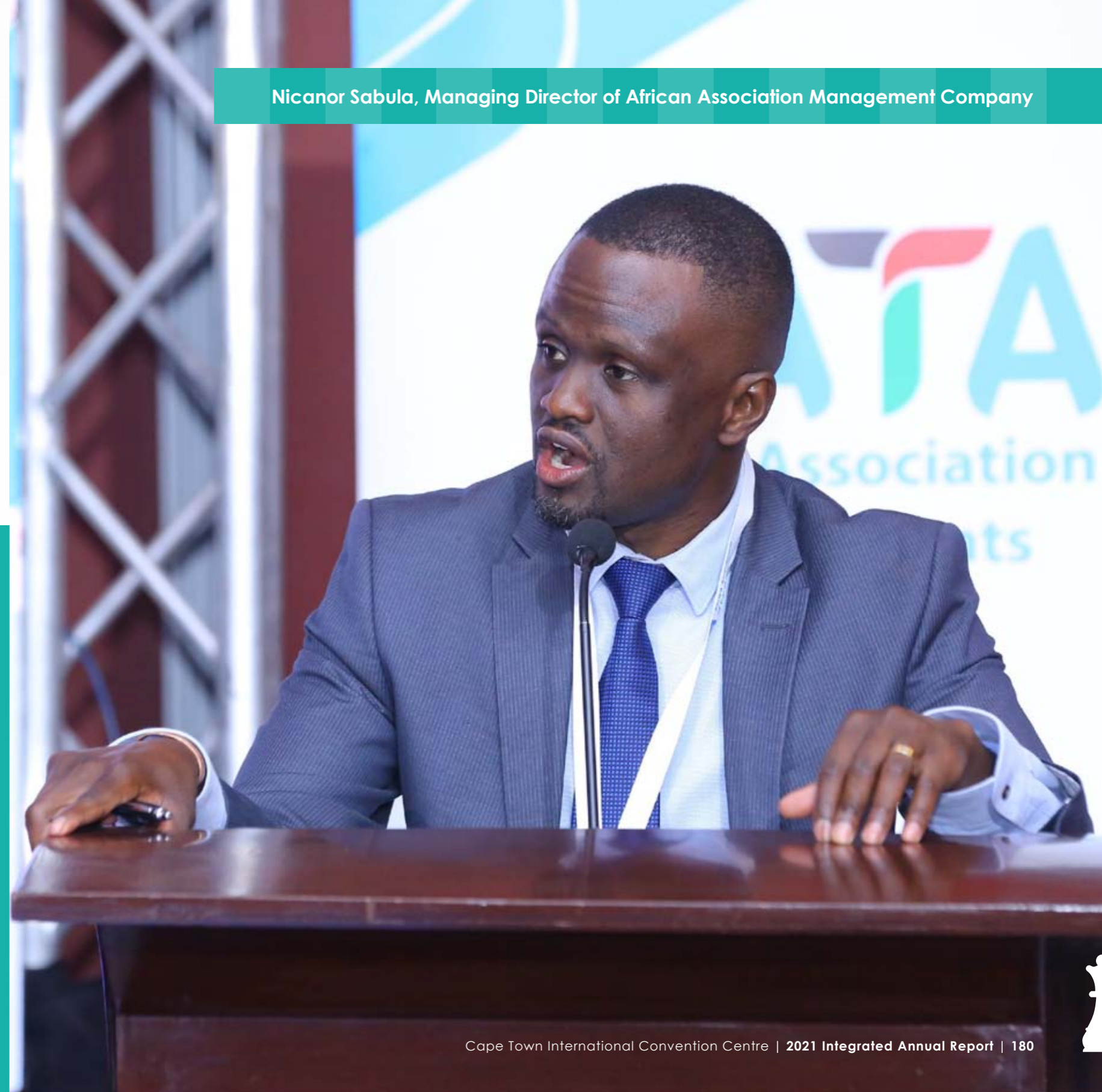
OUR FUTURE HIGHLIGHTS: EVENTS THAT WILL TAKE US FORWARD

Over the past 17 months, the CTICC has secured 15 new international conferences during lockdown, and over 40 events have been confirmed for 2022 to 2027, as you will see in our Forward Book. Many of these, including the highlighted events below, intersect with and support the catalytic investment sectors of both the City of Cape Town and the Western Cape Government. Topics include agriculture, biochemistry, medicine, technology and transport infrastructure.

Highlights of these upcoming events include:

- **The 36th International Conference on Lightning Protection**
Catalytic sector: Technology
This event will be hosted at the CTICC in 2022, bringing in an expected 350 delegates
- **The International Joint Conferences on Artificial Intelligence (IJCAI)**
Catalytic sector: Technology
This will be the first time the event will be hosted in Africa, bringing 4 000 people to Cape Town in 2023
- **The Institute of Electrical and Electronics Engineers' (IEEE) Communications Society Global Communications Conference (IEEE Globecom)**
Catalytic sector: Transport
This is an annual international academic conference, coming to South Africa with 2 000 delegates in 2024
- **The 9th World Congress on Conservation Agriculture**
Catalytic sector: Agriculture
This event will address food security with 2 000 delegates in 2024
- **The Congress of the International Paediatric Nephrology Association (IPNA)**
Catalytic sector: Medical sciences
IPNA will meet in Cape Town with 1 000 delegates in 2025
- **The Congress of the International Union of Biochemistry & Molecular Biology (IUBMB)**
Catalytic sector: Science
This conference will host 2000 scientists at the CTICC in 2027.

Nicanor Sabula, Managing Director of African Association Management Company



Investing in African Mining Indaba in February 2020



OUR FORWARD BOOK: MOVING AHEAD

The events outlined on the previous page and listed below will bring visitors back to the CTICC, perhaps initially under socially distanced and sanitised conditions, but we are confident they will return nonetheless. And in doing so, they will continue to contribute to our economy and, in particular, our business tourism sector.

FEB 2022

Human Heredity and Health: Africa (H3A) 150

MAR 2022

GTR | Exporta 2022 300

MAY 2022

Investing in African Mining Indaba 7th World Conference on Research Integrity 3 000 800

JUN 2022

SWIFT African Regional Conference 450

JUL 2022

International Conference on Mercury as a Global Pollutant (ICMGP) 1.000
 GBATA 23rd Annual International Conference 400
 World Federation of Paediatric Intensive and Critical Care Societies (WFPICCS) 300

AUG 2022

18th International Symposium on Microbial Ecology (ISME18) 1 800

SEP 2022

28th International Nuclear Physics Conference 700

OCT 2022

The 36th International Conference on Lightning Protection 350
 Global Self-Care Federation World Congress 400

NOV 2022

Africa Oil Week 2022 1 000
 The 30th Commonwealth Agriculture Conference 400

FEB 2023

The 14th International Congress of Human Genetics 7 000
 Investing in African Mining Indaba 12th International Symposium on Targeted-Alpha-Therapy 3 000 400

MAR 2023

Profile Toxicology Regional Meeting 200

MAY 2023

The International Maternal Newborn Health Conference (IMNHC) 1 500

JUN 2023

ISF World Seed Congress 1 000

JUL 2023

The 17th International Heat Transfer Conference (IHTC-17) 1 400
 International Conference on Animal Genetics (ISAG) 600
 World Congress of the International Health Economics Association (IHEA) 800

AUG 2023

International Joint Conferences on Artificial Intelligence (IJCAI) 4 000
 International Cartographic Conference (ICC) 1 200

SEP 2023

World Congress of the World Federation of Neurosurgical Societies (WFNS) 3 000
 International Association of Hydrogeologists (IAH) 600

OCT 2023

Africa Oil Week 2023 **1 000**
 International Conference on Accelerator and Large Experimental Physics Control Systems (ICALPECS) **500**

NOV 2023

The 18th International Congress of Immunology (IUIS) **3 000**
 Regional Congress of the International Society of Blood Transfusion (ISBT) **1 000**
 International Congress of Cardiothoracic and Vascular Anaesthesia (ICCVA) **600**

FEB 2024

Investing in African Mining Indaba **3 000**
 World Association of Waterborne Infrastructure – PIANC World Congress **600**

MAR 2024

The International Symposium on Pneumococci and Pneumococcal Diseases (ISPPD) **1 100**

APR 2024

Congress of the International Federation of Hospital Engineering (IFHE) **500**
 World Veterinary Association Congress (WVAC) **2 000**
 Congress of the International Federation of Hospital Engineering (IFHE) **500**

MAY 2024

World Congress of the International Hepato Pancreato Biliary Association (IHPBA) 2024 **2 400**
 International Child Neurology Congress (ICNC) **1 500**

JUN 2024

9th World Congress on Conservation Agriculture **1 000**

JUL 2024

International Conference on Mercury as a Global Pollutant (ICMGP) **1 000**

AUG 2024

General Assembly of the International Astronomical Union (IAU) **2 500**
 FIP World Congress of Pharmacy and Pharmaceutical Sciences **2 500**

SEP 2024

International Solid Waste Association (ISWA) **1 000**
 International Commission on Yeasts (ICY) of the International Union of Microbiological Societies (IUMS) **300**

OCT 2024

The International Federation of Gynaecology and Obstetrics (FIGO) World Congress **4 000**
 76th Congress of the International Fiscal Association (IFA 2024) **2 000**

NOV 2024

Africa Oil Week **1 000**

DEC 2024

IEEE Globecom **2 000**

MAR 2025

Congress of the International Paediatric Nephrology Association (IPNA) **1 000**

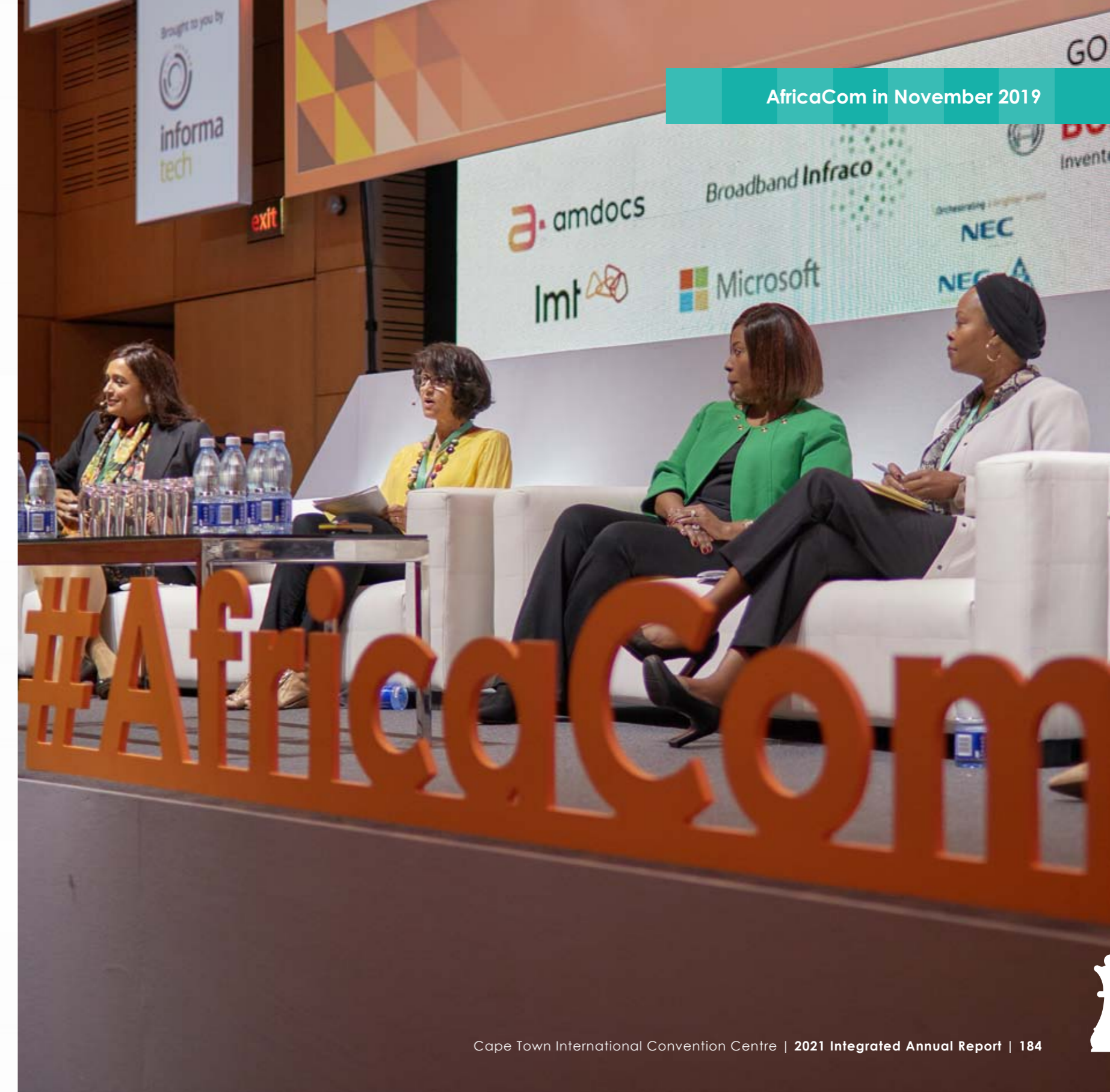
OCT 2025

International Association of Paediatric Dentistry (IAPD) **1 000**

SEP 2027

The International Union of Biochemistry and Molecular Biology (IUBMB) **2 000**

AfricaCom in November 2019



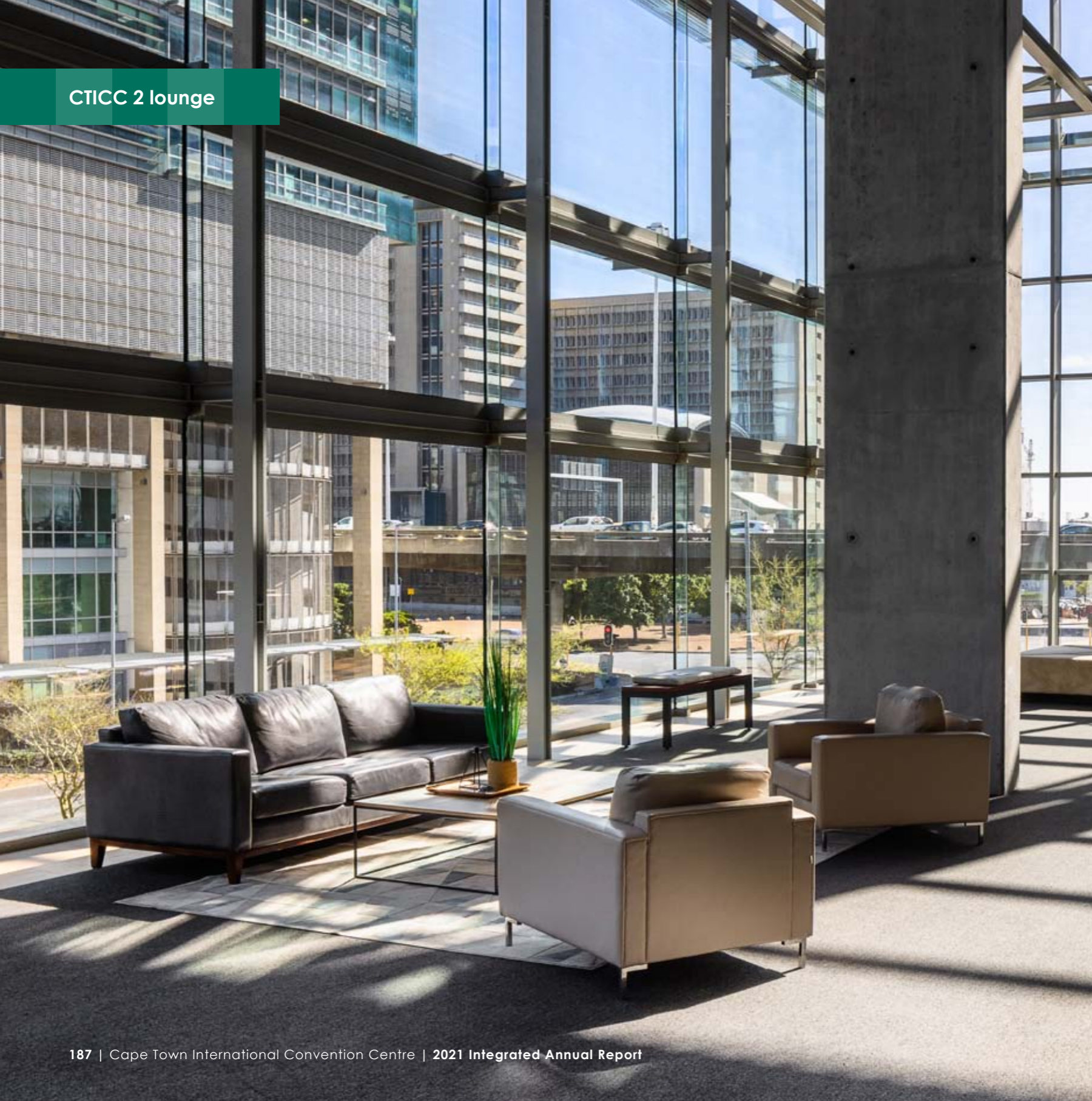


ANNUAL FINANCIAL STATEMENTS



International Co
ion Centre 2

CTICC 2 lounge



EXCO, MANCO and Leadership team



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The reports and statements set out below comprise the annual financial statements presented to the Board of Directors:

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REPORT OF THE DIRECTORS

for the year ended 30 June 2021

The directors submit their report for the year ended 30 June 2021.

1. Main business and operations

The company's activities continue to be impacted by the Covid-19 pandemic since March 2020, when the government declared the National State of Disaster and the national lockdown strategy to combat the effects of the Covid-19 pandemic on the population. The Covid-19 lockdown regulations place limitations on gatherings by restricting the number of people allowed to attend an event. Despite these restrictions, the company was not deterred from hosting some events. A total of 53 events were held during the financial year, however, most of these events were smaller in size than usual.

During the year under review, the different levels of lockdown permitted the hosting of events ranging from 50 to a maximum of 250 attendees or delegates. These restrictions on the number of event attendees had a negative impact on the results of the company, as the majority of the events that utilise our venues would have attendees or delegates way above the limit imposed by the State of Disaster regulations at any given time. International events were still not able to be hosted due to various travel restrictions related to Covid-19, implemented by governments around the world. These events were either postponed or cancelled. The revenue lost due to cancellations is estimated at R41.6 million and the events postponed amounts to approximately R90.3 million for the year.

Agreements with the Western Cape Provincial Government (WCPG) to utilise the facilities during the pandemic as a temporary Covid-19 hospital and for the storage of medical supplies ended on 17 September 2020 and 12 July 2020 respectively. The company de-commissioned CTICC 1 after the hospital structures were removed and the decontamination of the building was completed.

The company submitted a successful business interruption insurance claim during the year. The claim was limited to the losses suffered within 60 days from the outbreak of the pandemic and limited to R10 million, including VAT. This amount has been received and is accounted for in the earnings before interest, taxation, depreciation and amortisation (EBITDA) loss reported.

The pandemic has put a damper on face-to-face events and the conventions industry has seen an increased use of virtual meeting platforms around the globe. This has resulted in a drastic reduction in the need to rent space to host events. Although the company has a virtual meetings solution available for sale to our clients, it does not generate the same levels of revenue as in-person events. Associated with this is the lack of food and beverage and other revenue that the company would be able to earn from face-to-face events.

The consequence of the above is a decrease in the future cash flow projections, which are used by management in determining the value in use of the cash-generating units of the company when performing the impairment test. The adjustment for the impairment loss in the current financial year is R109.8 million and is reported in the Statement of financial performance.

Management has revised all costs during the year by reducing non-critical operating and capital expenditure to ensure that available resources are utilised as efficiently as possible. The company has also decommissioned portions of the buildings during the year, and only minimal maintenance was carried out. The company has, however, maintained its 5-star grading.

In an effort to reduce the payroll costs, the company embarked on a staff rationalisation process in terms of s189A of the Labour Relations Act. The company had an objective of a 25% reduction in payroll costs. After completing the process, a total of 49 voluntary retrenchments were accepted and 52 staff were made redundant, achieving a 28% reduction in payroll costs. All vacancies not considered to be critical have also been frozen.

The total revenue earned was not sufficient to cover the operational costs of the company and, as a result, the company incurred an EBITDA loss of R93.7 million.

The company's activities have historically contributed significantly to the economic goals of its primary Shareholders, the City of Cape Town (CoCT) and the WCPG. The decline in the number of events held, as well as delegate and visitor day numbers, has a direct impact on our economic contribution to the Western Cape Gross Geographic Product (GGP) and the South African Gross Domestic Product (GDP).

2. Subsequent events

On 27 June 2021, just before the reporting date, the country moved to Adjusted Lockdown Alert Level 4, which prohibited gatherings of any numbers (except for funerals), impacting the events scheduled to take place in July 2021. The planned events were cancelled, resulting in revenue losses of more than R4 million. The deposit of R3.6 million held for an international client was refunded in July 2021.

The restrictions were slightly relaxed during July 2021, which allowed events of up to 50 attendees to take place. This allowed six small events to be hosted up to the end of August 2021. The revenue earned from these small events is not sufficient for the company to cover its operating costs.

The WCPG's temporary mass vaccination centre was opened to the public on 7 July 2021. The company is using its staff at the centre as queue marshals within the public spaces, parking attendants and Coffee on the Square and Old Pier Café has opened for food and beverage service to the public and vaccination centre staff. The agreement is for an initial period of six months with an option to extend. The WCPG will be charged actual costs directly related to its use of the facilities, without a rental charge.

The company issued the first tranche of 2 500 "C" ordinary shares valued at R10 million to the CoCT on 28 July 2021 and received the amount on the same day. The second and third tranches for a further 5 000 "C" ordinary shares totalling R20 million was done on 27 August 2021 and 4 October 2021. Share certificates for the transactions have been issued.

The directors are unaware of any events after the reporting date that would materially alter the amounts or disclosure in these annual financial statements.

3. Going concern

The State of Disaster regulations relating to combating Covid-19 have been in effect since March 2020 and have had a negative impact on the full 2021 financial year, as the company has been unable to conduct its normal business operations. The company has continued to engage with its clients to ensure that their planned events are postponed rather than cancelled. This has allowed the company to retain the deposits paid by clients in terms of their contracts. The process of constant engagement and communication with clients is still proving successful, as many large events have been postponed to later in the 2021 and 2022 calendar years. Exact dates are to be confirmed as soon as these events are allowed to take place under the State of Disaster regulations.

Encouraging our clients to postpone their events is vitally important to protect the company's events forward book, which currently amounts to R600 million, inclusive of venue rental, food and beverage and other revenue. The forward book currently has a total of 209 events covering the 2022 to 2026 financial years.

It remains unlikely that the company would be able to operate at the levels seen pre-pandemic before the end of the next (2022) financial year. This is due to the increase in Covid-19 infections during the third wave of the pandemic, as well as the slow progress in vaccinating the population.

Management continues to manage the cash flow requirements by preparing frequent forecasts and projections, taking into account the likely scenarios, accounting for the possible changes in the trading performance. These projections are presented to the Finance Committee and the Board. The latest cash flow projections were presented to the Board at its August 2021 meeting, where it was agreed that management must continue to review all costs to achieve further savings and increase efficiencies, as the company is generating minimal revenues.

In preparing the forecasts and projections management has taken into account the following key assumptions:

- The impact on revenue due to the inability to host events above allowed numbers of attendees as per Covid-19 lockdown restrictions and the restrictions of various lockdown levels.
- The company anticipates that it will be able to host a significant number of events towards the end of the 2022 financial year, provided that gatherings of 250 or more attendees are allowed.
- Reductions in all variable costs, e.g., only critical maintenance to be carried out, continued freeze on non-critical vacancies, locking down areas of the building not in use, etc.

REPORT OF THE DIRECTORS

for the year ended 30 June 2021 (continued)

- Staff working across disciplines and functions to fill frozen or vacant positions after resignations and voluntary retrenchments, as well as secondment of staff to the CoCT.
- Essential and selective spend on advertising and marketing to ensure that the company remains top of mind, competitive and to protect the brand position in the market.
- Forecast capital expenditure for 2022 drastically reduced and only critical items are approved.

The CoCT approved a R200-million investment in the CTICC to fund its cash shortfall up until 30 June 2022 by means of the new class "C" ordinary shares. The CoCT resolved that the shares would be taken up as and when the funding is required by the company in terms of the entity's cash flow needs.

Negotiations are ongoing with the CoCT to continue the sale of "C" ordinary shares beyond June 2022 once the financial recovery plan, in terms of section 142 of the MFMA, has been submitted to the municipality. The Board anticipates that the CoCT will approve the extended timeframe.

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

4. Authorised share capital

The shareholders approved a new class of shares, 50 000 "C" ordinary shares of no-par value, at the Annual General Meeting held on 25 February 2021.

There were no changes to the issued share capital of the company during the year under review.

5. Subsidiary

The company has only one subsidiary, the Cape Town International Convention Centre Operating Company Limited (OPCO).

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

6. Dividends

No dividends were declared or recommended during the year.

7. Board

The directors of the company during the year and to the date of this report are as follows:

Name	Nationality
A Cilliers	SA
CK Zama	SA
JC Fraser	SA
MB Mdebuka	SA
N Pangarker	SA
S Myburgh-De Gois	SA
SW Fourie	SA
TT Motlhabane	SA
W De Wet	SA

8. Auditors

The Auditor-General of South Africa will continue in office for the next financial year, in terms of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003).

The annual financial statements set out on pages 209 to 255, which have been prepared on the going concern basis, were approved by the Board on 30 August 2021 and were signed on its behalf by:



Director
Chairperson of the Board
30 August 2021



Director
Chief Executive Officer
30 August 2021

COMPANY SECRETARY'S CERTIFICATE

for the year ended 30 June 2021

In terms of section 88(2)(e) of the Companies Act No. 71 of 2008, as amended, we, Kilgetty Statutory Services (South Africa) Proprietary Limited, in our capacity as Company Secretary of Cape Town International Convention Centre (RF) SOC Limited, confirm that for the year ended 30 June 2021, 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.



Kilgetty Statutory Services (South Africa) Proprietary Limited
Company Secretary
26 November 2021

RISK MANAGEMENT REPORT

for the year ended 30 June 2021

The Board is responsible for the governance of risk in a manner that supports the CTICC in setting and achieving its strategic objectives and sets the direction on how risk management in the CTICC is approached and addressed. The Board has adopted an Enterprise Risk Management Framework ("ERMF") which sets out its risk management policy. The Board, Audit and Risk Committee and the Chief Executive Officer (CEO) are responsible for ensuring that the institutional environment supports the effective function of risk management.

This includes identifying and taking advantage of opportunities, as well as protecting CTICC intellectual capital, income and assets by mitigating adverse impacts of risk. The CTICC's policy is that it constantly identifies, manages, monitors and reports on risk in the CTICC and that it holds management accountable for the effective management of risk.

Risk Approach

The CTICC's formal risk management process and governance structure, with various management and board committees, are responsible for identifying, reviewing and monitoring the company's risks and recognising opportunities. Management remains collectively responsible for managing and evaluating the risk register prior to each sub-committee meeting.

The risks are linked to the achievement of the CTICC's strategic objectives. The CTICC considers its risks in terms of the potential impact and likelihood of a risk occurring, resulting in an inherent risk rating. The potential impact is determined by considering the operational, regulatory and financial impact a risk could have, while the likelihood is rated on a scale ranging from a remote possibility to a definite possibility.

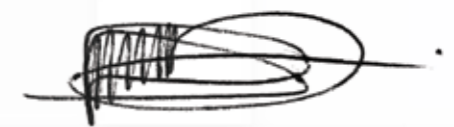
Each inherent risk is considered along with the effectiveness of mitigating controls, which results in a residual risk exposure. A residual risk rating is allocated to each risk, with a detailed risk mitigation action plan with regular updates, with contingency plans and possible opportunities to minimise or prevent the risk. Each risk is assigned to a specific risk owner who is responsible for implementing the mitigation measures and is also accountable for continually monitoring and reporting on progress.

The Audit and Risk Committee ensures that the risk methodology and approach is still relevant and that the risks represent the company's risk universe. The company also obtains an independent opinion from a third-party consultant from time to time on the appropriateness of its risk management process and its alignment to best practice. Internal Audit (IA) also reviews and audits the company's risk management processes.

The governance processes and lines of defence in terms of the CTICC's ERMF are as follows:

1. The Board is responsible for providing the necessary oversight at the CTICC for the risk management process and has delegated certain roles and responsibilities to ensure effective co-ordination and synergy in the risk management activities.

2. The CEO is the Chief Risk Officer and is accountable to the Board for the implementation of risk management.
3. The Audit and Risk Committee is responsible for the oversight of CTICC's control, governance and risk management. Responsibilities for risk and control management are documented in the Audit and Risk Committee Charter.
4. Management is responsible for executing their responsibilities outlined in the risk management strategy and business plan and for integrating risk management into operational routine. The risk actions are tracked within the relevant department and the risk owners manage and report on these risks within their monthly departmental meetings. On a quarterly basis, the risk owners are required to provide documented feedback to the CEO on the status of actions taken and any changes within the risk environment.
5. The CEO prepares the quarterly risk management report for the Board committees.
6. The Chairperson of the Audit and Risk Committee will provide feedback on the risk management to the Board on a quarterly basis.
7. In the event of a significant change or risk being identified by management, this would need to be escalated immediately to the CEO and the relevant oversight bodies.
8. IA provides an independent and objective assurance on the effectiveness of the CTICC's system of risk management. IA evaluates the effectiveness of the risk management system and provides recommendation for improvement.
9. The external auditor conducts a review of risk management as it affects the external audit and in accordance with their audit strategy.



TT Motlhabane
Chief Executive Officer
25 November 2021

REPORT OF THE AUDIT AND RISK COMMITTEE

for the year ended 30 June 2021

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, 71 of 2008 ("Companies Act") and the Municipal Finance Management Act, 56 of 2003 ("MFMA") and the King IV Report on Corporate Governance for South Africa ("King IV™").

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.

Name	Qualifications	Membership	Date appointed	No. of meetings attended
Mr Mervyn Burton	CA (SA)	External independent	1 April 2018	7/7
Ms Annelise Cilliers	CA (SA)	Independent Non-executive Director	31 January 2019	7/7
Mrs Lindiwe Ndaba	B Compt Certified Internal Auditor Certified Ethics Officer Certified Director	External	24 August 2017	7/7
Dr Divya Singh	LLD (Doctor of Laws)	External independent	24 August 2017	6/7
Ms Kholeka Zama	CA (SA)	Non-executive Director	26 June 2018	6/7

Remuneration of the independent Audit and Risk Committee members are stipulated on page 248 of this report.

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 (parent municipality).

The committee was chaired by Ms A. Cilliers.

The table below discloses relevant information on the committee members:

Attendance at meetings

The committee meets at least four times a year and its meetings were attended by the Chief Financial Officer, a representative from the City of Cape Town, and the internal and external auditors. A quorum for meetings is at least 50% of the members.

The committee met seven times during the year under review.

Key responsibilities of the committee

The statutory responsibilities of the committee are as set out in Section 94(7) of the Companies Act, 71 of 2008, and Section 166(2) of the Municipal Finance Management Act, 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 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 the 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 reviews the audit strategy and the external audit fees;
- 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;

- Evaluates the effectiveness of the finance function and the suitability of the expertise and experience of the Chief Financial Officer; and
- Performs such additional oversight functions, as may be determined by the Board from time to time.

Discharge of responsibilities

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;
- 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 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 have been considered in the preparation of the financial statements;
- Exercised oversight of the financial aspects of capital projects, including the CTICC East expansion.

REPORT OF THE AUDIT AND RISK COMMITTEE

for the year ended 30 June 2021 (continued)

Based on the processes and assurances obtained, the committee believes that the significant internal financial controls are generally effective and that the 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 the implementation of the company's risk management action plan and made recommendations regarding the improvement thereof and reporting thereon;
- Reviewed the risk management disclosures in the integrated annual report for inclusion in the annual report.

Combined assurance

The committee had exercised oversight over the implementation of the combined assurance model and 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 and provided advice to the Board on significant issues identified;
- 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 2020/21 internal audit plan within budget:

- o Supply Chain Management review;
- o Internal financial control review
- o EBMS application follow-up review;
- o Human Resources and payroll follow-up review;
- o Treasury management follow-up review;
- o Facilitating the development of the CTICC's IT risk register.

The internal audit plan was completed for the year and the areas for

improvement were agreed to by management.

Financial reporting

The committee reviewed on a quarterly basis:

- The quarterly financial results;
- The adequacy, reliability and accuracy of the financial information provided by management;
- Unauthorised, irregular, fruitless and wasteful expenditure.

Performance management

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 adequacy and effectiveness of the process whereby annual and quarterly performance targets are set, and subsequent performance information is generated, collated, assessed and reported, specifically the functionality and integrity of the mechanisms, systems and processes utilised for performance management;
- Assessed whether the performance measures used were adequate and reliable enough in measuring the performance of the company on key or general performance indicators as determined;
- Reviewed the quarterly key performance indicator reports and the progress made towards the annual achievement of the performance targets agreed with the City of Cape Town.

Compliance with laws and regulations

The committee is responsible for overseeing the compliance with all applicable laws and regulations and, in particular, the committee:

- Obtained regular updates from management regarding compliance matters;
- Is satisfied that relevant regulatory compliance matters have been considered in the preparation of the financial statements;
- Reviewed tax matters as reported by management.
- Reviewed ethical and social responsibility risks and threats, as reported by the Social and Ethics Committee.

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, as well as the quality and effectiveness of the external audit process.

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

Annual financial statements

The committee reviewed the appropriateness of the accounting policies of the company and reviewed the appropriateness of assumptions made by management in preparing the financial statements.

The committee has reviewed the year-end financial statements and is satisfied with its integrity.

The committee recommended the approval thereof to the Board.



A Cilliers

CA (SA)
Audit Committee Chairperson
26 November 2021

REPORT OF THE HUMAN RESOURCES AND REMUNERATION COMMITTEE

for the year ended 30 June 2021

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 2021.

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 members, of which all are independent Non-executive Directors. The Chief Executive Officer and certain members of the company’s Executive Management team also attend committee meetings at the invitation of the committee. A quorum for meetings shall be 50% of the members. The committee was chaired by Mr JC Fraser.

Attendance at meetings

The committee met four times during the period under review. Details of the Directors’ attendance at meetings appear on page 152 of this report.

Key responsibilities of the committee

The committee:

- Assists the Board in ensuring that the company remunerates its Directors, Executive Directors and independent Audit and Risk Committee members 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 and Independent Audit and Risk Committee members’ remuneration policy;
- Exercised oversight over the awarding of no salary adjustments at all levels in the company, including performance-based incentives, due to the impact of the Covid-19 pandemic and lockdown regulations on the business operations of the company;
- Exercised oversight of the implementation of the employee rationalisation strategy and retrenchment programme due to the impact of the Covid-19 pandemic and lockdown regulations on the business operations of the company;
- 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;
- Exercised oversight of the company’s employment equity reporting, including the impact of the retrenchment programme on the company’s employment equity plan;
- Exercised oversight of matters related to human resource management and succession planning;
- Reviewed various company policies;
- 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 upon between each staff member and their immediate superior and their 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.

However, due to the impact of the Covid-19 and lockdown regulations on the business operations of the company during the year under review, no salary adjustments at all levels in the company or any performance-based incentives were awarded, and a retrenchment programme was implemented. Despite the above, the company remained committed to retaining its critical employees with minimal impact on their livelihoods.

Non-executive Directors’ and independent Audit and Risk Committee members’ remuneration

The company’s strategy for the remuneration of Non-executive Directors and independent Audit and Risk Committee members is aimed at ensuring that levels of remuneration are sufficient to attract, retain and motivate suitably skilled and experienced Non-executive Directors and independent Audit and Risk Committee members. The company recognises the responsibilities borne by our Directors and independent Audit and Risk Committee members, and ensures 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.

During the period under review, the Board reviewed the company’s Non-Executive Directors and independent Audit and Risk Committee members’ Remuneration Policy, which was benchmarked against other City of Cape Town entities. This policy will be tabled at the forthcoming annual general meeting of the company (held on xx January 2022) for consideration and approval by the shareholders.

Please refer to page 248 for details of the Directors’ remuneration for the period under review.



JC Fraser
Human Resources and Remuneration Committee Chairperson
26 November 2021

REPORT OF THE NOMINATIONS COMMITTEE

for the year ended 30 June 2021

This report is presented by the Nominations Committee (“the committee”) and describes how the committee has discharged its duties in respect of the financial year ended 30 June 2021.

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 four members, of which three are independent Non-executive Directors and one a Non-executive Director. Executive Directors attend committee meetings only by invitation. A quorum for meetings is 50% of the members. The committee was chaired by Mr DA Cloete.

Attendance at meetings

The committee met three times during the period under review. Details of the Directors’ attendance at meetings appear on page 152 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, the Board of Directors and the Chairperson of the Board;
- Assists the Board with the annual Board and Board committees’ effectiveness evaluations and that outcomes on prior effectiveness evaluations were implemented;
- Reviews the Board Charter annually;
- Reviews the role of the Chairperson of the Board annually;
- Assists the Board in determining the re-eligibility of the appointment of retiring Directors;

- Reviews the independence of longstanding Directors.
- Reviews the performance of the Chairperson of the Board and makes recommendations to the Board in this regard;
- Assists the Board with the appointment of the lead independent director;
- 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
26 November 2021

REPORT OF THE SOCIAL AND ETHICS COMMITTEE

for the year ended 30 June 2021

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 2021 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 four members, of which two are independent Non-executive Directors, one a Non-executive Director and one a 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. The committee is chaired by Ms S Myburgh-De Gois.

Attendance at meetings

The committee met four times during the period under review. Details of our Directors’ attendance at meetings appear on page 152 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 (CSR) 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 Executives, 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.

During the year under review and with regards to stakeholder relationships, the company has updated its stakeholder engagement policy in accordance with best governance practices and principles and the AA1000 stakeholder engagement standard.

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 conducted a review of and monitored the company’s ethics-related policies to enable the fostering of a good ethical culture in the company, which included the proactive monitoring of the anonymous tip-off line. The company is committed to ensuring best practice in this regard.

In addition to the Audit and Risk Committee, the committee also monitored compliance with laws and regulations within its own mandate. In this regard, a compliance and legal framework was implemented and management confirmed that there has been no material non-compliance with legislation or regulations within the remit of the committee’s mandate. Furthermore, the company also reports to the United Nations Global Compact (UNGC) in respect of its labour, human rights, and environmental policies.

REPORT OF THE SOCIAL AND ETHICS COMMITTEE

for the year ended 30 June 2021 (continued)

In terms of employee relations, the company underwent a retrenchment programme because of the impact of the Covid-19 lockdown regulations on the business operations of the company. In this regard and with the assistance of management, the committee monitored the wellbeing of staff in through the support services that were offered to employees via the company's employee wellness programme. The committee further monitored the training and development of staff in preparation of business activities returning to normal upon the relaxation of the Covid-19 lockdown regulations.

The committee continued to monitor environmental, and health and safety aspects in accordance with the short-, medium- and long-term strategy of the company. This included adherence to the Covid-19 Occupational Health and Safety regulations to ensure the wellbeing and safety of employees and other stakeholders. No significant environmental, or health and safety issues arose during the period under review.

During the year, the company remained committed to assisting Local Community Partners (LCPs) through its CSR programme. Three new partners, namely, Call 2 Care, Help2read and iKhaya le Themba Hout Bay, were chosen primarily due to their job creation and education projects. The Foundation for Alcohol Related Research will remain as a long-term partner and the company will continue to assist them with venue sponsorship.



S Myburgh-De Gois
Social and Ethics Committee Chairperson
26 November 2021

REPORT OF THE FINANCE COMMITTEE

for the year ended 30 June 2021

This report is presented by the Finance Committee ("the committee") and describes how the committee has discharged its duties in respect of the financial year ended 30 June 2021.

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 three members, of which all are independent Non-executive Directors. The Chief Executive Officer, Chief Financial Officer 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. The committee was chaired by Mr N Pangarker.

Attendance at meetings

The committee met six times during the period under review. Details of the Directors' attendance at meetings appear on page 152 of this report.

Key responsibilities of the committee

The committee:

- Reviews the quarterly financial performance and performance management of the company, including debtors and current investment of surplus cash;
- Reviews the annual budget, adjustment budget, business plan and annual capital expenditure budget of the company;
- Reviews the long-term financial sustainability and stability of the company, taking cognisance of long-term financial forecasts and the ongoing cash flow needs of the business;
- Reviews, on a quarterly basis, the operational and capital expenditure in terms of the approved budgets and projected forecast for the company for the year, including any request to carry over capital expenditure;

- Reviews the company's strategy with regards to its pricing framework, income generation capacity, working capital management and investments;
- Assesses and ensures that risks related to the function of the committee were properly identified, mitigated and monitored;
- Reviews the company's insurance cover and the terms and conditions thereof;
- Reviews and monitors the effectiveness of the Information Technology ("IT") governance framework and addresses the safeguarding of IT assets, disaster recovery, continuing of operations and the protection and management of information;
- Reviews various company policies.

Discharge of responsibilities

The committee is satisfied that it has, during the past financial year, met its responsibilities as stipulated in its charter. Due to the impact of Covid-19 lockdown regulations on the business operations of the company, key emphasis was placed on the long-term financial sustainability and stability of the company, taking cognisance of long-term financial forecasts and the ongoing cash flow needs of the company.



N Pangarker
Finance Committee Chairperson
26 November 2021

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

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 (RF) Limited set out on pages 209 to 255, which comprise the statement of financial position as at 30 June 2021, the statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as 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 Cape Town International Convention Centre Company SOC (RF) Limited as at 30 June 2021, and its financial performance and cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Companies Act 71 of 2008 (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 my report.
4. I am independent of the municipal entity in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code), as well as other 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 code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter

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

Underspending of the budget

7. As disclosed in the statement of comparison of budget and actual amounts, the entity materially underspent their operating budget by R105.7 million.

Impairment of cash generating unit

8. As disclosed in note 3 to the financial statements, the entity impaired its cash-generating unit by R109.8 million (2020: R100.5 million).

Events after the reporting date

9. We draw attention to note 29 in the financial statements, which deals with events after the reporting period. The entity issued 7 500 class C ordinary shares to its parent company. The issuance of these shares were done in three tranche share issues of 2 500 each on 28 July, 27 August and 4 October 2021. The value of these shares are R30 million.

Responsibilities of the accounting officer for the financial statements

10. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with GRAP and the requirements of the MFMA and Companies Act, 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.
11. In preparing the financial statements, the accounting officer is responsible for assessing the municipal entity'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 municipal 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

12. 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.
13. 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

14. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected key performance indicators presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.
15. My procedures address the usefulness and reliability of the reported performance information, which must be based on the municipal entity's approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the municipal entity enabled service delivery. My procedures do not extend to any disclosures or assertions relating to the extent of achievements in the current year or 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.
16. 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 indicators presented in the municipal entity's annual performance report for the year ended 30 June 2021:

Key performance indicators	Pages in the annual performance report
Student programme	76
Graduate programme	76
Total events	75
International events	75

17. I performed procedures to determine whether the reported performance information 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.
18. I did not identify any material findings on the usefulness and reliability of the reported performance information for these key performance indicators:
 - Student programme
 - Graduate programme
 - Total events
 - International events

Other matter

19. I draw attention to the matter below.

Achievement of planned targets

20. Refer to the annual performance report on pages 75 to 76 for information on the achievement of planned targets for the year and management's explanations provided for the under-/over-achievement of targets.

Report on the audit of compliance with legislation**Introduction and scope**

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

22. I did not identify any instances of material non-compliance with the selected requirements of applicable legislation, as set out in the general notice issued in terms of the PAA.

Other information

23. 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. The other information does not include the financial statements, the auditor's report and those selected key performance indicator presented in the annual performance report that have been specifically reported in this auditor's report.

24. 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 on it.

25. 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 indicator presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

26. I have nothing to report in this regard.

Internal control deficiencies

27. 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.

Auditor-General

Cape Town
30 November 2021



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 indicator and on the 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 this 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 relating to events or conditions that may cast significant doubt on the ability of the Cape Town International Convention Centre Company SOC (RF) Limited 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 my 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 a municipal entity to cease operating as a going concern
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine 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 provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

STATEMENT OF FINANCIAL POSITION

as at 30 June 2021

	NOTES	2021 R	2020 R
ASSETS			
Non-current assets			
Property, plant and equipment	3	334 188 787	477 012 493
Intangible assets	4	4 650 553	5 671 968
Investment in subsidiary	5	100	100
Deferred tax	7	176 692 851	164 117 023
Service-in-kind benefit	6	170 803 072	172 927 048
Current assets			
Inventories	9	2 089 801	2 967 950
Receivables from exchange transactions	10	5 970 009	20 156 379
Receivables from non-exchange transactions	11	6 905 892	9 254 521
Current portion of service-in-kind benefit	6	2 123 976	2 123 976
Current tax receivable		663 252	663 252
Cash and cash equivalents	12	22 215 317	171 048 763
Total assets		726 303 610	1 025 943 473
NET ASSETS AND LIABILITIES			
Net financial position			
Authorised share capital	13	1 277 427 701	1 277 427 701
Accumulated deficit		(596 859 932)	(355 198 982)
Non-current liabilities			
Operating lease liability	8	–	136 018
Current liabilities			
Payables from exchange transactions	15	23 588 908	48 330 021
Client deposits	16	22 146 933	50 972 654
Provisions	14	–	4 276 061
Total net assets and liabilities		726 303 610	1 025 943 473

STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 30 June 2021

	NOTES	2021 R	2020 R
REVENUE			
Revenue from exchange transactions			
Sales	17	27 057 419	168 989 171
Service fee	17	165 022	16 602 492
Parking	17	9 456 821	14 017 427
Finance income	17	3 927 058	15 296 116
Other revenue	17	2 403 009	5 650 701
Revenue from non-exchange transactions			
Insurance claims	17	9 079 127	42 894
Gain on foreign exchange	17	47 478	58 703
Total revenue	17	52 135 934	220 657 504
EXPENDITURE			
Total expenditure			
Cost of sales		(2 089 682)	(23 118 192)
Employee-related costs	18	(69 552 120)	(76 896 567)
Depreciation and amortisation	3 & 4	(54 607 020)	(54 692 844)
Impairment of property, plant and equipment	3	(109 838 514)	(100 458 094)
Provision for doubtful debts	10	587 904	221 776
Loss on disposal of property, plant and equipment	20	(174 475)	(49 725)
Operating expenses		(70 698 791)	(118 068 434)
Deficit before taxation			
Taxation	19	12 575 828	39 946 897
Deficit for the year		(241 660 936)	(112 457 679)

STATEMENT OF CHANGES IN NET ASSETS

for the year ended 30 June 2021

	AUTHORISED SHARE CAPITAL	ACCUMULATED DEFICIT	TOTAL NET ASSETS
	R	R	R
Balance at 01 July 2019	1 277 427 701	(242 741 303)	1 034 686 398
Changes in net assets			
Deficit for the year	–	(112 457 679)	(112 457 679)
Total changes	–	(112 457 679)	(112 457 679)
Balance at 01 July 2020	1 277 427 701	(355 198 996)	922 228 705
Changes in net assets			
Deficit for the year	–	(241 660 936)	(241 660 936)
Total changes	–	(241 660 936)	(241 660 936)
Balance at 30 June 2021	1 277 427 701	(596 859 932)	680 567 769

CASH FLOW STATEMENT

for the year ended 30 June 2021

	NOTES	2021 R	2020 R
Cash flow from operating activities	21	(128 058 558)	45 212 988
Cash receipts from customers		36 789 914	244 400 803
Cash paid to suppliers and employees		(169 499 781)	(216 857 093)
Suppliers		(94 006 322)	(140 099 687)
Employee costs		(75 493 459)	(76 757 406)
Cash generated from operations		(132 709 867)	27 543 710
Finance income received	22	4 651 309	15 330 306
Taxation refunded	23	–	2 338 972
Cash flow from investing activities		(20 774 888)	(56 407 705)
Acquisition of property, plant and equipment	3	(18 791 212)	(54 722 621)
Acquisition of intangible assets	4	(1 983 676)	(1 799 090)
Proceeds on sale of property, plant and equipment		–	114 006
Cash flow from financing activities		–	–
Decrease in cash and cash equivalents		(148 833 446)	(11 194 717)
Cash and cash equivalents at beginning of the year		171 048 763	182 243 480
Cash and cash equivalents at the end of the year	12	22 215 317	171 048 763

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

for the year ended 30 June 2021

	NOTES	ORIGINAL APPROVED BUDGET	ADJUSTMENTS APPROVED	FINAL APPROVED BUDGET	ACTUAL AMOUNTS ON COMPARABLE BASIS	DIFFERENCE BETWEEN FINAL BUDGET AND ACTUAL
		R	R	R	R	R
STATEMENT OF FINANCIAL PERFORMANCE						
Revenue						
Sales		183 841 165	(157 895 846)	25 945 319	27 057 419	1 112 100
Service fee		10 388 599	(10 767 470)	(378 871)	165 022	543 893
Parking		12 959 988	(4 365 129)	8 594 859	9 456 821	861 962
Other income		137 000	2 316 863	2 453 863	1 977 324	(476 539)
Rental income		580 000	(264 309)	315 691	425 685	109 994
Insurance claims	30	–	–	–	9 079 127	9 079 127
Finance income		8 075 500	(4 410 982)	3 664 518	3 927 058	262 540
Total revenue		215 982 252	(175 386 873)	40 595 379	52 088 456	11 493 077
Expenditure						
Cost of sales		(24 778 545)	22 441 320	(2 337 225)	(2 089 682)	247 543
Personnel costs	30	(91 547 812)	14 044 858	(77 502 954)	(69 552 120)	7 950 834
Depreciation and amortisation	30	(54 499 188)	(3 407 577)	(57 906 765)	(54 607 020)	3 299 745
Impairment loss	30	–	(179 311 362)	(179 311 362)	(109 838 514)	69 472 848
Provision for doubtful debts		(450 000)	90 000	(360 000)	587 904	947 904
Loss on disposal of property, plant and equipment		–	–	–	(174 475)	(174 475)
Operating expenses	30	(14 932 110)	1 686 122	(13 245 988)	(10 739 985)	2 506 003
Utilities	30	(38 120 140)	14 046 753	(24 073 387)	(18 246 360)	5 827 027
Building costs	30	(31 334 682)	12 062 944	(19 271 738)	(14 014 730)	5 257 008
Repairs and maintenance	30	(18 557 804)	6 628 407	(11 929 397)	(10 643 515)	1 285 882
Direct personnel		(9 351 904)	8 943 423	(408 481)	87 557	496 038
Marketing and corporate communications	30	(14 712 235)	2 821 185	(11 891 050)	(7 537 401)	4 353 649
Advisors		(2 472 605)	(2 379 444)	(4 852 049)	(3 978 628)	873 421
IT expenses	30	(5 817 369)	270 773	(5 546 596)	(4 270 013)	1 276 583
General operating expenses		(1 802 105)	487 840	(1 314 265)	(863 202)	451 063
Travel and entertainment	30	(2 251 601)	964 422	(1 287 179)	(159 027)	1 128 152
Catering materials		(1 779 364)	952 394	(826 970)	(333 487)	493 483
Total expenditure		(312 407 464)	(99 657 942)	(412 065 406)	(306 372 698)	105 692 708
Gain on foreign exchange		–	4 885	4 885	47 478	42 593
Deficit before taxation		(96 425 212)	(275 039 930)	(371 465 142)	(254 236 764)	117 228 378
Taxation	19	(25 519 564)	(78 491 794)	(104 011 358)	(12 575 828)	91 435 530
Deficit for the year from continuing operations		(70 905 648)	(196 548 136)	(267 453 784)	(241 660 936)	25 792 848

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

for the year ended 30 June 2021 (continued)

	NOTES	ORIGINAL APPROVED BUDGET	ADJUSTMENTS APPROVED	FINAL APPROVED BUDGET	ACTUAL AMOUNTS ON COMPARABLE BASIS	DIFFERENCE BETWEEN FINAL BUDGET AND ACTUAL
		R	R	R	R	R
Capital expenditure for the year ended 30 June 2021						
Building enhancements	31	48 606 470	(36 444 649)	12 161 821	14 592 529	2 430 708
IT and electronic infrastructure	31	29 156 911	(18 902 700)	10 254 211	6 022 530	(4 231 681)
Kitchen enhancements		3 167 910	(2 666 506)	501 404	–	(501 404)
Catering, furniture and equipment		5 131 456	(4 517 735)	613 721	159 828	(453 893)
Total capital expenditure		86 062 747	(62 531 590)	23 531 157	20 774 887	(2 756 270)

ACCOUNTING POLICIES

for the year ended 30 June 2021

1. Presentation of annual financial statements

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), including interpretation guidelines and directives issued by the Accounting Standards Board in accordance with Section 122(3) of the Municipal Finance Management Act (Act 56 of 2003).

These annual financial statements have been prepared on the historical cost basis, unless otherwise stated, and incorporate the principal accounting policies set out below. They are presented in South African Rand.

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.

The significant accounting policies are set out below and are consistent with those applied in the previous financial year.

1.1 Significant judgements and estimates

The company makes estimates and assumptions. 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 its accounting policies, and in preparing the annual financial statements, management is required to make various judgements, including estimates and assumptions, that may affect the determination of the reporting framework, affect amounts represented in the annual financial statements, as well as related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates, which may be material to the annual financial statements

Significant judgements include:

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 judgment whether the assets will be sold or used to the end of its useful lives, and what its condition will be at that time.

Operating lease commitments – Company as lessor

The company has entered into commercial property sub-leases on its leased property. The company 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 receivables and other receivables

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. This was performed per 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 notes 14 & 25.

1.2 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently add to, or replace part of 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.

Property, plant and equipment are depreciated on the straight-line basis over its expected useful lives to its estimated residual value. The assets' estimated useful lives and residual values are reviewed on an annual basis.

The useful lives of items of property, plant and equipment, at initial recognition, have been assessed based on the depreciation rates listed below:

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

An item of property, plant and equipment is derecognised on disposal or when no future economic benefits or service potential are expected from its use.

ACCOUNTING POLICIES

for the year ended 30 June 2021 (continued)

1. Accounting policies (continued)

1.2 Property, plant and equipment (continued)

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in the Statement of financial performance 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.

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. The company separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the financial statements (see note 3).

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 of intangible assets, at initial recognition, are 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:

Item	Amortisation method	%
Acquired software and licenses	Straight-line	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 intangible assets are included in the Statement of financial performance when the asset is derecognised.

1.4 Impairment of cash-generating assets

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

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 (CGU) is the smallest identifiable group of assets used with the objective of generating a commercial return that generates cash inflows 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 and amortisation are 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 the costs of disposal.

The 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.

Criteria developed by the company 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.

Management assesses at each reporting date whether there is any indication that a cash-generating asset maybe impaired. If any such indication exists, management 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 company estimates the future cash inflows and outflows to be derived from continuing use of the asset and from its ultimate disposal and the company 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 company 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 the 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 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 the Statement of financial performance.

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 Standards 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.

ACCOUNTING POLICIES

for the year ended 30 June 2021 (continued)

1. Accounting policies (continued)

1.4 Impairment of cash-generating assets (continued)

Reversal of an impairment loss

The company 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 company 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) 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 the Statement of financial performance.

After a reversal of an impairment loss is recognised, 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.

1.5 Impairment of non-cash-generating assets

Non-cash-generating assets are assets other than cash-generating assets.

The company does not have any non-cash-generating assets, as its entire operation is regarded as a single cash-generating unit.

1.6 Leases

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

1.6.1 Operating leases – lessor

Operating lease revenue is recognised as revenue on a straight-line basis over the lease term.

1.6.2 Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

1.7 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 company 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.

1.8 Tax

1.8.1 Current tax assets and liabilities

Taxation on the Statement of financial performance for the year comprises current and deferred taxation. Taxation is recognised in the Statement of financial performance.

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.

1.8.2 Deferred tax assets and liabilities

Deferred taxation is provided on all temporary differences between carrying amounts of assets and liabilities for financial reporting purposes and their tax values, 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 Statement of financial performance. 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 and/or laws that have been enacted or substantively enacted by the end of the reporting date.

Deferred taxation is charged to the Statement of financial performance 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. The effect on deferred taxation of any changes in tax rates is recognised in the Statement of financial performance, 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.

1.9 Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events and 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 will be reversed.

When the effect of the time value of money is material, the company determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current risks specific to the liability.

1.10 Revenue from exchange transactions

Revenue comprises the invoiced value of the sales of goods and services net of value added tax, rebates and all discounts. Revenue from the 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 extends after the reporting date, the revenue is split as earned. Revenue is measured at the fair value of the consideration receivable.

Revenue from exchange transactions relate to income earned from venue rental, sale of goods, parking and other services.

Service fee income is recognised through the commissions earned from preferred suppliers where their services are utilised by the company's clients.

1.11 Finance income

Finance income comprises interest income. Interest income is recognised in the Statement of financial performance 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 company.

ACCOUNTING POLICIES

for the year ended 30 June 2021 (continued)

1. Accounting policies (continued)

1.12 Financial instruments

The company classifies financial assets into the following categories: at fair value through surplus or deficit, 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 assets 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.

Impairment and uncollectibility of financial assets

The company 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.

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.

Derecognition

Financial assets

The company derecognises a financial asset only when:

- The contractual rights to the cash flows from the financial asset expire, are settled or waived;
- The company transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- The company, 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 company:
 - 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 the Statement of financial performance.

1.12.1 Financial assets at amortised cost

Receivables from exchange transactions

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 account. A provision for impairment of 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 effective interest rate.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held on call with banks, and other short-term highly liquid investments with original maturities of six months or less. The company is not authorised to operate a bank overdraft in terms of the MFMA.

1.12.2 Financial liabilities at amortised cost

Payables from exchange transactions

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.

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.

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.

The difference in the respective carrying amounts is recognised in the Statement of financial performance.

1.13 Translation of foreign currencies

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:

- Foreign currency monetary items, receivables or payables, are reported using the closing rate.

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 annual financial statements, are recognised in the Statement of financial performance in the period in which they arise.

1.14 Authorised 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 applicable taxes, from the proceeds.

ACCOUNTING POLICIES

for the year ended 30 June 2021 (continued)

1. Accounting policies (continued)

1.15 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 bonuses and annual leave represent the amounts which the company has a present obligation to pay as a result of employees' services provided at the reporting date. The provisions have been calculated 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 plans

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 provident fund are charged to the Statement of financial performance in the period to which they relate.

The company has no further obligations once the contributions have been paid.

1.16 Irregular expenditure

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No. 56 of 2003), the Municipal Systems Act (Act No. 32 of 2000), and the Public Office Bearers Act (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.

Whether 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.

1.17 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.

1.18 Investments

Investments in subsidiary companies are stated at cost, less impairment losses.

1.19 Segment information

A separate segment report has not been included in the financial statements, as the company has only one reportable segment.

1.20 Capital commitments

Commitments are not recognised in the Statement of financial position or the Statement of financial performance, but are included in the notes to the annual financial statements. Commitments are of a capital nature and to include contractual commitments to acquire property, plant and equipment and intangible assets.

1.21 Related parties

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.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Related party transaction is a transfer of resources, services or obligations between the company and a related party, regardless of whether a price is charged.

Significant influence is the power to participate in the financial and operating policy decisions of an entity, but is not control over those policies.

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 company. 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 company.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by that person in their dealings with the company. As a minimum, a person is considered to be a close member of the family of another person if they are married or live together in a relationship similar to a marriage or are separated by no more than two degrees of natural or legal affinity.

1.22 Events after the reporting date

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:

- Those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- Those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

1.23 Value-added tax (VAT)

The company accounts for VAT on an invoice basis.

1.24 Budget information

The annual budget figures have been prepared on an accrual basis, and are consistent with the accounting policies adopted for the preparation of these financial statements.

The approved budget covers the fiscal period from 1 July 2020 to 30 June 2021. The amounts are scheduled as a separate additional primary statement within these annual financial statements, 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 amounts 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.

1.25 Comparative information

Comparative amounts 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 annual financial statements.

Budgeted amounts have been included in the annual financial statements for the current financial year only.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 30 June 2021

2. New standards and interpretations

2.1 Standards and interpretations issued, but not yet effective

The company has not applied the following standards and interpretations, which have been published and are mandatory for the company's accounting periods beginning on or after 01 July 2021 or later periods:

STANDARD / INTERPRETATION:	EFFECTIVE DATE: YEARS BEGINNING ON OR AFTER	EXPECTED IMPACT:
GRAP 104 (amended): Financial Instruments	01 April 2021	Certain amendments to GRAP 104 became effective for the company on 1 July 2021. The company has been in compliance with the previous version of GRAP 104. The company is not exposed to complex arrangements which give rise to financial instruments outside of normal trading instruments. In compliance with the amended standard, certain disclosure enhancements are being planned specific to the financial year ended 30 June 2022.
GRAP 20: Related Parties	01 April 2021	Certain amendments to GRAP 20 became effective for the company on 1 July 2021. The company has been in compliance with the previous version of GRAP 20. In compliance with the amended standard enhancements specific to the identification of related party relationships and transactions, and the determination of the circumstances requiring disclosure of such relationships, balances and transactions are being implemented.
GRAP 109: Accounting by Principals and Agents	01 April 2021	GRAP 109 specific to the accounting by Principals and Agents became effective on 1 July 2021. Management has historically not identified contractual arrangements whereby the company acts in an agent capacity. Management remains vigilant during the contractual negotiation process such to identify instances where the company may be determined to act in an agent capacity as contemplated by the standard.

3. Property, plant and equipment

	2021			2020		
	COST	ACCUMULATED DEPRECIATION AND ACCUMULATED IMPAIRMENT	CARRYING VALUE	COST	ACCUMULATED DEPRECIATION AND ACCUMULATED IMPAIRMENT	CARRYING VALUE
	R	R	R	R	R	R
Buildings	1 238 721 359	(1 026 540 239)	212 181 120	1 230 892 739	(903 536 200)	327 356 539
Plant and machinery	84 774 310	(49 646 431)	35 127 879	83 723 579	(45 081 507)	38 642 072
Furniture and fixtures	20 538 961	(14 601 067)	5 937 894	20 543 147	(12 405 572)	8 137 575
Motor vehicles	952 371	(911 671)	40 700	952 371	(871 742)	80 629
Office equipment	4 350 774	(3 033 034)	1 317 740	4 395 812	(1 970 137)	2 425 675
Computer equipment	75 413 630	(62 277 549)	13 136 081	74 327 268	(52 106 282)	22 220 986
Computer software	2 545 965	(2 538 517)	7 448	3 201 745	(3 184 139)	17 606
Curtains / Blinds	6 639 845	(4 684 110)	1 955 735	6 420 272	(4 139 539)	2 280 733
Carpets / Laminated flooring	21 570 439	(14 572 713)	6 997 726	21 940 266	(12 929 390)	9 010 876
Kitchen and catering	29 401 157	(21 335 407)	8 065 750	30 842 928	(17 698 290)	13 144 638
Building management system	15 574 182	(12 791 134)	2 783 048	15 020 811	(11 868 729)	3 152 082
Air-conditioning system	72 866 447	(52 318 303)	20 548 144	70 478 652	(49 795 946)	20 682 706
Auditorium seating	5 856 145	(2 709 218)	3 146 927	5 856 145	(1 856 718)	3 999 427
Elevators	24 065 526	(16 422 064)	7 643 462	25 190 771	(15 505 675)	9 685 096
Signage	4 980 460	(2 496 446)	2 484 014	4 698 985	(2 935 243)	1 763 742
Escalators	15 207 204	(11 044 987)	4 162 217	15 207 204	(9 904 970)	5 302 234
Sprinkler system	16 420 725	(11 400 109)	5 020 616	15 921 545	(10 919 835)	5 001 710
Fences and gates	1 394 655	(1 075 024)	319 631	1 385 975	(951 035)	434 940
Audiovisual	12 696 532	(10 020 301)	2 676 231	12 066 943	(9 286 332)	2 780 611
Cold rooms	5 009 235	(4 372 811)	636 424	5 079 873	(4 187 257)	892 616
Total	1 658 979 922	(1 324 791 135)	334 188 787	1 648 147 031	(1 171 134 538)	477 012 493

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 30 June 2021 (continued)

3. Property, plant and equipment (continued) Reconciliation of property, plant and equipment – 2021

	2021							
	OPENING CARRYING VALUE	ADDITIONS	RECLASSIFICATION	DISPOSALS	TRANSFER TO INTANGIBLE ASSETS (i)	DEPRECIATION	IMPAIRMENT LOSS	CLOSING CARRYING VALUE
	R	R	R	R	R	R	R	R
Buildings	327 356 539	12 651 837	(2 840 084)	–	(1 579 913)	(13 568 745)	(109 838 514)	212 181 120
Plant and machinery	38 642 072	1 113 148	149 502	–	–	(4 776 843)	–	35 127 879
Furniture and fixtures	8 137 575	60 397	–	–	–	(2 260 078)	–	5 937 894
Motor vehicles	80 629	–	–	–	–	(39 929)	–	40 700
Office equipment	2 425 675	256 978	–	–	–	(1 364 913)	–	1 317 740
Computer equipment	22 220 986	3 053 992	–	(170 743)	–	(11 968 154)	–	13 136 081
Computer software	17 606	–	–	–	–	(10 158)	–	7 448
Curtains / Blinds	2 280 733	219 572	–	–	–	(544 570)	–	1 955 735
Carpets / Laminated floors	9 010 876	–	–	–	–	(2 013 150)	–	6 997 726
Kitchen and catering	13 144 638	–	–	(3 732)	–	(5 075 156)	–	8 065 750
Building management system	3 152 082	553 371	–	–	–	(922 405)	–	2 783 048
Air-conditioning system	20 682 706	31 940	2 355 855	–	–	(2 522 357)	–	20 548 144
Auditorium seating	3 999 427	–	–	–	–	(852 500)	–	3 146 927
Elevators	9 685 096	211 708	(1 336 953)	–	–	(916 389)	–	7 643 462
Signage	1 763 742	–	1 172 500	–	–	(452 228)	–	2 484 014
Escalators	5 302 234	–	–	–	–	(1 140 017)	–	4 162 217
Sprinkler systems	5 001 710	–	499 180	–	–	(480 274)	–	5 020 616
Fences and gates	434 940	8 680	–	–	–	(123 989)	–	319 631
Audiovisual	2 780 611	629 589	–	–	–	(733 969)	–	2 676 231
Cold rooms	892 616	–	–	–	–	(256 192)	–	636 424
	477 012 493	18 791 212	–	(174 475)	(1 579 913)	(50 022 016)	(109 838 514)	334 188 787

(i) This amount was previously included as assets in progress (buildings) and has been reclassified and disclosed as intangible assets in Note 4.

Where assets are assessed to have reached the end of their economic life, they are disposed of. The company donates certain assets that may still have a net book value at time of disposal to various schools and other organs of state in the Cape Metropole area.

Reconciliation of property, plant and equipment – 2021

	2020					
	OPENING CARRYING VALUE	ADDITIONS	DISPOSALS	DEPRECIATION	IMPAIRMENT LOSS	CLOSING CARRYING VALUE
	R	R	R	R	R	R
Buildings	410 047 807	31 820 007	–	(14 053 181)	(100 458 094)	327 356 539
Plant and machinery	41 685 090	1 493 578	(2 439)	(4 534 157)	–	38 642 072
Furniture and fixtures	9 384 553	1 038 958	(88 511)	(2 197 425)	–	8 137 575
Motor vehicles	109 591	–	–	(28 962)	–	80 629
Office equipment	1 497 377	1 910 592	–	(982 294)	–	2 425 675
IT equipment	23 676 823	9 290 382	(26 291)	(10 719 928)	–	22 220 986
Computer software	1 504 289	–	(872)	(1 485 811)	–	17 606
Curtains / Blinds	2 703 031	80 672	–	(502 970)	–	2 280 733
Carpets / Laminated flooring	10 221 447	905 131	–	(2 115 702)	–	9 010 876
Kitchen and catering	17 727 561	1 618 779	(27 215)	(6 174 487)	–	13 144 638
Building management system	3 650 786	389 155	–	(887 859)	–	3 152 082
Air-conditioning system	23 048 698	110 468	–	(2 476 460)	–	20 682 706
Auditorium seating	334 483	4 111 163	–	(446 219)	–	3 999 427
Elevators	10 278 821	281 542	–	(875 267)	–	9 685 096
Signage	1 398 296	890 503	(18 403)	(506 654)	–	1 763 742
Escalators	6 294 750	129 750	–	(1 122 266)	–	5 302 234
Sprinkler system	5 204 813	243 542	–	(446 645)	–	5 001 710
Fences and gates	449 798	94 568	–	(109 426)	–	434 940
Audiovisual	3 133 341	313 831	–	(666 561)	–	2 780 611
Cold rooms	1 111 114	–	–	(218 498)	–	892 616
	573 462 469	54 722 621	(163 731)	(50 550 772)	(100 458 094)	477 012 493

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 30 June 2021 (continued)

3. Property, plant and equipment (continued)

- None of the company's assets are encumbered at the reporting date.
- 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 as of the 2018 financial year. Separately acquired software are classified as intangible assets. Refer to Note 4.

3.1 Assets in progress

The CTICC 2 expansion project was finalised towards the end of the financial year, with the final account being agreed with the principal building contractor. The remaining CTICC 2 project costs that remained in the assets in progress (AIP) account were transferred to the respective asset classes on finalisation of the project. The amounts remaining in AIP at the end of the financial year relates to projects at CTICC 1 and intangible assets that were commenced during the year and will only be completed in the next financial year.

	COST	IMPAIRMENT	CARRYING VALUE
	R	R	R
AIP balance at beginning of the year	96 305 603	(16 091 344)	80 214 259
Additions during the year	8 063 006	–	8 063 006
Transferred to completed items	(86 392 642)	–	(86 392 642)
AIP balance at end of the year	17 975 967	(16 091 344)	1 884 623

	2021	2020
	R	R
AIP balance comprises the following significant classes:		
Building	1 579 912	80 111 865
Computer software and licences	304 711	102 394
	1 884 623	80 214 259

The current year's assets in progress balance have been included in the related asset classes in property, plant and equipment and intangible assets.

Expenditure incurred to repair and maintain property, plant and equipment

	2021	2020
	R	R
Service providers	9 377 145	8 759 360
Materials	1 266 370	5 839 573
Total repairs and maintenance expenses	10 643 515	14 598 933

Cost (fully depreciated property, plant and equipment)

	2021	2020
	R	R
Audiovisual	984 074	984 074
Building	2 021 978	2 021 978
Sprinkler system	4 665 896	4 665 896
Air-conditioning system	114 856	114 856
Computer equipment	38 938	38 938
Computer software	163 235	163 235
Office equipment	35	35
Furniture and fittings	4 811 043	4 811 043
Plant and machinery	1 454 308	1 454 309
Kitchen and catering	1 600 694	1 600 694
	15 855 057	15 855 058

3.2 Impairment of the cash-generating unit

In line with the accounting policy for impairment of cash-generating assets, property, plant and equipment we reassessed during the year for possible indicators of impairment.

Management 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 CGU. As such, the impairment testing process applicable to cash-generating assets has been applied.

Significant assumptions applied in arriving at the value in use are set out below:

- The restrictions imposed on the use of the facility and site in terms of the lease agreement and the Memorandum of Incorporation.
- The company does not own the land on which the convention centre is constructed.
- That no active market exists between a willing buyer and a willing seller, through an arm's length transaction, where the value of the convention centre can be determined.
- The value in use of the CGU can only, therefore, be attributed to the present value of the future cash flows generated through the convention centre itself. The continued impact of the Covid-19 lockdown regulations on the operations, which directly impacts the reduction in future cash flows from the CGU as an indicator for potential impairment.
- No residual value could be attached to the convention centre at the end of its useful life due to its disposal being highly unlikely with no reliable basis for measuring the disposal value.

The value in use was estimated using a discounted cash flow model, which incorporated the approved budget figures for a three-year projection period. Cash flows were forecast for an additional four years assuming revenue growth of 7% (2020: 7%), as a result of the lower base due to the impact of the Covid-19 lockdown restrictions. A discount rate of 13.02% (2020: 13.23%) was used, which was calculated using the risk-free rate of the ten-year government bond of 8.88% (2020: 9.23%) adjusted by 4.14 (2020: 4.00) percentage points to take into account the company's long-term borrowing cost of 7.00% (2020: 6.50%), a Beta of 0.76 (2020: 0.76), as well as a market risk premium of 6.10% (2020: 6.10%) for uncertainty regarding timing and extent of future cash flows.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 30 June 2021 (continued)

3. Property, plant and equipment (continued)

3.2 Impairment of the cash-generating unit (continued)

Management estimated the recoverable amount by calculating the value in use of the CGU at R308 732 454 (2020: R412 147 827) and comparing it to the carrying value of the relevant assets in that CGU of R418 570 968 (2020: R512 605 921) at the reporting date, also being the date of the impairment test.

Therefore, the company has recognised an impairment loss of R109 838 514 (2020: R100 458 094), as disclosed in the impairment line item on the Statement of financial performance.

3.3 Revision of useful lives of property, plant and equipment

During the year, the company assessed the estimated useful lives of all assets and revised those identified. The change in estimate was necessary as these items were approaching the end of their 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 R2 231 893 (2020: R4 528 178). The effect on future years will be an overall increase of the same amount over the subsequent financial years.

4. Intangible assets

	2021			2020		
	COST R	ACCUMULATED AMORTISATION R	CARRYING VALUE R	COST R	ACCUMULATED AMORTISATION R	CARRYING VALUE R
Acquired software and licenses	14 600 473	(9 949 920)	4 650 553	12 912 201	(7 240 233)	5 671 968
	14 600 473	(9 949 920)	4 650 553	12 912 201	(7 240 233)	5 671 968

Reconciliation of intangible assets – 2021

	OPENING CARRYING VALUE R	ADDITIONS R	TRANSFER FROM PROPERTY, PLANT AND EQUIPMENT R	AMORTISATION R	CLOSING CARRYING VALUE R
2021					
Acquired software and licenses	5 671 968	1 983 676	1 579 913	(4 585 004)	4 650 553
	5 671 968	1 983 676	1 579 913	(4 585 004)	4 650 553

Reconciliation of intangible assets – 2020

	OPENING CARRYING VALUE R	ADDITIONS R	AMORTISATION R	CLOSING CARRYING VALUE R
2020				
Acquired software and licenses	8 014 948	1 799 090	(4 142 070)	5 671 968
	8 014 948	1 799 090	(4 142 070)	5 671 968

All software and licences are acquired from external suppliers and are not internally generated.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 30 June 2021 (continued)

5. Investments in subsidiary

NAME OF COMPANY	DETERMINATION OF OWNERSHIP INTEREST	2021		2020	
		% OWNERSHIP INTEREST R	CARRYING AMOUNT R	% OWNERSHIP INTEREST R	CARRYING AMOUNT R
Cape Town International Convention Centre Operating Company (Pty) Limited (OPCO)	Unlisted 100% shares held	100.00 %	100	100.00 %	100

The agency agreement between Cape Town International Convention Centre Company SOC Ltd (RF) (CONVENCO) and Cape Town International Convention Centre Operating Company (Pty) Ltd (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 a net asset value of R100, which represents the share capital of OPCO. Consolidated financial statements are, therefore, not being prepared.

6. Service-in-kind benefit

	2021 R	2020 R
Balance at beginning of year	175 051 024	177 175 000
Service-in-kind charge for the year	(2 123 976)	(2 123 976)
	172 927 048	175 051 024

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 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 79 years and five months.

An amount of R2 123 976 will be charged to the Statement of financial performance each year to reflect the annual benefit utilised.

	2021 R	2020 R
Service-in-kind benefit allocation:		
- Long-term portion	170 803 072	172 927 048
- Short-term portion	2 123 976	2 123 976
	172 927 048	175 051 024

7. Deferred tax

The deferred tax asset is as a result of the temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes. The most significant categories being property, plant and equipment as a result of the capital allowances claimed for tax purposes and the unused tax losses due to the assessed loss of the company.

Deferred income taxes are calculated on all temporary differences under the balance sheet method using a tax rate of 28%.

	2021 R	2020 R
Deferred tax asset		
Property, plant and equipment	146 503 738	129 274 440
Receivables and other receivables	681 321	657 251
Client deposits	2 480 456	5 708 937
Payables and other payables	730 066	981 829
Provisions	–	1 197 297
Unused tax losses (available for set off against future profits)	26 297 269	26 297 269
Total deferred tax asset	176 692 850	164 117 023

The company has not recognised a deferred tax asset on the tax loss for the current year due to the continued impact of the Covid-19 lockdown regulations on operations.

Reconciliation of deferred tax asset

	2021 R	2020 R
At beginning of year	164 117 023	124 170 126
Taxable / (deductible) temporary difference movement	12 575 828	39 946 897
	176 692 851	164 117 023

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 30 June 2021 (continued)

8. Operating lease liability

	2021	2020
	R	R
Balance at beginning of the year	136 018	335 155
Straight-lining of lease payments	1 754 516	2 727 676
Lease payments for the year	(1 890 534)	(2 926 813)
Balance at end of the year	–	136 018
Non-current liabilities	–	136 018
Current liabilities	–	–
	–	136 018

The straight-lining of the lease costs relates to the P1 parking garage that the company leases from the City of Cape Town. The lease was entered into in 2001 for an initial period of 50 years. The market value of the lease charge is determined every five years and it has an escalation clause from the second year in the cycle. In terms of the contract, the last market valuation performed to determine the lease charge was on 1 October 2016 and the next cycle starts on 1 October 2021.

The company has straight-lined the future lease payments for the remaining period of the current cycle, which ends in September 2021. The straight-lined charge has been allocated to operating expenses.

9. Inventories

	2021	2020
	R	R
Consumables	1 357 788	1 682 928
Food	60 997	432 693
Beverage	637 721	797 286
Chemicals	33 295	55 043
	2 089 801	2 967 950

The company has not made any adjustments to the net realisable value of inventory during the financial year (2020: RNil).

The company has written-off obsolete beverage and food stock to the value of R131 841 (2020: RNil) during the financial year, which expired during the national lockdowns and could not be used, transported or disposed.

10. Receivables from exchange transactions

	2021	2020
	R	R
Trade receivables – net	1 612 928	400 847
Prepayments	2 975 634	4 482 183
Other receivables	1 300 757	14 468 408
Interest receivable	80 690	804 941
	5 970 009	20 156 379

Trade and other receivables past due but not impaired

Trade and other receivables which are less than 120 days past due were considered for impairment. At 30 June 2021, R104 199 (2020: R203 167) were less than 120 days past due but not impaired.

Trade and other receivables past due are assessed on an individual basis and provisions are raised based on management's judgement.

The ageing of amounts past due but not impaired is as follows:

	2021	2020
	R	R
61 - 90 days	92 273	–
91 - 120 days	11 926	203 167
	104 199	203 167

Trade and other receivables impaired

As of 30 June 2021, trade and other receivables of R664 111 (2020: R1 286 238) were impaired. The main reason for the provision in the current and previous year was due to a debtor entering into business rescue as a result of the impact of the Covid-19 lockdown regulations on their operations. The company recovered R545 038 from this debtor during the year.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 30 June 2021 (continued)

10. Receivables from exchange transactions (continued)

	2021 R	2020 R
Reconciliation of provision for impairment of trade and other receivables		
Opening balance	1 286 238	1 683 152
Provision for impairment (inclusive of VAT)	664 111	671 075
Amounts recovered during the year	(598 438)	–
Unused amounts reversed	(687 800)	(1 067 989)
Closing balance	664 111	1 286 238

The impairment of trade and other receivables is the amount invoiced to the client, inclusive of VAT, with the amount disclosed on the Statement of financial performance reflected exclusive of VAT.

The other classes within receivables from exchange transactions 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.

11. Receivables from non-exchange transactions

	2021 R	2020 R
South African Revenue Service – VAT	6 905 892	9 254 521
	6 905 892	9 254 521

The VAT receivable from the South African Revenue Service (SARS) results from the input VAT claimed being higher than the output VAT, primarily during the lockdown period as a result of the company not being able to perform its normal trading activities. The majority of the amount owing relates to refunds due in the previous financial year. SARS has not finalised the outstanding assessments at the reporting date.

12. Cash and cash equivalents

	2021 R	2020 R
Cash and cash equivalents consist of cash on hand and the balance with financial institutions.		
Cash and cash equivalents included in the Cash flow statement comprise the following amounts:		
Current accounts	1 400 515	1 844 879
Call and investment accounts	20 581 001	168 968 750
Other cash and cash equivalents	233 801	235 134
	22 215 317	171 048 763

The following bank and investment accounts were held by the company:

Nedbank – CTICC Main Current – 1151569623	1 297 059	1 613 343
Nedbank – CTICC Daily Call Deposit Account – 03723	3 280 480	228 781
Nedbank – CTICC Payroll – 1151569666	37 338	128 937
Nedbank – CTICC East – 1151569674	2 067	35 179
Nedbank – CTICC Merchant Services – 11515696658	32 163	12 294
Nedbank – CTICC E-Commerce – 1151569682	533	725
Nedbank – Call Deposit – 03/7881544007/000105	77	73
ABSA Bank – Convenco Account – 40-7373-3701	–	1 400
ABSA Bank – Treasury Account – 40-7373-1246	–	600
ABSA Bank – Current – 4072900553	24 588	30 944
ABSA Bank – CTICC East – Current – 4072900228	–	608
ABSA Bank – Exh Serv – Current – 4072900731	6 767	20 849
ABSA Bank – CTICC East – Call Deposit – 4083941322	–	10
ABSA Bank – CTICC East – Call Account – 6241084-ZA	167 924	162 444
Investec Bank – (462097) – 1008645	3 493 055	37 011 507
ABSA Bank – CTICC Money Market – 9316676360	3 743 469	33 915 375
Stanlib – Bank 000-402-184 (1199539) Ref No. 55143	3 622 554	30 462 254
Nedgroup Money Market – (800167964) – 8319631	3 173 753	34 914 751
Nedgroup Corp Money Market – (1452-027-900) (82927)	3 099 689	32 273 555
	21 981 516	170 813 629

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 30 June 2021 (continued)

13. Contribution from owners

	2021	2020
Number of authorised shares		
10 000 000 "A" ordinary shares of no-par value	10 000 000	10 000 000
1 000 000 "B" ordinary shares of no-par value	1 000 000	1 000 000
50 000 "C" ordinary shares of no-par value	50 000	–
Number of shares issued:		
10 000 000 "A" ordinary shares of no-par value	245 966	245 966
1 000 000 "B" ordinary shares of no-par value	14 000	14 000
Total shares issued and fully paid	259 966	259 966

"A" ordinary shares entitles the holder thereof to one vote for each share held. "B" ordinary shares entitles the holder to one vote for the first share held and an additional vote for every 13 999 shares held, subject to the maximum of two votes regardless of the number of "B" ordinary shares held.

The company has the option to repurchase the "C" ordinary shares. Each "C" ordinary share shall have associated with it the right to receive, in the event of the liquidation, dissolution, winding-up or sale of the company, distributions in respect of such "C" ordinary shares before the "A" and the "B" ordinary shares. The "C" ordinary shares have no voting rights.

50 000 unissued "C" ordinary shares are under the control of the directors in terms of a resolution of members passed at the last annual general meeting. This is to allow for the raising of equity for cash flow because of the impact of the Covid-19 lockdown regulations on business operations. This authority remains in force until the next annual general meeting. No shares were issued during the financial year.

The unissued "A" and "B" ordinary shares are not under the control of the directors.

	2021	2020
	R	R
Issued		
"A" ordinary shares of no-par value	1 137 788 000	1 137 788 000
"B" ordinary shares of no-par value	139 639 701	139 639 701
Total	1 277 427 701	1 277 427 701

14. Provisions

	OPENING BALANCE	REVERSED DURING THE YEAR	TOTAL	
	R	R	R	
Reconciliation of provisions – 2021				
Performance bonus provision	4 276 061	(4 276 061)	–	
	OPENING BALANCE	ADDITIONS	UTILISED DURING THE YEAR	TOTAL
	R	R	R	R
Reconciliation of provisions – 2020				
Performance bonus provision	5 576 895	4 276 061	(5 576 895)	4 276 061

Performance bonuses accrue to staff on an annual basis based on the achievement of predetermined performance objectives. The company did not pay any performance bonuses for the 2020 financial year as a result of the operating loss incurred due to the Covid-19 lockdown regulations. This resulted in the reversal of the provision during the current financial year.

Performance bonuses for the current financial year are not expected to be paid and accordingly have not been provided.

15. Payables from exchange transactions

	2021	2020
	R	R
Trade payables	11 440 387	10 829 841
Accruals	12 148 521	37 500 180
Total	23 588 908	48 330 021

The carrying amount of payables and accruals is stated at amortised cost. Due to the short-term nature of payables, amortised cost and cost is the same.

16. Client deposits

	2021	2020
	R	R
Events to be held in the next 12 months	13 170 795	44 486 452
Events to be held after 12 months	8 976 138	6 486 202
Total	22 146 933	50 972 654

Client deposits are received in advance for upcoming events. Client deposits are refunded to clients, net of any cancellation fees due when an event is cancelled. As an event can be cancelled at any point in time, the total balance of client deposits is disclosed as current liabilities.

The company continues to communicate with all clients who have events booked to negotiate the postponement of their events rather than cancelling. The approach is proving successful with the bulk of the deposits being retained.

The comparative amount includes R27.0 million related to the WCPG's agreement for the temporary intermediate care hospital.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 30 June 2020 (continued)

17. Revenue

	2021	2020
	R	R
The amount included in revenue arising from exchanges of goods or services are as follows:		
Sales	27 057 419	168 989 171
Service fee	165 022	16 602 492
Parking	9 456 821	14 017 427
Sundry income	1 977 324	2 991 477
Finance income	3 927 058	15 296 116
Rental income	425 685	2 659 224
Total	43 009 329	220 555 907
The amount included in revenue arising from non-exchange transactions is as follows:		
Insurance claims	9 079 127	42 894
Gain on foreign exchange	47 478	58 703
	9 126 605	101 597

Sundry income includes cancellation fees charged to clients in terms of the rental agreements and settlement discounts.

The CTICC had business interruption insurance cover for the outbreak of communicable diseases within a 25km radius, with the claim limited to R10 million per event, inclusive of VAT. The company submitted a claim after the outbreak of the Covid-19 pandemic. The claim was successful, and the company received the proceeds during the year.

18. Employee-related costs

	2021	2020
	R	R
Basic salaries	58 488 401	59 905 976
Performance bonus	(4 276 061)	4 675 000
Defined contribution plans	5 428 772	5 400 347
Overtime, public holiday and night shift payments	385 322	822 884
Company contributions	4 703 378	5 192 961
Other – staff transport and health and safety costs	1 135 718	899 399
Severance packages	3 686 590	–
	69 552 120	76 896 567

Other costs are higher than the prior year due to additional staff transport costs incurred during the period that the temporary intermediate care hospital was in CTICC 1, as it was operating on a 24-hour basis.

The company embarked on a staff rationalisation process in terms of s189A of the Labour Relations Act, which commenced during February 2021. On conclusion of the process, a total of 49 voluntary retrenchments were accepted and 52 staff were made redundant, with severance packages paid amounting to R3 686 590.

The Executive Management's remuneration disclosure is included in Note 26.

19. Taxation

	2021	2020
	R	R
Current tax		
Current year	–	–
Deferred tax		
Originating and reversing temporary differences	(12 575 828)	(39 946 897)
Reconciliation of the tax expense		
Accounting deficit	(254 236 764)	(152 404 576)
Tax at the applicable tax rate of 28% (2020: 28%)	(71 186 294)	(42 673 281)
Tax effect of adjustments on taxable income		
Permanent differences – Property, plant and equipment	1 358 734	1 327 278
Temporary differences	(5 159 642)	1 399 106
Deferred tax asset not recognised on 2021 tax loss	62 411 374	–
	(12 575 828)	(39 946 897)

The permanent differences relate to property, plant and equipment as no tax allowances were claimable at the time these assets were brought into use.

No current tax has been provided as the company is in a taxable loss position of R205.2 million (2020: R93.9 million tax loss) 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 future taxable surpluses against which the assessed loss can be utilised.

As a result of the continued impact of the Covid-19 lockdown regulations the company has not recognised a deferred tax asset on the current year's tax loss. Deferred tax has been recognised for all other temporary differences.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 30 June 2021 (continued)

20. Operating deficit

Operating deficit for the year is stated after accounting for the following items not disclosed separately in the financial statements:

	2021 R	2020 R
Loss on disposal of property, plant and equipment	174 475	49 725
Auditors remuneration – Audit fee	1 235 304	1 146 025
Consulting and professional fees	3 978 628	4 016 593
Utilities (Note 30)	18 246 360	32 078 473
Repairs and maintenance (Note 3)	10 643 515	14 598 933
Marketing and corporate communications	7 537 401	10 874 628
IT expenses	4 270 013	4 407 828

21. Cash flow from operating activities

	2021 R	2020 R
Deficit for the year	(241 660 936)	(112 457 679)
Adjustments for:		
Depreciation and amortisation	54 607 020	54 692 844
Loss on disposal of property, plant and equipment	174 475	49 725
Finance income	(3 927 058)	(15 296 116)
Finance income received (Note 22)	4 651 309	15 330 306
Impairment of property, plant and equipment	109 838 514	100 458 094
Recovery of provision for impairment of receivables	(587 904)	(221 776)
Movements in operating lease liability	(136 018)	(199 137)
Movements in provisions	(4 276 061)	(1 300 834)
Movement in tax receivable and payable	–	2 338 972
Annual charge for deferred tax	(12 575 828)	(39 946 897)
Service-in-kind charge	2 123 976	2 123 976
Changes in working capital:		
Inventories	878 14	(902 485)
Receivables from exchange transactions	13 462 106	37 111 630
Provision for impairment of receivables	587 904	221 776
Receivables from non-exchange transactions	2 348 629	(3 697 154)
Payables from exchange transactions	(53 566 835)	6 907 743
	(128 058 558)	45 212 988

22. Finance income received

	2021 R	2020 R
Interest receivable at the beginning of the year	804 941	839 131
Finance income earned in respect of cash and cash equivalents	3 927 058	15 296 116
Interest receivable at the end of the year	(80 690)	(804 941)
Net finance income	4 651 309	15 330 306

23. Taxation refunded / (paid)

	2021 R	2020 R
Balance at beginning of the year	663 252	3 002 224
Balance at end of the year	(663 252)	(663 252)
	–	2 338 972

24. Commitments

Authorised capital expenditure

	2021 R	2020 R
Already contracted for but not provided for		
• Property, plant and equipment – CTICC 2	68 809	2 137 655
• Property, plant and equipment – Other	1 239 357	184 594
	1 308 166	2 322 249

This committed expenditure relates to plant and equipment and will be financed from existing cash resources, rights issue of shares, funds internally generated.

Operating leases – as lessee

	2021 R	2020 R
Minimum lease payments due		
- Within one year	3 313 669	3 678 777
- In second to fifth year inclusive	15 365 791	17 058 768
- Later than five years	247 846 311	296 578 417
	266 525 771	317 315 962

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 30 June 2021 (continued)

24. Commitments (continued)

In accordance with the lease agreements from the City of Cape Town, the increases in lease payments are negotiated annually and every five years, a market-related value is determined for the lease premiums. Management has estimated the value of future minimum lease payments 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 relates to the following leases:

- City of Cape Town – 99-year lease of land, remaining term: 79 years five months. The lease gives rise to a service-in-kind benefit, as the lease cost of R100 p.a. is below market value. The service-in-kind benefit has been valued and disclosed, as detailed in Note 6.
- City of Cape Town – 50-year lease of P1 parking garage, remaining term: 30 years three months.
- City of Cape Town – 30-year lease for the land for CTICC 2, option to renew, remaining term: 21 years.

Operating leases – as 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, with an option to extend 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, with an option to extend 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 R425 685 (2020: R2 659 224). The reduction from last year is due to the lower room occupancies at the Westin as a result of the Covid-19 lockdown regulations.

25. Contingent liabilities

The CTICC has received various claims which have arisen from the expansion project (Note 3.1) 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, there were no claims.

26. Related parties

The controlling interest in the company is held by the City of Cape Town, the parent municipality, which owns 71.4% (2020: 71.4%) of the company's shares. The remaining shares are held by the Western Cape Government 23.2% (2020: 23.2%) and SunWest International (Pty) Ltd 5.4% (2020: 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 and 30 years.

The agreement with Vexicure Proprietary Limited t/a Westin, referred to in Note 24, states that the hotel erected on this site reverts to the City of Cape Town should the lease not be renewed.

The agreement with Redefine Properties Limited, referred to in Note 24, states that the office tower (Convention Towers) erected on this site reverts to the City of Cape Town should the lease not be renewed.

Non-executive Directors and Audit and Risk Committee members are regarded as related parties and their remuneration is disclosed in Note 27.

Related party balances

	2021 R	2020 R
Balance of accounts – Owing (to) / by related parties		
Utility debts owing to City of Cape Town	(1 963 398)	(2 244 520)
Construction debt owing by City of Cape Town	–	8 863 887
Other amounts owing by the City of Cape Town	316 194	–

The amount of R8.9 million due from the City of Cape Town (City) in the previous year was for the final settlement of the costs incurred on behalf of the City on the basement parking expansion. The City settled the debt in full during the year.

Related party transactions

	2021 R	2020 R
Utility, lease and other costs paid to the City of Cape Town		
Rates and taxes	5 738 220	5 344 192
Electricity	11 646 272	19 635 837
Water	376 170	960 367
Lease P1 parking (including refuse, sewerage, rates and water)	2 175 411	3 576 437
Service-in-kind charge – lease CTICC 1	2 123 976	2 123 976
Secondment of staff recovery	361 339	–

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 30 June 2021 (continued)

26. Related parties (continued)

Remuneration of management - Executive management

	2021			TOTAL R
	BASIC SALARY R	SEVERANCE PAY R	LEAVE PAY-OUT R	
Executive management				
Name				
Chief Executive Officer	2 081 645	–	–	2 081 645
Chief Financial Officer	1 782 257	–	–	1 782 257
General Manager: Facilities and Operations	1 644 585	692 780	164 080	2 501 445
General Manager: Operations – Food and Beverage	1 794 406	–	–	1 794 406
General Manager: Commercial and Business Development	1 780 857	–	–	1 780 857
	9 083 750	692 780	164 080	9 940 610

	2020				TOTAL R
	BASIC SALARY R	BONUSES AND PERFORMANCE-RELATED PAYMENTS R	LEAVE PAY-OUT	OTHER BENEFITS RECEIVED R	
Name					
Chief Executive Officer	2 312 185	335 522	464 637	7 000	3 119 344
Chief Financial Officer	1 722 255	205 640	–	–	1 927 895
General Manager: Facilities and Operations	1 727 662	234 520	–	–	1 962 182
General Manager: Operations – Food and Beverage	1 638 360	227 556	–	–	1 865 916
General Manager: Commercial and Business Development	1 646 732	232 697	–	–	1 879 429
	9 047 194	1 235 935	464 637	7 000	10 754 766

The amount disclosed under the Chief Executive Officer (CEO) includes the remuneration for two employees, as the contract term of the previous CEO ended on 31 January 2020 and the current CEO's term commencing on 20 January 2020. The Other benefits received includes the accrued leave paid out at the end of the CEO's contract.

27. Directors' remuneration

Non-executive directors' remuneration only includes fees for attendance of Board and sub-committee meetings. No emoluments were paid to the directors or any individuals holding a prescribed office during the year.

	2021 R
Non-executive	Directors' fees
A Cilliers	147 353
CK Zama (i)	–
DA Cloete	123 704
JC Fraser	118 659
MB Mdebuka	126 783
N Pangarker	116 016
S Myburgh	107 971
	740 486

	2020 R
Non-executive	Directors' fees
A Cilliers	124 010
CK Zama (i)	–
DA Cloete	107 680
G Harris	42 084
JC Fraser	93 621
MB Mdebuka	64 822
N Pangarker	41 401
S Myburgh	101 198
W Parker	8 934
	583 750

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 30 June 2021 (continued)

27. Directors' remuneration (continued)

Non-executive Directors' remuneration only includes fees for attendance of Board and sub-committee meetings.

No emoluments were paid to the Directors or any individuals holding a prescribed office during the year.

Audit and Risk Committee members' remuneration	2021 R
	Emoluments
D Singh	47 027
MR Burton	47 026
L Ndaba (ii)	–
	94 053
	2020 R
	Emoluments
D Singh	19 269
MR Burton	25 462
L Ndaba (ii)	–
	44 731

- i. Ms CK Zama is employed by a provincial entity and, accordingly, is not paid any remuneration as a Non-executive director or as a member of sub-committees.
- 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.

28. Financial risk management

Interest rate risk

The company's activities expose it primarily to risks of fluctuations in interest rates.

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 the reasonable expected change in the interest rate, either a 1 percentage point increase or decrease in the interest rate. The equal but opposite adjustment to the interest rate would result in an equal but opposite effect on net surplus and, therefore, has not been disclosed separately.

	2021 R	2020 R
Cash and cash equivalents	22 215 317	171 048 763
Effect on net surplus or deficit for 1% movement in interest rates	159 950	1 231 551

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, conference attendance costs, advertising and marketing cost.

Payments denominated in foreign currency are limited and, therefore, the company's risk exposure is minimal.

Credit risk management

Credit risk is the risk of financial loss to the company if a customer fails to meet its 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 from transactions 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 company 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 institutions registered in terms of the Banks Act, 1990 (Act No, 94 of 1990).

Credit risk, with respect to trade receivables, is limited due to the application of the Credit Control and Debt Collection Policy.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 30 June 2021 (continued)

28. Financial risk management (continued)

Credit quality of trade receivables and other receivables

	2021	2020
	R	R
Key account customers	91 555	260 261
Other account customers	541 068	148 032
High-risk customers	664 111	1 278 792
Other receivables	1 300 757	5 784 521
Related party recoverable	316 194	8 683 887
	2 913 685	16 155 493

Management believes that no further impairment is necessary on trade receivables, and other receivables other than that reflected in note 10.

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 revenue inflows and capital and operational outflows. The company manages liquidity risk through an ongoing review of its future commitments and available resources by preparing frequent 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
2021				
Client deposits	3 804 969	2 668 933	15 673 031	22 146 933
Payables and other payables from exchange transactions	18 557 011	5 031 896	–	23 588 907
	22 361 980	7 700 829	15 673 031	45 735 840
2020				
Client deposits	972 610	30 547 564	19 452 480	50 972 654
Payables and other payables from exchange transactions	27 980 055	20 349 966	–	48 330 021
	28 952 665	50 897 530	19 452 480	99 302 675

The company is in receipt of client deposits for events booked up to the 2024 financial year, which is disclosed in the "greater than six months" column (Note 16).

29. Events after the reporting date

On 27 June 2021, just before the reporting date, the country moved to Adjusted Lockdown Alert Level 4, which prohibited gatherings of any numbers (except for funerals), impacting on the events scheduled to take place in July 2021. The planned events were cancelled, resulting in revenue loss of more than R4 million. The deposit of R3.6 million held for an international client was refunded in July 2021.

The restrictions were slightly relaxed during July 2021, which allowed events of up to 50 attendees to take place.

The WCPG's temporary mass vaccination centre was opened to the public on 7 July 2021. The company is using its staff in the centre as queue marshals within the public spaces and parking attendants. Coffee on the Square and Old Pier Cafe has opened for food and beverage service to the public and vaccination centre staff.

The company issued the first tranche of 2 500 "C" ordinary shares valued at R10 million to the City of Cape Town on 28 July 2021 and received the value amount on the same day. The second and third tranches for a further 5 000 "C" shares totalling R20 million was done on 27 August 2021 and 4 October 2021.

The directors are unaware of any events after the reporting date that would materially alter the amounts or disclosure in these annual financial statements.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 30 June 2021 (continued)

30. Actual operating expenditure versus budgeted operating expenditure

The budget is approved on an accrual basis by classification. The approved budget covers the fiscal period from 1 July 2020 to 30 June 2021. Both the budget and the actual amounts are prepared on the same basis.

The variances between the approved and final budgets are primarily due to the continued impact of the Covid-19 lockdown regulations on the company's operations. The final budget takes into account the closure of CTICC 1 after the WCPG closed the temporary intermediate care hospital.

Explanations of variances greater than 5% and greater than R1 million between the final budget and actual amounts

- a. Insurance claims (R9 079 127 – favourable)** (Note 17)
The company's business interruption claim of R10 million, including VAT, was settled by the insurance company during the year.
- b. Personnel costs (R7 950 834 – favourable)**
The lower personnel costs arose as a result of the reversal of the 2020 bonus provision, staff reductions after the completion of the s189A process with 49 voluntary retrenchments and 52 staff made redundant, freezing of vacancies and the payment of severance packages totaling R3.7 million.
- c. Depreciation and amortisation (R3 299 745 – favourable)**
The lower depreciation charge is mainly due to the reduction in capital expenditure over the last 15 months due to the impact of the Covid-19 lockdown regulations on the operations.
- d. Impairment loss (R69 472 848 – favourable)**
The impairment charge is lower than budget as a result of the improvement in the forecast expectations and WACC rate assumptions, relative to the information available at the budgeting stage.
- e. Operating expenses (R2 506 003 – favourable)**
The favourable variance is mainly due to the lower spend on office-related costs and staff training during the year.
- f. Utilities (R5 827 027 – favourable)**
The reduction in utility costs is directly related to the lower business levels and the closure of CTICC 1 from September 2020 after the hospital was decommissioned, resulting in significant cost savings.
- g. Building costs (R5 257 008 – favourable)**
The building costs were reduced as a result of the closure of CTICC 1 and close management of resource and service requirements during the year as a result of the reduced business levels.
- h. Repairs and maintenance (R1 285 882 – favourable)**
The favourable variance is as a result of cost containment, only critical maintenance being carried out and renegotiation of contracts with suppliers
- i. Marketing and corporate communications (R4 353 649 – favourable)**
The favourable variance was achieved as a result of the reduction in marketing activity due to events not able to take place, not being able to host client relationship events and the realignment of the marketing activity during the year.
- j. IT expenses (R1 276 583 – favourable)**
The favourable variance is due to the reduction in service and licence requirements for the lower staff numbers, contract pricing renegotiated and staff working remotely.
- k. Travel and entertainment (R1 128 152 – favourable)**
The favourable variance is due to the restrictions on travel, both locally and internationally, during the year.

31. Actual capital expenditure versus budgeted capital expenditure

Explanation of variances greater than 10% and greater than R2 million between the final budget and actual amounts

- a. Building enhancements (R2 430 708 – unfavourable)**
The overspend on the budget is due to the company finalising Phases 1 and 2 of the CTICC 2 construction project and obtaining the final certificates. The overall spend on the CTICC 2 project is below the R905 million budget approved by the Board.
- b. IT and electronic infrastructure (R4 231 681 - favourable)**
Only critical equipment and projects have been procured during the year. The CTICC have extended the length of time that equipment is being used in the operations and only replacing when absolutely required, hence the savings in costs.

32. Deviation from supply chain management regulations

Total deviations for the year amounted to R19 662 352 (2020: R18 129 729), which is included in the total procurement value of R157 606 907 for the year (2020: R285 279 327).

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.

Listed below are material deviations:

	2021	2020
	R	R
i. Exceptional / Impractical cases	6 976 118	5 419 186
ii. Sole / Single provider	2 738 183	4 418 509
iii. Emergency situation	7 104 837	1 524 696
iv. Minor breaches	148 505	1 664 178
v. Advertising	1 734 026	4 432 582
vi. Legal services	877 479	497 608
vii. PCO commissions	83 204	–
viii. Works of art	–	172 970
	19 662 352	18 129 729

- i. These cases relate mainly to construction and maintenance work related to CTICC 2, membership and subscription fees to local and international organisations and training costs.
- ii. The major items in this category include the parking management system maintenance agreement, floor tiles required for CTICC 1 that were the same as CTICC 2 and maintenance of the acoustic doors, all of which was only available locally from a sole supplier.
- iii. The significant items included are related to the provision of essential services, such as security, following the termination of the contract due to poor performance, and the procurement of cleaning services and HVAC servicing due to the impact of the Covid-19 pandemic on the company's procurement processes.
- iv. The significant component of the cost relates to the architectural services contract for CTICC 2.
- v. These costs were for advertising in specific international and local media, newspapers and magazines.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 30 June 2021 (continued)

32. Deviation from supply chain management regulations (continued)

- vi. These costs were for general legal services, including debt collection, required during the year.
- vii. These costs were incurred where events were brought to the CTICC by professional event organisers (PCO) during the year.
- viii. This was for the purchase of a painting.

Award of contracts to family members of persons in the service of the state

According to section 45 of the Municipal Supply Chain Management Regulations, 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 below were issued following our normal procurement procedures and were not issued through any deviations.

- a. AT Catering t/a 3 Peas was appointed onto the panel for the supply and delivery of Fresh and Prepared Fruit and Vegetables (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 during the year was: R111 306 (2020: R1 213 554).
- b. 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 during the year was R30 021 (2020: R51 721).
- c. Tender CTICC057/2018: Provision of Event Safety Services was awarded to Bidvest Protea Coin (Pty) Ltd. 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. There were no payments made on the contract during the year (2020: R138 537).
- d. Tender 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 during the year was R1 353 248 (2020: R1 662 095).
- e. Tender CTICC027/2019: Banking Services was awarded to Nedbank Limited during the year. A brother of one of the Director's (MA Matooane) is in service of the state as the Project Manager at Ekurhuleni Metropolitan Municipality and the partner of another Director (JK Netshitenzhe) is a Director at the Department of Energy. The amount of the award during the year was R174 644 (2020: R243 364).

GENERAL INFORMATION

as at 30 June 2021

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	A Cilliers CK Zama DA Cloete JC Fraser MB Mdebuka N Pangarker S Myburgh SW Fourie TT Motlhabane W De Wet
Registered office and business address	Convention Square 1 Lower Long Street Cape Town Western Cape 8001
Postal address	P O Box 8120 Roggebaai Cape Town Western Cape 8012
Parent municipality	City of Cape Town
Bankers	Nedbank ABSA First National Bank Stanlib Investec
Auditors	Auditor-General of South Africa
Secretary	Kilgetty Statutory Services (South Africa) (Pty) Limited
Preparer	The annual financial statements were internally compiled by: Wayne De Wet CA (SA)

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, 14, 21, 26-27, 35-38, 70-76, 78-84, 90-113, 137-138, 142
2	Principle 2 – Businesses should make sure that they are not complicit in human rights abuses.	✓	137, 142
3	Principle 3 – Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	✓	138, 142
4	Principle 4 – Businesses should uphold the elimination of all forms of forced and compulsory labour.	✓	26-27, 138, 142, 154
5	Principle 5 – Businesses should uphold the effective abolition of child labour.	✓	138, 142
6	Principle 6 – Businesses should uphold the elimination of discrimination in respect of employment and occupation.	✓	3, 21, 26-27, 76, 78, 79, 138, 142, 154
7	Principle 7 – Businesses should support a precautionary approach to environmental challenges.	✓	4, 14, 17, 27, 31, 141-142, 154
8	Principle 8 – Businesses should undertake initiatives to promote greater environmental responsibility.	✓	4, 14, 17, 27, 31, 85, 141-146
9	Principle 9 – Businesses should encourage the development and diffusion of environmentally friendly technologies.	✓	141
10	Principle 10 – Businesses should work against corruption in all its forms, including extortion and bribery.	✓	137, 142, 150, 154

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



we are a green conscious convention centre