

2020

INTEGRATED ANNUAL REPORT
Cape Town International Convention Centre

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ADAPT. THRIVE.
INSPIRE



ADAPT. THRIVE. INSPIRE

Chameleons change colour in response to temperature, environment and mood – and when they are at their brightest, it is often a show of strength. They also have a 360-degree field of vision and are remarkably agile due to the way they use their feet and tail, not to mention their impressive grip, which lets them stand their ground when threatened.

What a fitting image for the CTICC, as well as the global conferencing and events industry, which has faced extraordinary challenges in the year under review.

In response, we at the CTICC have:

- “Changed our colours”, adapting our operations and offerings for the Covid-19 environment;
- Used our experience and expertise to anticipate and implement what we need to thrive in an ever-changed conference and events industry;
- Kept our sights on business trends and opportunities from across the country, continent and world;
- Inspired and breathed new life into our business during lockdown, rising to the challenge, and readying and steadying our team during a very uncertain period.

COMMITTED TO SUPPORTING OUR COMMUNITIES

One example of our adaptive thinking was the transformation of the extensive exhibition halls of CTICC 1 into an 862-bed Covid-19 temporary intermediate care hospital. This provided an essential healthcare facility when it was needed the most.

Another decision which expressed our agility was our partnership with Ladles of Love. We donated over 1 500m² to the NPO so that they could safely prepare and package meals for distribution to those in need.

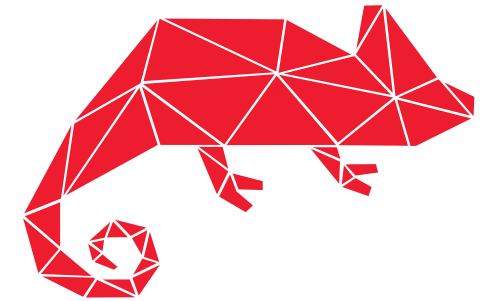
These are but two stories we will share of how the CTICC has “changed shape and colour” to demonstrate the power of effective public-private partnership for the good of our communities.

A PLACE OF PASSION, INNOVATION AND RENEWAL

As with origami, when a simple sheet of paper is transformed, so too the CTICC has shifted its operations to not only survive, but to thrive in a changing and challenging environment. In doing so, we have reconnected with our passion and ability to innovate, allowing us to renew ourselves.

Before our fourth quarter took on a very different form, the first three quarters saw us successfully hosting a wide range of extraordinary events, as we have for the 17 years of our existence. However, lockdown restrictions have affected our results, and 2020 will not be a profitable year.

In that context, our 2019/20 Integrated Annual Report is an expression of our ability as an organisation to adapt internally, thrive externally and inspire an industry that has, for much of 2020, been dormant.



ABOUT THIS REPORT: ITS SCOPE AND PARAMETERS

This report is compiled annually and contains data for the 2019/20 financial year, which runs from 1 July 2019 to 30 June 2020.

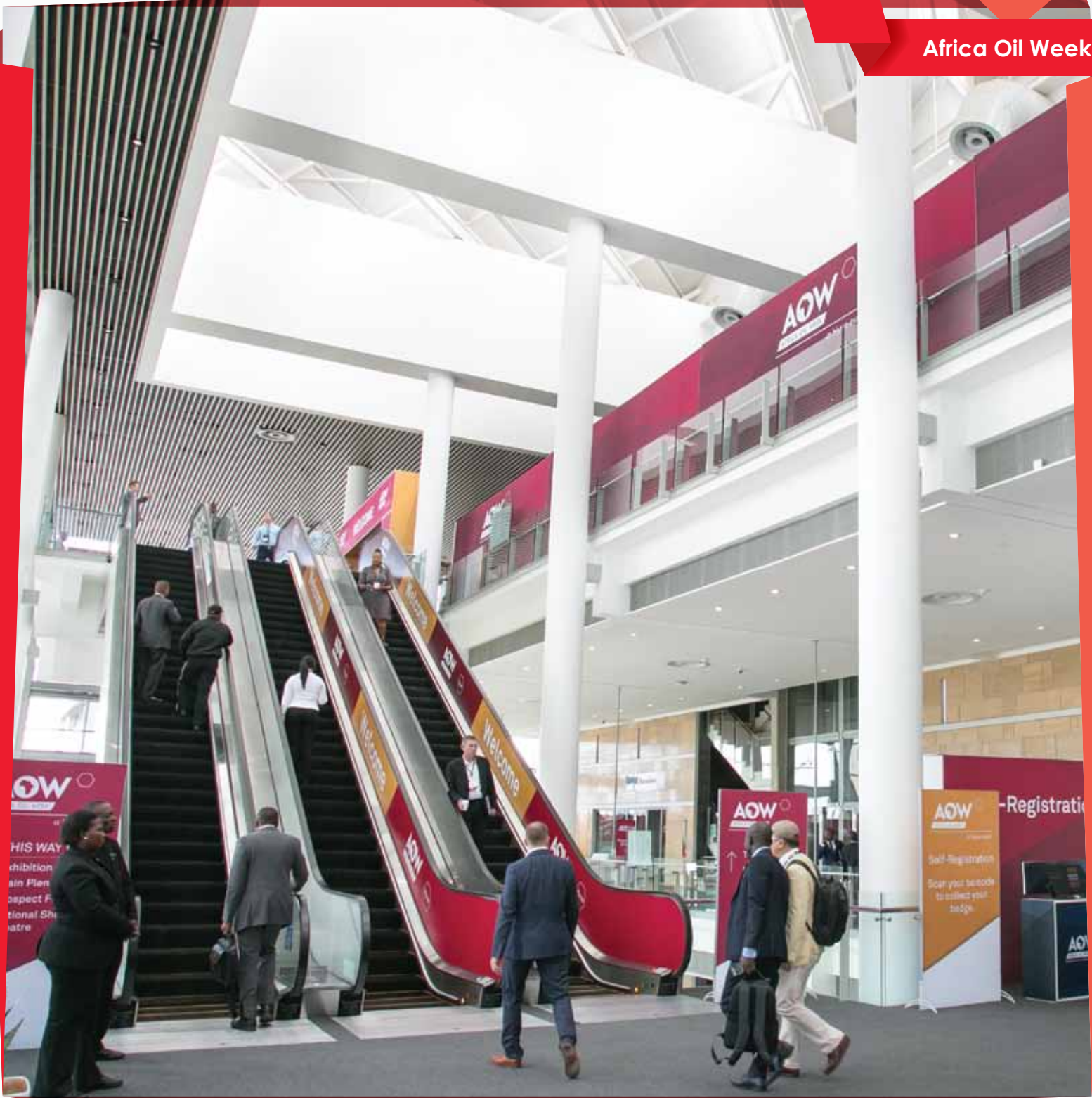
The CTICC consists of two operational buildings (CTICC 1 and CTICC 2) and the report reflects on the performances of both.

The most recent previously compiled report was made available at our Annual General Meeting on 11 December 2019 and contained information from the previous financial year, which ran from 1 July 2018 to 30 June 2019.

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.



Origami is derived from two Japanese words: Ori (folded) and Kami (paper). Before that, the art was called "orikata" (folded shapes). An ancient Japanese legend says that if you fold one thousand cranes, you will be granted a wish.



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2019/20 AT A GLANCE

In the financial year, we achieved a turnover of R205.3m, even though we were trading normally for just eight and a half months of the year, as Covid-19 restrictions imposed severe limitations on public gatherings from 18 March 2020.

ECONOMIC IMPACT



R5.5bn
Contribution to SA National GDP



R4.9bn
Contribution to Western Cape GGP



R52.8bn
Cumulative contribution to SA National GDP



R44.5bn
Cumulative contribution to Western Cape GGP



11 861
Total jobs created nationally in 2019/20 financial year



87.5%
Of total procurement spend with locally-based service partners



42%
Women-owned enterprise service partners (of total service partner base)



146 out of 282 (52%)
Women employed in the business

OPERATIONS & FINANCE



397
Total events (three events above adjusted target of 394)



R220.7m
Revenue (including other income)



R12.5m
EBITDA loss (R11.1m or 46.8% improvement on the target of a R23.6m loss)



85%
Customer Satisfaction Index (5% above the target of 80%)



ENVIRONMENTAL FOOTPRINT



71%
Waste diverted from landfill



33.1%
Reduction in municipal water consumption



SOCIAL CONTRIBUTION



R5.5m
Corporate Social Responsibility spend



AWARDS

Winner: Small Green Stand Award
2020 Meetings Africa

Winner: Universal Accessibility and Experience Mobility Award (National)
2019 Lilizela Tourism Awards

Winner: Venues Award – Convention and Exhibition Centre (Provincial)
2019 Lilizela Tourism Awards

Nominated: Africa's Leading Meetings and Conference Centre
2020 World Travel Awards

Winner: Best Large Event and Exhibition Venue (Western Cape)
2020 MEA Markets Africa Excellence Awards

Winner: 2019 Top 40 Women in MICE Award
Olivia Bruce, Adele Eloff and Arnolette Freeks

Qualified: Top Women Leaders
2019 Top Gender Empowered Company



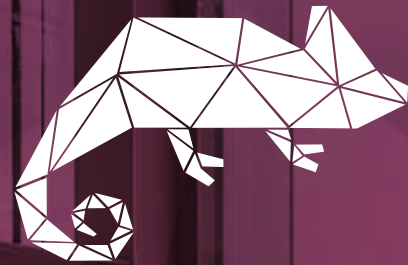
ACCREDITATIONS

ISO 9001
(Quality Management)

ISO 14001
(Environmental Management)

OHSAS 18001
(Occupational Health & Safety Management)

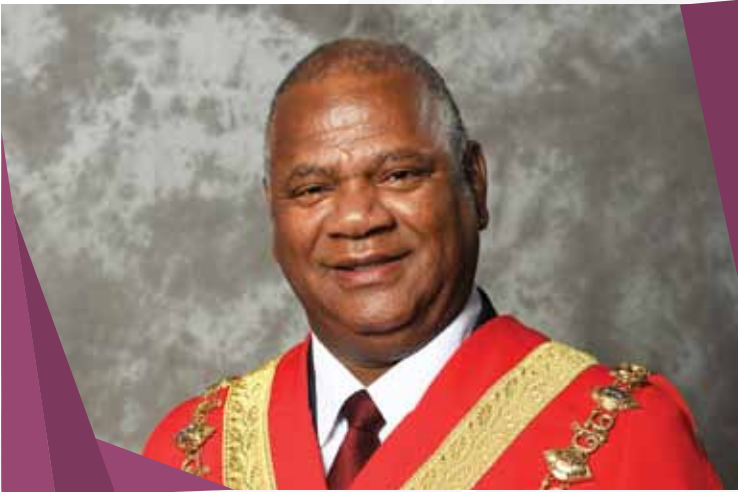
ISO 22000
(Food Safety Management)



FOREWORDS

MESSAGE FROM THE EXECUTIVE MAYOR OF CAPE TOWN

2020 has brought about significant social, health and business stresses across the world. In Cape Town, our business tourism sector has been particularly hard hit, with global and national lockdowns preventing international travel for much of the year. Covid-19 has challenged us all to see the world differently and it is through this lens that the CTICC was able to be transformed into a temporary field hospital for Covid-19 patients in record time. The CTICC has remained a significant community resource and contributor to the City's economic success, and this foundation has allowed the CTICC to pivot ahead into a future that we are all still creating, one day at a time.



As can be seen in this year's annual report, the CTICC has adapted itself remarkably to contribute to the opportunity city. Its cumulative economic contribution to the Western Cape Province has risen by R4.9bn this financial year to R44.5bn.

The CTICC remains a vital hub of fiscal growth and job creation for the City of Cape Town's multiple strategies, chief of which is the creation of an opportunity city. Supporting this approach, I am pleased to note that Cape Town retained the World Travel Award for "Africa's Leading Festival & Events Destination" for 2019.

That the CTICC was able to host exactly the same number of international conferences (34) in just eight and a half operational months this year, compared to the full previous year, supports this accolade and is further proof of the CTICC's success in attracting global events to our city.

As can be seen in this year's annual report, the CTICC has adapted itself remarkably to contribute to the opportunity city. Its cumulative economic contribution to the Western Cape Province has risen by R4.9bn this financial year to R44.5bn.

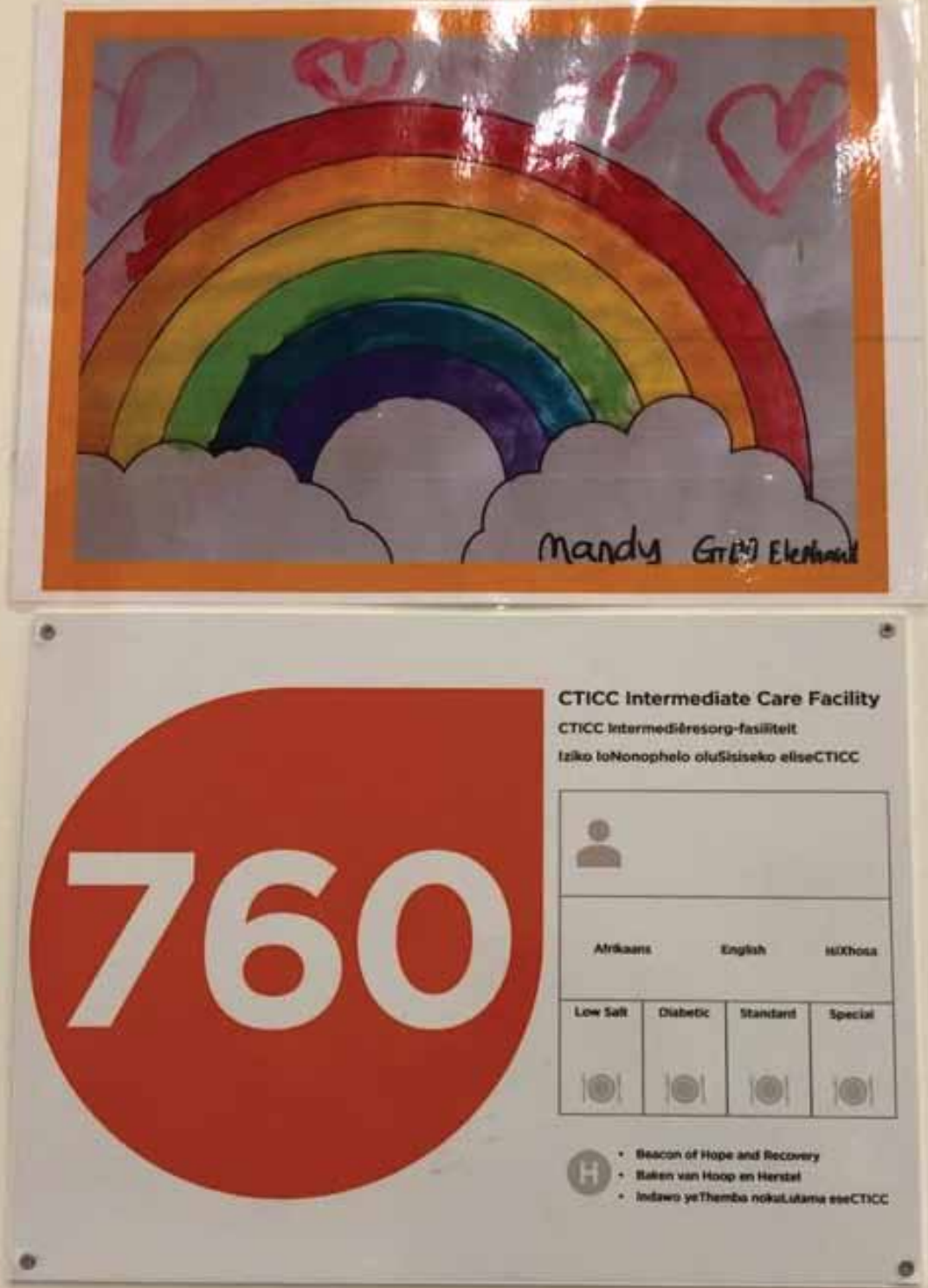
It has also assisted greatly in delivering a safe, caring and inclusive city. A caring city offers a sustainable environment, a sense of belonging, access to services and help to those who need it. This is precisely what the CTICC delivered through the conversion of the exhibition halls of CTICC 1 into a temporary intermediate care hospital for Covid-19 patients in April 2020 – the Hospital of Hope.

It is a matter of record that the CTICC is a professionally managed municipal entity, with a long succession of unqualified audits and impressive revenue generation.

My personal thanks, therefore, to the CTICC and its team, led by former CEO, Julie-May Ellingson, and our current CEO, Taubie Motlhabane. Not only have you maintained a place where knowledge and opportunities can be shared and created, but you have also made a positive difference to the City of Cape Town's response to Covid-19. Thank you for playing your part.

DAN PLATO
Executive Mayor, City of Cape Town

Rainbow artwork above one of the hospital beds by learners from Rallim Preparatory



MESSAGE FROM THE PREMIER OF THE WESTERN CAPE

Covid-19 has had a massive impact on people and countries around the globe. In South Africa, and in the Western Cape, the pandemic has had an impact on both the lives and livelihoods of millions.



It is, finally, truly remarkable that the CTICC has, despite being closed to the public for an entire quarter, returned impressive revenue figures.

None of us is immune to this virus, as I know personally. The CTICC is not untouched by the sobering reality of this virus. Designed to serve Cape Town and the province as a beacon of world-class business tourism, the CTICC has contributed remarkably to the knowledge economy and investment into the province since it opened in 2003.

For the first time since then, its doors were closed to external events during the lockdown, which began at the end of March 2020. The health of the people of this province, and this city, was at stake and serious measures were called for.

Covid-19 has forced the Western Cape Government to change and adapt, but what has not changed has been our commitment to the safety of our people – together with their needs, their choices and their aspirations. Our post-Covid-19 recovery strategy now looks to jobs, safety, dignity and well-being as pillars of recovery. All of these elements are closely linked and the CTICC, as a business tourism leader and job creator, can contribute to the achievement of our goals in these areas.

Throughout the pandemic, the CTICC has been active in advancing the dignity and well-being of the people of this province. Pivoting to create new opportunities out of its conference and event space, the CTICC led the way in April 2020 by donating over 1 500m² of kitchen and distribution space to the Ladles of Love feeding scheme, thus substantially helping alleviate hunger in our province.

Its conversion to the Hospital of Hope for 11 weeks this winter cemented its civic contribution and served as a very human expression of the organisation's courage. The CTICC will forever be remembered not just as an event space, but as a place of healing and of hope.

Throughout this pandemic, we have also seen the value of innovation. Covid-19 has forced us to think differently, to adapt and to use technology in new ways. Social distancing, remote working and connecting through technology have all become the new normal.

The CTICC adapted swiftly and has not only implemented comprehensive Covid-19 safety measures under the C19Care initiative but has also introduced remote working, as well as a range of new hybrid and digital event options for its clients. Covid-19 has truly brought the future forward.

This has enhanced the CTICC's own ongoing contribution to boosting the province's economy and adapting to job retention in these difficult times. In doing so, new skills have been learned and staff have been empowered to embrace alternative ways of working. This also applies to the collaborative relationships it has with its SMME suppliers, a sector hit particularly hard by Covid-19.

It is, finally, truly remarkable that the CTICC has, despite being closed to the public for an entire quarter, returned impressive revenue figures.

We salute the CTICC, their CEO and their staff for their ongoing delivery of their values in these challenging times – passion, innovation, transformation, caring and gratitude.

These are all attributes that we must embrace and maintain as we move forward.

ALAN WINDE

Premier of the Western Cape



Premier Alan Winde at the Hospital of Hope

MESSAGE FROM THE CHAIRPERSON OF CONVENCO

This has been a challenging year for the world, the continent, the country, the Cape and the CTICC. With gatherings prohibited under lockdown regulations, the CTICC's conferencing and event operations have been severely constrained since the end of March 2020. As I write this in September 2020, there has been some relaxing around event numbers for the now severely distressed business tourism sector; but recovery will take time.



The CTICC is ready to seamlessly host every type of event, from small meetings of less than 250 delegates indoors, as per the current regulatory framework, to over 20 000 delegates once restrictions have been lifted.

We were, of course, aware that the threat was coming earlier in the year and, fortunately, were well placed to convert our premises for the community's shared benefit, as you will read about in this report (pp. 37-44). Our CSR performance has benefited enormously. At these times, supporting our communities has become an important expression of the CTICC's triple-bottom-line commitment to people, planet and profit.

Our CEO, Taubie Motlhabane, took the reins at the end of January 2020, pivoting her focus to reimagine the business in a way that has helped the organisation and its staff to adjust and thrive in this new, evolving and challenging environment. She has been an excellent example of passionate leadership, adapting to the inevitable process of change – for herself, for our people and for our sector. You can read more about this energetic woman on page 131.

Taubie's expertise is complemented by her extensive knowledge in strategy development, business planning, the business events industry and marketing. She has already added significant value as CEO of the CTICC, and we celebrate having her at the helm, leading the CTICC team into a future we can only imagine at this stage. And imagine it, we do, as you will see in the Future section (pp. 193-204).

The first half of the year in review was, of course, led by our outgoing CEO, Julie-May Ellingson, whose tenure saw the CTICC grow from strength to strength, not only in terms of its footprint but also its revenues and, most importantly, its overall economic contribution. The first three quarters also brought in sufficient revenue to allow the CTICC to survive the suddenly transformed final quarter. Under Taubie Motlhabane's guidance, the financial ship is steady and costs have been covered.

In the interim, the CTICC is ready to seamlessly host every type of event, from small meetings of less than 250 delegates indoors, as per the current regulatory framework, to over 20 000 delegates once restrictions have been lifted. We look forward to the day we can become a hub of activity again, which we all hope will be very soon.

To end on a high note, I would like to focus on the CTICC's ongoing track record for winning prestigious awards: this year has been no different, with accolades in Universal Accessibility and Experience Mobility and a Venues Award in the Convention and Exhibition Centre category, both received at the 2019 Lilizela Tourism Awards. The complex also won the Small Green Stand Award at Meetings Africa this year. We have been awarded and nominated in several others, and are awaiting the final results.

After a truly out of the ordinary year, I have to thank our two CEOs, outgoing Julie-May and incoming Taubie, as well as the executive team, Rob, Tracy, Craig and Wayne. More than that, I would also like to thank every employee whose commitment and adaptability has maintained the CTICC's reputation and standard of excellence.

Finally, I want to thank our Shareholders for their continued support and encouragement, especially in these challenging times, as well as the Board for their consistent input and collaboration. I am certain we will overcome the challenges that face us together.

DEON CLOETE
Chairperson, Convenco

South African Council of Shopping Centres



REVIEW BY THE CHIEF EXECUTIVE OFFICER

In the face of Covid-19 and its effects on tourism, it is safe to say that most organisations in our sector feel that the future is uncertain. However, at the CTICC, we are cautiously optimistic. We are all going through a very tough time, but we do have hope that brighter days are coming.



We believe that through collaborative effort, we can find ways in which both the CTICC and our clients can find solutions to new problems arising from the pandemic.

Cape Town remains one of the world's top destinations and we will continue to work hard to ensure that the CTICC remains a leader in the business tourism field, and a strong contributor to the regional economy. As South Africa continues to work hard to bring the spread of Covid-19 under control, we are open and ready to welcome events to the CTICC again.

How we performed in unprecedented times

When I joined the CTICC in January 2020, the company was set for a good third quarter – in fact, based on events held and contracted up to that point, we were on target to achieve a revenue of R285m or higher.

However, in March 2020, South Africa went into a national lockdown due to Covid-19. Like the rest of the world, our plans for the remaining quarter were disrupted. The travel and tourism industries were brought to a grinding halt and, unfortunately, that meant business was severely restricted.

During this time, the CTICC remained closed and this had a significant impact on our income. We achieved a revenue of R220.7m, 22.8% below the initial target of R285m. As a result of this, we anticipated that we would return an EBITDA loss of R23.6m, but we reduced it to R12.5m (a 46.8% improvement on the targeted loss), due to vigilant management of costs.

As the world slowly opens again and international visitors are a possibility once more, we hope to see an improvement on these earnings. In the meantime, we have focused our efforts on strengthening our stakeholder and industry relationships, putting Covid-19 safety and hygiene protocols in place and training our team to be ready to host events

under the “new or next normal”. We have upgraded our offering to include digital and hybrid events, as well as assisted our communities and country wherever possible, as you will see in our Ladles of Love and Hospital of Hope stories.

Adapting to serve our community proudly

The opportunity to serve our community in the face of the unprecedented pandemic took several forms. Perhaps the most important was the hosting of the Hospital of Hope Covid-19 temporary intermediate care facility in CTICC 1. This 862-bed hospital cared for more than 1 500 patients over the 11 weeks it was open and, in that time, our CTICC kitchens provided up to six meals a day for the patients.

It took extraordinary leadership and commitment to execute this project in just six weeks, but the CTICC rose to the occasion, providing operational support, WiFi, security and catering, amongst other services. Hosting the Hospital of Hope on our premises earned us some revenue, but, more than that, it was a profound privilege for the CTICC to be part of the solution in the battle against the Covid-19 crisis.

We also hosted the Ladles of Love feeding scheme in the early days of lockdown, when they needed considerably more space to meet the huge demand for food, as some of Cape Town's most vulnerable communities struggled with hunger under tough lockdown conditions. We were, again, privileged to help by sponsoring the space they needed to store, prepare and distribute food. In the 60 days they were with us, Ladles of Love delivered an extraordinary 2.6 million meals across Cape

Town. Our overall CSR contribution has, therefore, risen this year – to a total value of R5.5m, an increase of 340%.

Making sure the events keep coming

Up until lockdown, we had hosted 397 events from July 2019 to March 2020. We hosted 34 international conferences, which was our annual target, as well as several new events across our event segments: International Conferences, National Conferences, Exhibitions, Trade Fairs, Banquets, Special Events, Film and Photo Shoots and Other Events. These included the Korean Consumer Showcase, the Asian Racing Conference and the Doha Debates. We are particularly proud of one event, our very own CTICC Gift Fair, which launched to almost 3 000 visitors in November 2019.

We have also won additional Africa-focused events during the year under review. They include the Africa Energy Indaba, the Manufacturing Indaba and African Halal Week, as well as MTN's #WAS13 Global Connect trade expo. The Future section on pages 193-204 gives more detail on these regional events.

Our continuing economic contribution

Despite the constraints of lockdown, our operations contributed to the provincial and national economies and to job creation. For the year under review, our contribution to the Gross Geographic Product (GGP) of the Western Cape was R4.9bn and R5.5bn to the national GDP. Our job creation contribution in the Western Cape Province totalled 12 099 employment opportunities created or sustained. You can read the full economic story on pages 85-100.

Our inspiring people rose to the occasion

It is not easy to suddenly find the work you are passionate about unexpectedly restricted. The way our staff have taken these changes in their stride is testament to their professionalism and resilience. The majority pivoted to working remotely, while some were hands-on with keeping the Hospital of Hope operational. Despite the challenging times, the team has been nothing but professional and dedicated. I am very proud of the CTICC family.

Our planet has been messaging us

Most of us noticed that, during lockdown, the levels of pollution were extremely low and the air was that much clearer. The CTICC has been committed to being a responsible citizen since it opened its doors in 2003. We are conscious of the environmental impact of our operations and endeavour to reduce our consumption of water and energy. We have managed to achieve a substantial reduction this year. The full environmental story follows on pages 153-164.

So where next for the CTICC?

I'm sure none of us were expecting Covid-19 to affect our lives so seriously – or for so long. This unprecedented disruption has presented

the CTICC with the opportunity to adapt and inspire our staff, our Shareholders and, most of all, our clients, to find innovative ways to do business into the future. We believe that through collaborative effort, we can find ways in which both the CTICC and our clients can find solutions to new problems arising from the pandemic. We want to continue to be the solution provider for our clients' events and we will work with them to do so.

It has been heart-warming to see how the industry has been loyal to the CTICC and we are very grateful. Although some events have been cancelled, many have been postponed. These retained events confirm that we have built great relationships with our clients – and clearly demonstrate that if you look after your clients and stakeholders when times are good, they will look after you when times are hard. We have had a wake-up call, for sure, but I am convinced that the CTICC will continue to meet whatever further challenges are coming our way.

Thank you

I would like to thank the people who have welcomed me this year at the CTICC.

Firstly, to the exceptionally capable executive team, Craig Barrington, Wayne De Wet, Robert Hatton-Jones and Tracy Mkhize, thank you for your warm welcome into the well-oiled machine that is the CTICC. Your support in facing unexpected challenges, not least, Covid-19, was invaluable. Thank you, too, to the Manco, Leadership and CTICC staff, who I have fast realised are the dedicated engine of this organisation.

Our Board and Shareholders, your support has been invaluable. I look forward to continuing to work together with you all to take the CTICC to greater heights.

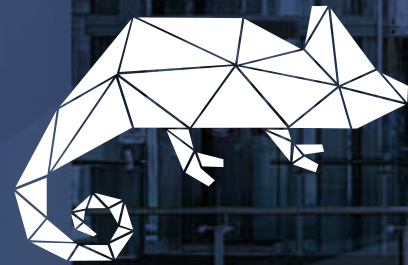
I must also express my gratitude to our service partners, whose contributions are central to our operations and success, for the way you have adapted to support the Hospital of Hope and kept our commitment to innovation and service excellence.

Finally, to our clients, we are so grateful you chose to travel the Covid-19 path with us this year. We thank you for entrusting your events to us and allowing us to guide you to new ways to host them.

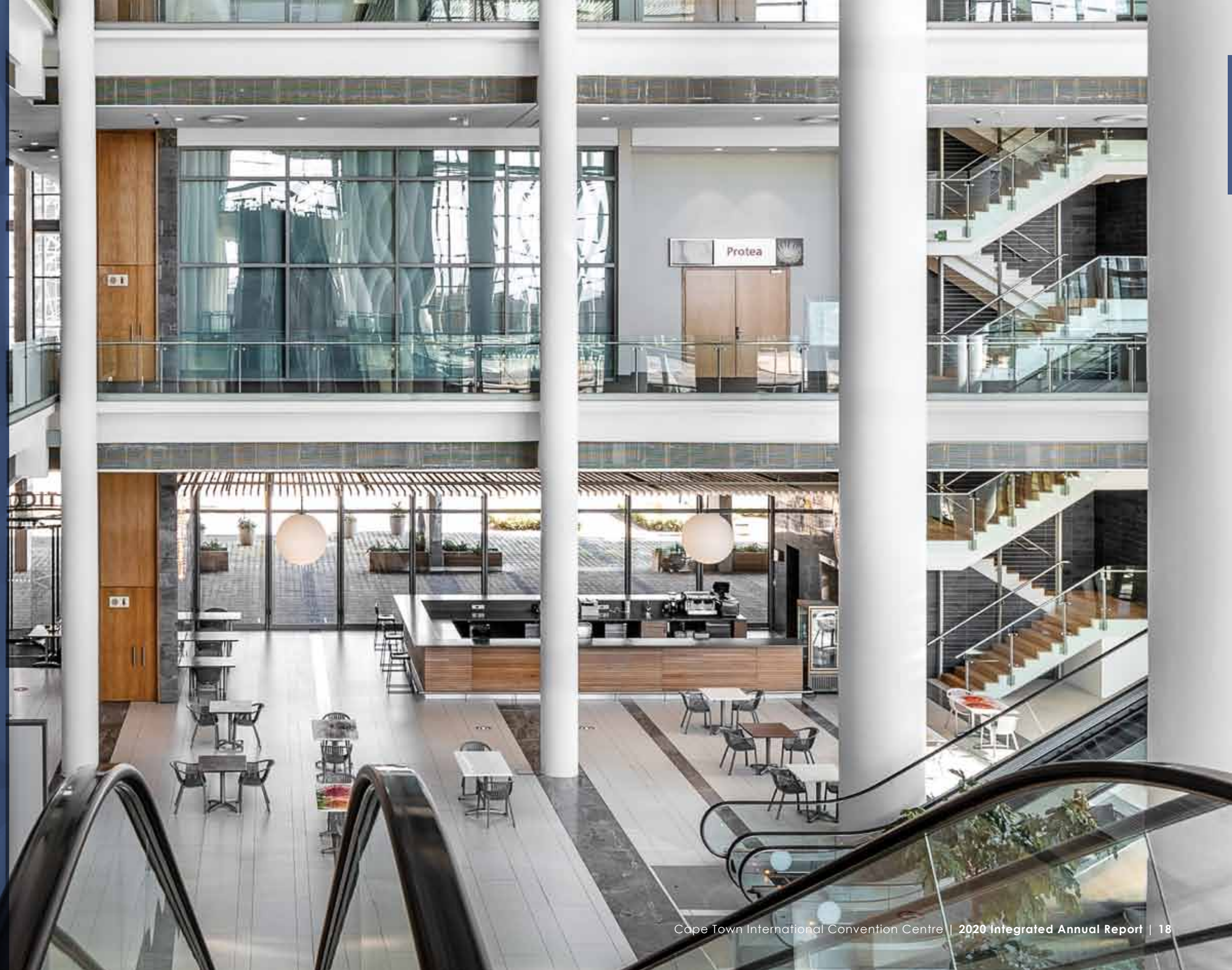
Our priority is to get the CTICC back to full operational activity so that we can continue to contribute to South Africa's GDP and the Western Cape's GGP. We will focus on finding new ways of doing business and continue to innovate in the event space.

We have hope and we will work hard to ensure that our hope becomes reality.

T. TAUBIE MOTLHABANE
Chief Executive Officer



ABOUT THE CTICC



READY FOR EVERY EVENTUALITY

Cape Town's landmark international convention centre, the CTICC, is designed to welcome international, regional and local conferences and exhibitions to the Mother City and, in the process, create jobs and drive the local economy. We adapt to new trends, demands and challenges as the needs arise.

Our complex consists of two buildings, CTICC 1 and CTICC 2, which are connected by a Skybridge. We offer a world-class venue for conferences, exhibitions, trade fairs, banquets, concerts, film shoots and stage productions. We provide a wide range of venue, food and beverage options – from large auditoria and exhibition halls to boardrooms and cafés.

The CTICC is ideally located in the central business district of Cape Town and is a 20-minute drive from Cape Town International Airport. It is close to several stops on the MyCiti Bus Rapid Transport system. There are

also many hotel options and numerous restaurants nearby, as well as the internationally acclaimed V&A Waterfront.

We offer a variety of on-site facilities, ensuring you never have to miss a thing

WHAT WE STAND FOR: OUR PURPOSE, MISSION AND VALUES

Our purpose

"We connect people to create jobs by attracting events in key economic sectors and exceeding our clients' expectations."

We inspire our clients through the adaptive experiences we create for them and enabling the educational and economic legacies they leave behind them. We impact people's lives by providing a platform for events that connect people and open up opportunities that allow individuals, sectors and communities to thrive.

We achieve this by strategically aligning ourselves with the Western Cape Government's trade and investment focus areas, which are further supported by the City of Cape Town's strategies and catalytic sectors. As a result of this collaboration, the centre has consistently made significant contributions to the Western Cape GGP and the South African GDP, created jobs, influenced the country's knowledge economy and grown business and leisure tourism.

Our mission

Our purpose is realised through:

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

Our values

Our values ensure we act 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 have cemented a reputation that sets the global standard for excellence in adaptive and inspirational event hosting.



South African Congress of Oncology

WHO WE ARE: OUR SHAREHOLDERS, SERVICES AND FACILITIES

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

Our principal departments are Commercial and Business Development, Facilities and Operations, Food & 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.

Due to Covid-19 restrictions put into place by the South African Government to protect its citizens, specifically the 1.5-metre social distancing requirement, our building capacities, as stated below, have declined significantly. New floor plans are available so that we can host safe events into the future.



**International
conference
services**



**National
conference
services**



**Event
management
services**



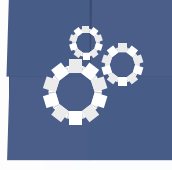
**Operational
services**



**Marketing
and
corporate
communication
services**



**Food and
beverage
services**



**Event-related services, such as IT,
audiovisual and cleaning**

CTICC 1 facilities comprise:

- ✓ Two modern raked auditoria, which can seat 1 516 and 612 guests respectively;
- ✓ A sub-divisible, 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 facilities comprise:

- ✓ 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 TEAM

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

WHO WE SERVE: OUR MARKETS, OUR CLIENTS, OUR STAFF AND OUR STAKEHOLDERS

We serve various markets based on seven key offerings: international conferences and events, national conferences, exhibitions, trade fairs, banquets, special events, film and photo shoots and other events. A total of 397 events were held during the past financial year, of which 34 were international conferences.

In the 2019/20 financial year, we hosted events and clients from all over the world, including Hong Kong, India, Ireland, Japan, Kenya, Mauritius, the Netherlands, Singapore, Turkey, Uganda, the United Arab Emirates, the United Kingdom and the United States of America. The bulk of the events, however, were hosted by local South African clients.

In total, we provided the opportunity for almost 224 000 attendees to adapt, thrive and inspire over this period.

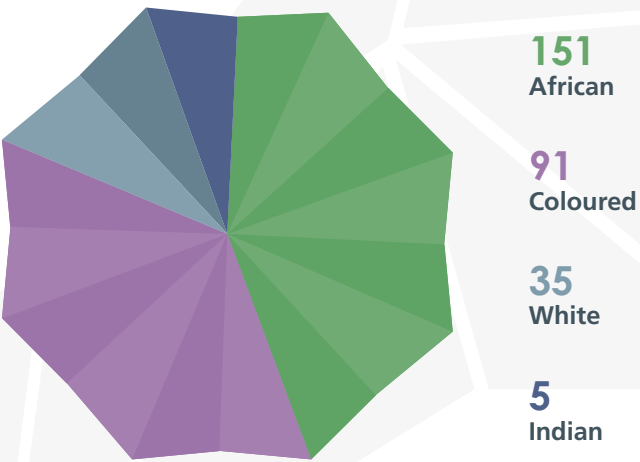
Our people

In 2019/20, we employed 282 employees (269 permanent and 13 temporary staff), as well as a fluctuating group of contract staff managed by additional service partners. Our full-time staff complement has increased by 30%. This is in part due to our 2019/20 focus on employing permanent part-time (PPT) staff. PPT staff were employed from our labour broker to ensure that we had a group of skilled people working within the core functions of our Food & Beverage and Facilities operations. In total, 50 PPT staff were employed, representing a strong commitment to our job creation mandate.

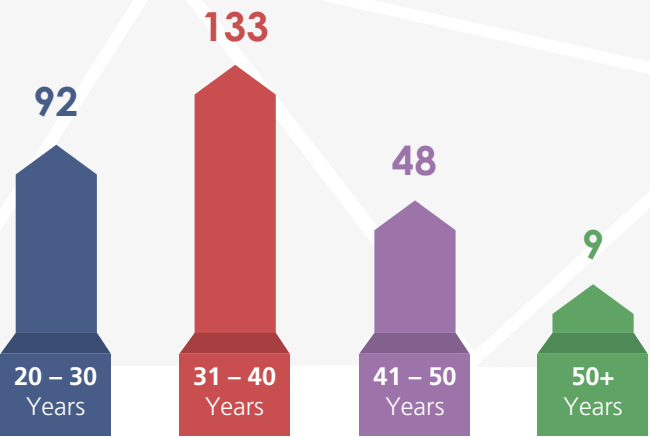
The majority of our staff are skilled and semi-skilled, and our dedication to upskilling and training our staff is a matter of public record.

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

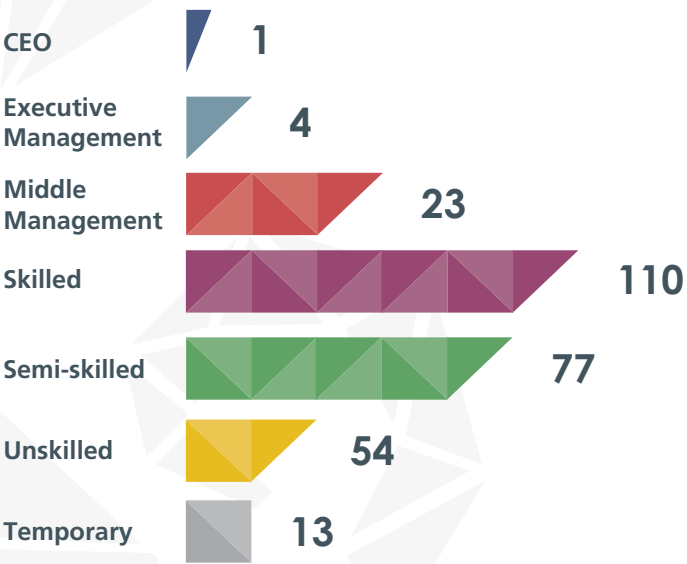
Ethnic groups



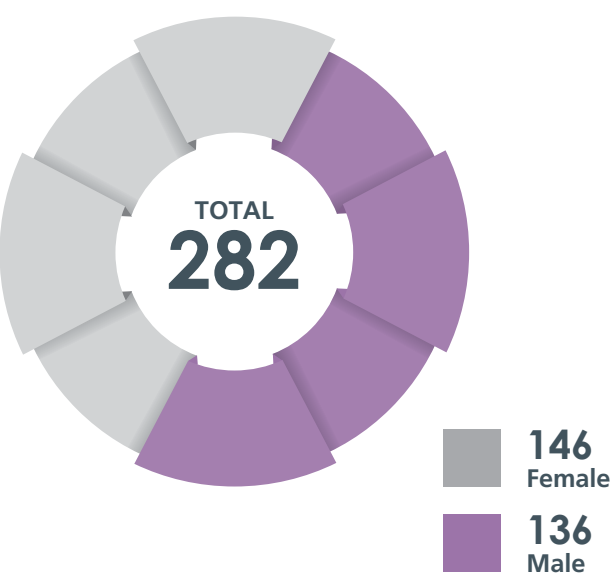
Age groups



Employment level

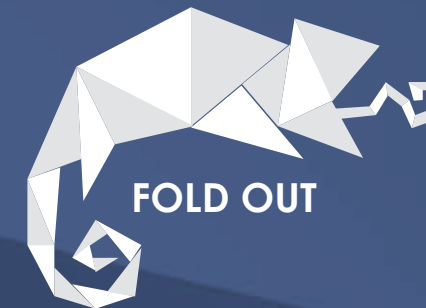
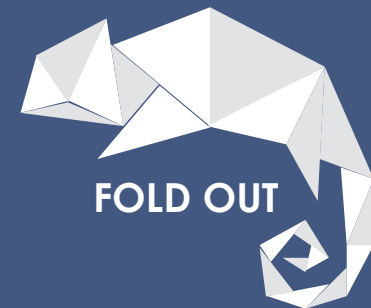


Gender breakdown



CTICC 1 lounge

In light of the Covid-19 pandemic, strict social distancing guidelines were adhered to when gathering staff and taking photographs.



Each person was allocated a location, carefully measured to ensure optimal safety for everyone involved, and in group pictures of more than two, staff were required to wear their masks.

Optimising conditions and opportunities

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



ERF and EE&TC

Employment Relations Forum (ERF)

The Employee Relations Forum (ERF) consists of ten employees drawn from different departments and levels within the company. The ERF is a committed team of individuals who act in the best interest of the staff, representing all employees regarding employment conditions. The ERF continued to be proactive and solution-driven in the 2019/20 financial year and ensured any concerns raised were addressed and staff engagement remained high. Decisions implemented during the year included healthier lunch options being incorporated into the daily staff menu; providing positive feedback to management relating to the implementation of the Employee Wellness Programme (EWP); and input on cross-training of staff.

ERF

Consists of ten employees from different departments and levels

Employment Equity & Training Committee (EE&TC)

The Employment Equity & Training Committee's (EE&TC's) mandate is to monitor employment equity across the company to ensure compliance with the EE Act, as well as overseeing 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.

The EE&TC meet quarterly to review the annual EE plan, as well as the Workplace Skills Plan (WSP). The EE&TC's meeting to review progress on the annual EE plan, and to review the new three-year EE plan before submission to the Board for approval, was held on 21 October 2019. The new three-year EE Plan for the period 1 December 2019 to 30 November 2022 was approved by the Board on 27 November 2019 and submitted to the Department of Employment and Labour (DoEL) on 13 December 2019. We received confirmation from the DoEL, acknowledging receipt of our EE report. The DoEL publishes an annual register of all the companies who submit successfully: this was gazetted 3 July 2020, confirming the CTICC's EE submission.

An Employment Equity Workshop facilitated by Integrated Labour Solutions was held on 4 December 2019, focusing on the proposed amendments to the Employment Equity Act. The workshop was

attended by ERF committee members, the EE&TC and Human Resources (HR) staff.

Application for a mandatory grant in terms of Regulation 4(1) of the SETA grant regulations had to be submitted by 31 July 2020. The 2019 Annual Training Report (ATR) and 2020 ATR and Workplace Skills Plan (WSP) submissions to CATHSSETA took place on 3 June 2020. The mandatory grant received this financial year from CATHSSETA was R136 469.64.

As at 30 June 2020, the end of the 2019/20 financial year, out of 29 employees in the three highest levels of management (including EXCO, MANCO and Leadership), 23 were from designated groups.



29

Of our employees in the three highest levels of management were from the designated groups.

Adapting, thriving and inspiring for people, planet and profit

Adapting to preserve our planet



We are committed to reducing the carbon footprint left by our daily operations, conferences, meetings and events, and continually adapt and refine the way we do business to conserve resources and minimise our impact on the environment.

Thriving 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.

Inspiring people to grow



We are not only a financially sound and sustainable business but an agile, adaptive catalyst for a thriving future. We achieve this by inspiring our people, our clients and our stakeholders towards a future that will allow us all to prosper.



Association of Municipal Electricity Utilities

Receiving the Green Stand Award in the Small Stand category



HOW WE PERFORM: CERTIFICATIONS AND AWARDS

As a business tourism leader, it is essential that we benchmark ourselves at a global level. This is why we are aligned to the United Nations Global Compact (UNGC) principles. We also implement an Integrated Management System (IMS), through the application of International Standards Organisation (ISO) certifications, to ensure that quality assurance and sustainability management remain at the highest level.

The centre's health and safety certification is of equal importance, demonstrating our commitment to our clients and visitors through adhering to the highest possible standards in food safety and preparation. This has been particularly relevant during our hosting of and catering for the Hospital of Hope.

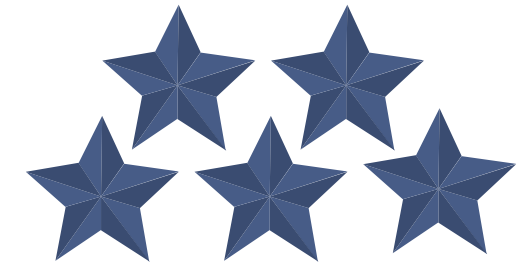
Not only do these stringent standards ensure that we operate as a world-class establishment, but it also serves to demonstrate to our delegates, clients, stakeholders and staff that we are committed to delivering inspiring service with a globally-recognised stamp of approval.

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

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

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

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



AWARDS WON IN 2019/20

- **Winner: Small Green Stand Award 2020 Meetings Africa**
- **Winner: Best Large Event and Exhibition Venue (Western Cape) 2020 MEA Markets Africa Excellence Awards**
- **Nominated: Africa's Leading Meetings and Conference Centre 2020 World Travel Awards**
- **Winner: Venues Award - Convention and Exhibition Centre (Provincial) 2019 Lilizela Tourism Awards**
- **Winner: Universal Accessibility and Experience Mobility Award (National) 2019 Lilizela Tourism Awards**
- **Winner: 2019 Top 40 Women in MICE Award Olivia Bruce, Adele Eloff and Arnolette Freeks**
- **Qualified: Top Women Leaders 2019 Top Gender Empowered Company**

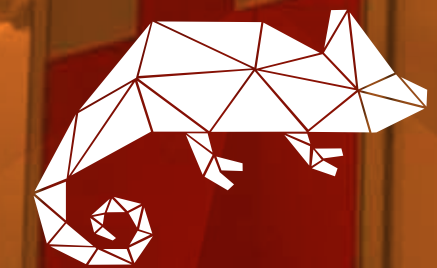
Cape Town Tourism AGM



WHO WE PARTNER WITH: ASSOCIATIONS AND MEMBERSHIPS

Our membership of international and local associations helps us remain a global leader in the conference and event sector. During the year under review, we were a member of the following associations:





COVID-19

COVID-19: ADAPTING, THRIVING, INSPIRING RESPONSIVE TO CHANGE

Covid-19 has changed many things for our world, our country and the CTICC. It has had a severe impact on the global economy and has hit the South African economy particularly hard. Although it has been extremely difficult for citizens and businesses, South Africa's swift response has saved lives.

As a responsible corporate citizen, the CTICC not only had to adapt its business activities – at the time of writing, a limit on gatherings of more than 250 people indoors and 500 people outdoors remains in place under Lockdown Level 1 – but also sought to assist the community of the Western Cape as effectively as possible.

The response included the following:



Providing space, facilities and catering services for the 862-bed Hospital of Hope Covid-19 temporary intermediate care facility



Donating over 1 500m² of hall and kitchen space to the Ladles of Love feeding scheme



Helping our Local Community Partners (LCPs) adapt to the pandemic by assisting with educational items, essential food, soap and sanitiser supplies

In terms of our own business activities, we also had to pivot our workplace practices to allow the CTICC to continue to operate, with remote working capabilities and technology rolled out from March 2020.

ADAPTING PROUDLY TO EXTRAORDINARY TIMES: HOSTING THE HOSPITAL OF HOPE

On 29 April 2020, the Western Cape Cabinet and the CTICC made the decision to use CTICC 1 as a Covid-19 temporary intermediate care hospital, creating the capacity to care for patients at the peak of the pandemic. The CTICC is the only international convention centre in Africa to have done this.

The agreement allowed the Western Cape Government to make use of CTICC 1 at no rental charge until 17 September 2020. In the end, the Hospital of Hope closed its doors on 21 August 2020, 11 weeks after it opened, as the projected first peak in infections subsided.

The conversion of the CTICC 1 exhibition halls to a Covid-19 temporary intermediate care hospital took just six weeks. The site was ready for its first patient on 5 June 2020, when it was officially opened by President Cyril Ramaphosa.

- By the time it formally closed, the Hospital of Hope had provided care to more than **1 500 patients**;
- More than **1 400 families** had their loved ones recover and go home.

There were, very sadly, 82 deaths; but the overall experience of the Hospital of Hope was positive, as comments from both Western Cape Premier Alan Winde and the patients themselves demonstrate.

Several patients commented in the media on the quality and high standard of care, as well as the WiFi connectivity and catering, provided by the temporary intermediate care hospital and the CTICC. Additionally, Alan Winde praised the CTICC for their support for the citizens of the Western Cape in their hour of need, saying: "I would like to convey a special thank you to the CTICC, who responded to the call and allowed us the use of the space."

The CTICC welcomed the opportunity to be part of the solution, with CEO Taubie Motlhabane concluding: "We are proud to have been part of the team who served our citizens during a crisis."

President Cyril Ramaphosa at the launch of the Hospital of Hope



The wards were decorated with rainbow drawings from children across the Western Cape as a symbol of hope, unity and care, and we mirrored this in the design of our printed Integrated Annual Report. When you turn the book on its side, you will see its rainbow-coloured page edges.

Ladles of Love staff



Catering for the Hospital of Hope: How the CTICC went above and beyond

The kitchens of the CTICC are accredited with the ISO 22000 Food Safety Management System since 2018. This was an excellent foundation for the challenge set by the establishment of the Hospital of Hope in CTICC 1. It made it easier for our staff to adapt to cooking for the hospital because they did not have to change too many of their internal processes.

As the exhibition halls were being converted into an 862-bed temporary intermediate care facility, so too were the kitchen staff being prepared to provide all its catering requirements. At times, this meant providing six meals a day, for a range of dietary needs, such as those with diabetic, cardiac and other specialised requirements.

In terms of ongoing staff safety, rigorous standard operating procedures (SOPs) were put in place for the management of the health and safety

aspects of Covid-19. This allowed us to dispel very real fears staff had about becoming infected:

- Kitchen and front of house staff did not interface with the hospital staff or patients;
- Specific protocols were put in place to deliver, retrieve and clean food trollies, so that staff were never at risk;
- No CTICC Food & Beverage staff were required to enter the Red zone (where patients were being cared for) of the hospital at all: they worked only in Green zones, where there was no patient contact.

In relation to this, we have shifted to serving all food in sealed disposable containers with disposable cutlery.

HELPING ALLEVIATE HUNGER: HOSTING LADLES OF LOVE

Much of the CTICC's response to Covid-19 has strengthened our corporate social responsibility (CSR) commitment. One such project is the Ladles of Love feeding scheme.

The CTICC is committed to value-creation in partnership with all its stakeholders (see p. 175), ensuring that their objectives and needs are met through appropriate engagement and outcomes:



Institution supported:

Ladles of Love is a feeding scheme that provides an essential service to the homeless community and other vulnerable people in Cape Town. This was especially appreciated during the hard lockdown, when it became clear that many were needing more help than usual.



Objectives:

Ladles of Love needed a temporary base of operations in central Cape Town from which to scale up and mobilise their operations for the sudden high demand created by Covid-19 regulations and restrictions.



Needs analysis:

Ladles of Love completely outgrew their existing headquarters. They required a venue large enough to accommodate the increase in donations and allow volunteers to adhere to social distancing regulations.



CTICC response:

Thanks to the flexibility of our facility, we were able to provide Ladles of Love with a fully functioning operations centre. In total, the CTICC donated over 1 500m² of exhibition and kitchen space to the NPO.



Outcomes:

The space enabled Ladles of Love to form a centralised headquarters where they managed the incoming donations, and prepared food parcels and hot food for redistribution. This helped the NPO do the massive and important job of feeding the hungry citizens of Cape Town during a difficult time for our city and country. Close to 2.6 million meals were packaged and distributed from 28 April to 27 June 2020.

"With our halls standing empty anyway because of the national lockdown, donating space to Ladles of Love was worth more than any rental amount we could have charged. We were part of making a real human difference and one can't put a price on that."
– Taubie Motlhabane, CEO of the CTICC.

ADAPTING OUR BUSINESS: TOWARDS A SAFER TOMORROW

The CTICC has pivoted its business and operational practices to survive and thrive amidst the changes Covid-19 has brought to the centre and the business tourism sector. We adapted our health and safety, IT and maintenance procedures and protocols, in line with the South African Government Department of Health lockdown guidelines and regulations. This was further enhanced by incorporating MICE industry best practices, adjusting these to suit our local CTICC context and finding a bespoke solution for our business and our clients.

This has been practically implemented through revised internal Standard Operating Procedures (SOPs) and a client-facing C19Care programme.

This programme focuses on the following important areas:

- Health and safety procedures on arrival and during events;
- External and internal signage regarding Covid-19-related procedures;
- Changes to the meeting, conference and exhibition experience in line with social distancing;
- Food and beverage service options to minimise risk;
- On-site medical response services where necessary;
- Enhanced hygiene and sanitation practices in all aspects of event management;
- Increased Covid-19 health and safety measures for CTICC team members, clients and contractors.

It helps clients:

- Meet CTICC operational protocols;
- Reduce Covid-19 exposure risk and client anxiety;
- Minimise event delays and operational expenses.

Where possible, we are prioritising the use of technology to facilitate swift and safe access to the venue, whilst limiting the number of touchpoints.

Current technology-driven practices include:

- Temperature screening at all entrances;
- Contact tracing through the CovidScreen app;
- The same protocols and social distancing principles being applied in the marshalling yard.

We are constantly upgrading these practices and considering new technologies in line with the changing Covid-19 landscape as it develops.

The C19Care programme is designed to create awareness and educate our clients regarding the need for Covid-19 protocols at the CTICC. C19Care outlines how these changes will affect our clients' experience when attending or hosting events at the CTICC.

Highly visible exterior signage regarding Covid-19 procedures



Continuously cleaning high-contact surfaces



Making the transition: Working remotely

Our internal Microsoft 365 implementation project was at a stage where we were able to fast-track the roll-out of Microsoft Teams to rapidly transition to a remote working model. This has largely been possible using short-term mobile data contracts, provided to staff by the CTICC.

Other aspects included:

- Laptops and desktop computers supplied to staff with guidelines to reduce mobile data consumption;
- Technical controls were introduced, significantly reducing the bandwidth consumed by video meetings;
- The positive effect these meetings have had on morale;
- The way digital meetings have helped teams continue working productively together;
- Regular communication with staff through the Human Resources (HR) Manager and the CEO.

A remote working policy has now been approved by the Board, as the lockdown period has proven that working remotely is possible without negatively impacting on productivity. There are several benefits for staff who can practically work from home, namely increased flexibility, improved morale and a better work/life balance. Working from home may well be an option for the future.

Putting safety first: Venue protocols to adapt our spaces

Our first priority is the safety of our clients and staff, as well as all the delegates and guests that will, in time, visit the CTICC once more.

We have, therefore, implemented new standard operating procedures in line with government health and safety guidelines:

- Screening all visitors to the centre, with tracing capabilities to reduce Covid-19 risk exposure;
- Appropriate response to and diversion of Covid-19 high-risk visitors;
- Rapid shutdown, decontamination and opening up of impacted areas after a potential Covid-19 contamination;
- Implementation of 1.5-metre social distancing, wearing of masks and sanitising of hands before entering and within the centre;
- Inclusion of a safety barrier around the perimeter of each room to allow for the safe flow of delegates within venues;
- Touchless interaction with parking entry-boom gates, payment systems and taps in selected restrooms;
- A dedicated team who continuously cleans and sanitises high-contact surfaces and AV equipment;
- Safe disposal of used masks/consumables;
- Adoption of a remote working model for staff to minimise risk exposure.

To enable the efficient and successful implementation of these guidelines, we provided signage that reinforces the CTICC C19Care messages:

- Indicating hand sanitising stations;
- Providing guidelines on effective hand-washing techniques;
- Directions to guide people to venues, minimising congestion;
- Social distancing and educational notices at key points or wherever queues may occur.

Full details of all our C19Care protocols and procedures are available on request.

If you are experiencing any Covid-19 symptoms or have any questions, please contact the South African Covid-19 hotline on 0800 029 999.



THIS YEAR'S EVENTS





LEAVING POWERFUL LEGACIES

The year in review has been memorable for the fact that the CTICC has welcomed a number of new events into the complex, including:

- Amazon Web Services Cape Town Summit 2019 (4 681 attendees);
- 2019 Korea Consumer Goods Show (550);
- The 38th Asian Racing Conference 2020 (430); and
- The well-respected Doha Debates (275).

There are also numerous new developments lined up for the future (see pp. 193-204). The Gift Fair, a new event conceptualised and organised by ourselves, ran very successfully for the first time in November 2019.

In line with our values of passion, innovation and excellence, and our mission to always exceed expectations, we are constantly thinking of new ways to attract pioneering events through our doors – and leave powerful and inspiring legacies once those events are over. None of that has been curbed by Covid-19. Indeed, the pandemic has challenged us to think even further out of the box. Details of our upcoming plans follow in the Future section (pp. 194-200)

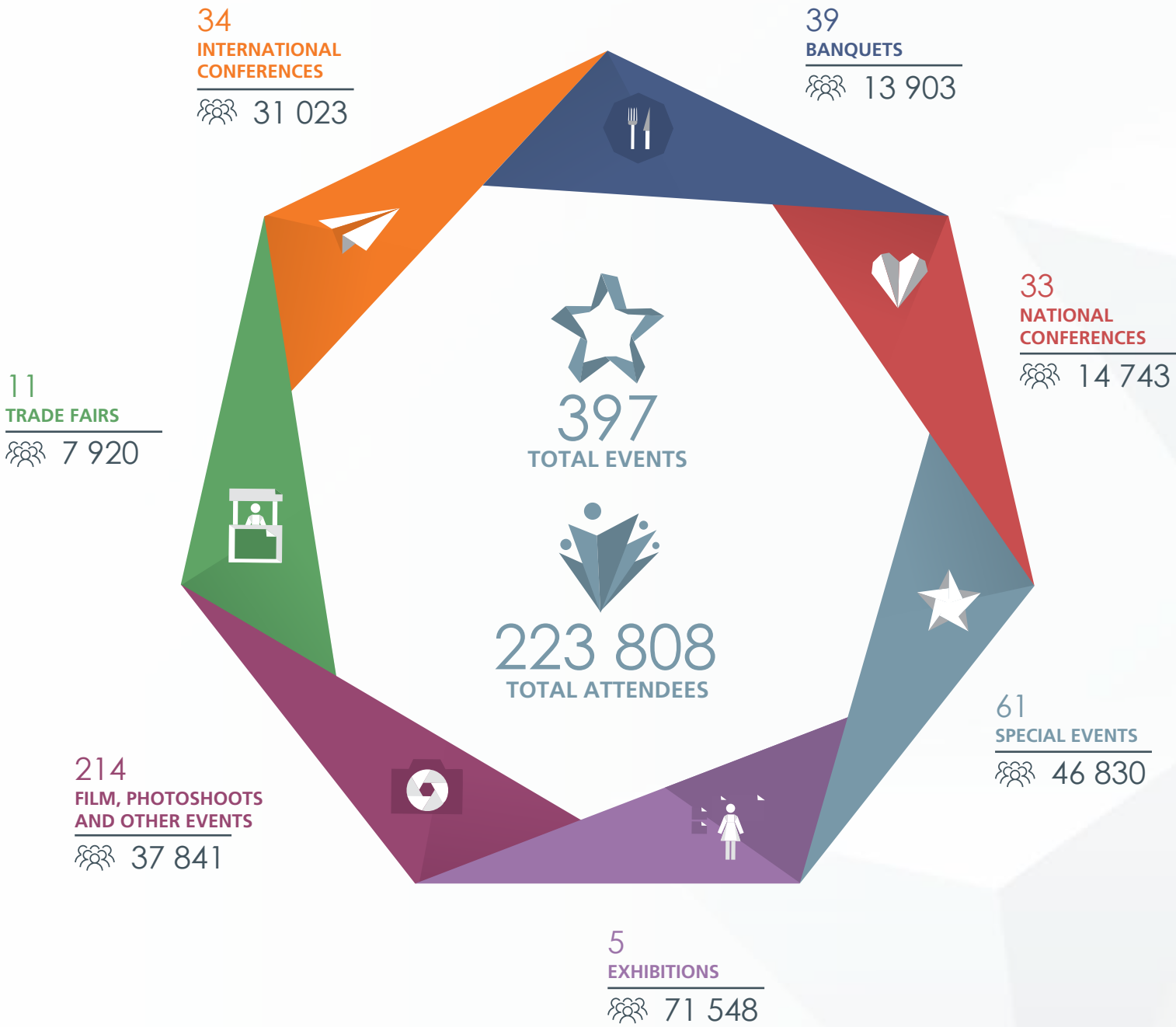
Our commitment to building the knowledge economy remains strong, with the majority of our events and our case studies focusing on the advancement of the agro-processing, business process outsourcing, film, health, marine, oil & gas, retail and renewable energy sectors. These align closely with the Western Cape Government's priority future growth sectors, and the City of Cape Town's catalytic sectors.

The financial year ended with a serious challenge due to the pandemic, which is still a concern in South Africa and the world at large. No indoor meetings of more than 250 people are currently allowed and this constrains our business, which is largely in the medium to large MICE category.

The annual event review that follows will, therefore, reflect lower numbers than we would like to be reporting. Consequently, as you will read elsewhere in this report, our revenue has declined, as our successful first three quarters of the year in review were hit hard by our last quarter being in lockdown.



THE EVENTING LANDSCAPE: OUR REVIEW OF THE YEAR



ISO General Assembly 2019

LEVEL 1

- Room 1.3
- Room 1.4
- Room 1.5
- Room 1.6
- Room 1.7
- Ballroom East/West
- Plenary room

LEVEL 0

- Registration
- Info desk
- Travel desk
- Catering area
- Ask ISO

Raging Bull Awards 2020



AN OVERVIEW OF THIS YEAR'S NUMBERS: EVENTS, DELEGATES AND VISITOR DAYS

The total number of events held at the CTICC in 2019/20 was 397, with many clients postponing or cancelling events booked for the fourth quarter to 2021. This compares to 560 events in 2018/19 – a 29.1% decline in event numbers, attributable to lockdown restrictions. The total attendee number for the year under review was 223 808, compared to 417 070 in 2018/19, 46.3% down for the same reason. For the events that took place, the average duration was slightly up at 1.5 days (1.4 days in 2018/19), with an average event size of 564 delegates, down 24.3% (745 in 2018/19).

In 2019/20, the CTICC hosted a total of 34 international and 33 national conferences, as well as five exhibitions, 11 trade fairs and 39 banquets. There were 61 special events, 45 film and photo shoots, and 169 other events, which are usually one-day conferences, meetings or seminars.

Despite the business constraints, we hosted the same number of international conferences as the previous year, largely because they occur in spring and summer. There would have been a further seven international events, had Covid-19 not caused them to be postponed.

This aligns with the fact that the majority of delegate and visitor days were generated by South African delegates, with international delegates accounting for 25% of the total. The total 2019/20 delegate/visitor day number was 737 124. This number was 16.0% down on the previous year (877 129 in 2018/19).

Delegates in 2019/20 came from the Western Cape (45%), from the rest of South Africa (30%), and from the rest of the world (25%). This metric has changed over time, such that, in recent years, the largest proportion of visitors to the CTICC have come from the Western Cape, with roughly similar percentages coming from the rest of South Africa and overseas.

In terms of the percentage split by event type, the division was as follows: international conferences were slightly up, as were banquets. National conferences, special events and trade fairs are tracking level, while other events and exhibitions are slightly down. The actual numbers per event type follow in the second part of the table below.

Table 1: Number of events held by event type

	2016/17	2017/18	2018/19	2019/20
International conferences	7%	6%	6%	9%
National conferences	8%	7%	8%	8%
Exhibitions	3%	2%	3%	1%
Trade fairs	4%	3%	3%	3%
Banquets	6%	7%	8%	10%
Special events	12%	23%	15%	15%
Other meetings	60%	52%	58%	54%

	2016/17	2017/18	2018/19	2019/20
International conferences	36	32	34	34
National conferences	40	35	45	33
Exhibitions	15	11	14	5
Trade fairs	17	16	15	11
Banquets	28	37	44	39
Special events	58	121	85	61
Other meetings	288	273	323	214
Total	482	525	560	397

International conferences had the longest duration at 3.6 days, while the highest average level of attendance was at exhibitions with an average attendance of 14 310 (11 633 in 2018/19).

Inspiring gatherings: International and national conferences

Conferences remain at the heart of our business in terms of economic contribution, building connections, sharing innovations, launching opportunities for sector excellence and job creation. The largest international conference held in 2019/20 was AfricaCom 2019, which was also an exhibition, and was attended by 11 527 delegates, while the World Economic Forum on Africa 2019, the 36th ISQua (International Society for Quality in Healthcare) International Conference and the Investing in African Mining Indaba 2020 all attracted over 1 000 delegates to their respective conferences.

Of the 33 national conferences, the four largest were WorldVentures Bootcamp (2 200), Gartner Symposium/ITXpo Africa 2019 (1 339), the 23rd South African Council of Shopping Centres Annual Congress (1 307) and the 20th Annual Board of Healthcare Funders Conference (900).

Thriving marketplaces: Exhibitions and trade fairs

The CTICC complex offers a wide range of options for clients who want to put on exhibitions large or small. Whatever a client needs, we can adapt to it – whether the focus is home décor, high art, baby care, groceries, festive gifts or horses.

The largest exhibition in the year under review was the Cape Homemakers Expo 2019, which attracted 26 686 visitors, while the ever-popular MamaMagic – The Baby Expo 2019 won the attention of 19 782 doting parents. The Investec Cape Town Art Fair 2020, hosted at the CTICC since 2016, was also a big drawcard, bringing 22 000 art lovers through our doors.

The largest trade fair was the 10th Cape Premier Yearling Sale 2020, another regular event at the CTICC since 2011, which was attended by 3 600 people. The Manufacturing Indaba attracted 1 000 visitors, while the Spar Trade Show, another regular event at the CTICC, brought in 550 people.

Celebratory occasions: Banquets and special events

People have always come to the CTICC to celebrate and we have always made it accessible, particularly to schools seeking central venues for matric balls and companies keen to celebrate their staff.

Special event and banquet highlights ranged from comedy shows to concerts, to award ceremonies and matric balls. We also host a number

of religious groups. Anything from an intimate wedding for 100 people to a year-end function for 900 was catered for with our customary attention to detail and world-class service.

On location: Film and photo shoots and other events

The CTICC has become a favoured venue for film and advertising shoots over the years. The film shoots, in particular, are sometimes highly confidential, as the release dates are often far into the future after we host the shoots. However, when we can share in the fame, we do. This year, we have provided location services to a range of well-known brands and popular film series, such as Ford, Toyota and Volkswagen, as well as the Escape Room and The Kissing Booth franchises.

Other events tend to be one day – or one night – events that focus on training, self-help or motivation. We host IT companies, financial services companies, media groups, government departments and small companies.

International Society for Quality in Health Care



Africa Oil Week



CASE STUDIES: BUILDING THE KNOWLEDGE ECONOMY

International conference:
Africa Oil Week 2019

A respected platform for top-level global energy decision-makers



Title:
26th Africa Oil
Week 2019



Date:
4-8 November 2019



Sector:
Oil and gas



Attendance:
1 854

Africa Oil Week (AOW) is the meeting place of choice for the continent's oil and gas sector. This event has taken place at the CTICC since 2015. It brings together governments, national and international oil companies, investors, the geological and geophysical (G&G) community and service providers.

AOW prides itself on offering opportunities that drive investment and deal-making across the continent, thus shaping the future of Africa at the highest level. In line with this, AOW's attendees and speakers rank amongst the most senior decision-makers in oil, gas and energy. In 2019, AOW welcomed 26 global ministers, over 400 C-level delegates, as well as hundreds of SVPs and VPs of energy and resources-related companies.

Speakers included our own Hon. Minister Gwede Mantashe, Minister of Mineral Resources & Energy, as well as Olusegun Obasanjo, Former President of Nigeria and Steven Winberg, Assistant Secretary for Fossil Energy at the US Department of Energy.

Articles about AOW were published on over 300 media websites or through major press agencies, while 79 companies exhibited at the event. In terms of attendees, nearly 800 companies were represented from 78 countries. The total delegate number for the 2019 event was 1 854, the highest number the event has attracted to date.

Africa Oil Week has taken place in Cape Town for 27 years and offers delegates an unrivalled networking experience in unmatched surroundings. As the event has grown, CTICC 2 has become the only venue in town which offers a level of quality and suitable size to suit its discerning global delegate pool.


Because of Covid-19, the 2020 event has been postponed to November 2021 and will be hosted at the CTICC.

"The entire CTICC is such a great team to work with... (they) make the effort to understand the needs and requirements of your event and the team always goes above and beyond – and we have certainly given them some challenges to beat. You are always made to feel so welcome and looked after, which helps make your event that little bit more stress-free."
– Simon Ford, Portfolio Director, Africa Oil Week


National conference: Society of Neurosurgeons of South Africa

Ensuring neurosurgical excellence in South Africa

 **Title:**
28th Society of
Neurosurgeons
of South Africa
Conference 2019

 **Date:**
7-11 August 2019

 **Sector:**
Health

 **Attendance:**
230

The Society of Neurosurgeons of South Africa (SNSA) is an association of private and public health practitioners whose mission is to maintain and improve neurosurgical services in South Africa. Part of its role is to organise an annual scientific meeting to build links with continental, international and other national societies. It is also a member of the World Federation of Neurosurgical Societies.

The objectives of the SNSA include the improvement of the quality of scientific knowledge and the pursuit of high standards of excellence in patient care, clinical practice and related sciences among professionals in the field of neurosurgery. This supports the CTICC's ongoing commitment to the development of the knowledge economy and the medico-health sector as a catalytic sector for economic growth.

The event was targeted at neurosurgeons, registrars, scrub nurses and medical company representatives. It attracted 130 delegates and 100 trade representatives working in the field. It hosted over 30 presentations on various aspects of the world of neuroscience, where new discoveries

are being made at a rapid pace. Speakers came from as far afield as the UK and Japan.

This was the first time this event took place at the CTICC and it was chosen because we were able to accommodate plenary, breakout sessions and exhibition spaces, as required by the SNSA. And the client was more than happy with the service the CTICC offered, describing the conference as "a well-run event with friendly staff that were willing to help."

More than that, the partnership between event manager, association and venue has been very important to building ongoing relationships.

"When a venue is able to assist us and make our jobs a bit easier, it is a great pleasure working with them, as it takes both the PCO and the venue to create a successful event."
– Yoshni Singh, Director at Europa Organisation Africa

28th Society of Neurosurgeons of South Africa conference



Investec Cape Town Art Fair



Exhibition:
Investec Cape Town Art Fair 2020

An artistic hat trick for a very happy Investec Art Fair client



Title:
8th Investec Cape
Town Art Fair 2020



Date:
14-16 February 2020



Sector:
Culture



Attendance:
22 000

The Investec Cape Town Art Fair is the largest art fair on the African continent and exhibited cutting-edge contemporary art for the fifth consecutive year, here at the CTICC. The Fair provides a platform for galleries, collectors, curators and artists from around the globe to engage in cultural and economic exchange. As the event organiser, Fiera Milano Exhibitions Africa, confirms: "We offer an intimate experience of one of the world's most unique art capitals. Investec Cape Town Art Fair is where the fast-growing African art market and the international art world meet."

The event targets both local and international art galleries and collectors, as well as all those who love art, and aims to continue using the CTICC as its venue in the future. They are very happy with the CTICC, as the venue offers them the considerable space they require for the layout of their exhibitors.

There were 107 galleries which showcased at the 2020 event, attracting 22 000 visitors. Of the exhibiting galleries, 49 were local and 58 international. In addition, 423 artists and 4 800 VIPs from the art world attended the event from Europe, the USA, the Middle East and Africa, as well as 210 local and international media, who gave coverage across 338 local and international media platforms. The event has considerable international exposure.

The Fair also hosts various activities, including a talks programme within the City district during the week of the Art Fair, so the location of the CTICC makes it ideal for their guests to participate in these activities. As a young but growing event, it has found that the CTICC venue more than meets its requirements and very much hopes to return in February 2021, subject to Covid-19 constraints. The ninth edition of the Investec Cape Town Art Fair is planned to take place in February 2022.

"The event was a success and the venue was perfect. It's a blank canvas with very high ceilings, so you can do almost anything inside these halls, which is great. The staff on the ground working the event are always fantastic, and nothing is too big of an issue to sort out. The onsite service is fantastic."

– Fiera Milano Exhibitions Africa team

Trade fair:
African Agri Investment Indaba

Tackling food security: Inspiring agricultural investment in Africa



Title:
4th African Agri
Investment
Indaba (AAIL)



Date:
19-20 November 2019



Sector:
Agro-processing



Attendance:
824

The 4th African Agri Investment Indaba (AAIL) is organised by the African Agri Council (AAC), a non-profit company (NPC) driven by a network of key stakeholders in the agricultural and food industry. The AAC connects executives with their peers, policymakers, investors, financiers and leading global service providers across Africa and around the world. They focus on a vital aspect of our hunger-challenged world: the business dynamics of food and agriculture in the service of shaping tomorrow's sustainable food production.

The AAIL is certainly at the top of the global food and agriculture community agenda – a “must attend” event that provides a voice for bankable agribusiness opportunities and a platform to promote Africa as a business and investment destination.

The AAC has organised the AAIL at the CTICC since 2016. Over the past four years, the Indaba has attracted the interest of various partners and co-located events, such as the Agri Trade Congress Africa, the Southern African Development Community (SADC), the Food and Agriculture Organisation of the UN (FAO) and the South African Department of Agriculture, Land Reform and Rural Development (DALRRD),

national consultative workshops, as well as the African Development Bank masterclasses.

Combining these events brings together the entire value chain and provides a platform and focus for over 1 200 high-level agribusiness attendees, including national and provincial ministers, premiers, governors, ambassadors, CEOs and MDs – the C-suite decision-makers.

The AAIL is a world-class event that attracts both African and global audiences, so their choice of venue was critical. The CTICC suited their needs and attracted 824 high-level delegates, 57 sponsors and exhibitors, including 72 speakers. There were delegates from 32 countries in attendance and 423 meetings took place over the two days of the event.

AAIL is the AAC's flagship event and critical to the client's business. They are committed to partnering with the CTICC to host the event into the future. They are also delighted to see the efforts the CTICC has made to guarantee the safety of event participants under Covid-19 conditions. AAIL is at the CTICC to stay.

“We needed a venue that meets the standards required to deliver an event of this nature and calibre. The CTICC provides a centrally-located, world-class facility, while combining the flexibility of hosting our high-level conference, side events and exhibition area.”

– Ben Leyka, CEO African Agri Council

African Agri Investment Indaba



City of Cape Town & Wesgro Annual Film Industry Engagement



Other events including film shoots:
City of Cape Town & Wesgro Annual Film Industry Engagement

Location, location, location: Building film industry investment opportunities



Title:
City of Cape Town
& Wesgro Annual
Film Industry
Engagement



Date:
3-4 October 2019



Sector:
Film



Attendance:
400

For the last three years, the City of Cape Town and Wesgro have co-hosted the Annual Film Industry Engagement. The event is targeted at the local film industry, including location scouts and unit managers from film production companies, as well as private location agents and regulatory bodies, such as national government departments and local municipalities.

This event is aimed at providing the local film industry with the knowledge to operate more efficiently and effectively in Cape Town and the Western Cape. The platform provides a space for industry to meet regulatory bodies and government departments to discuss red tape and other blockages to investment, as well as to help resolve any potential problems that challenge the ease of doing film work in Cape Town and the Western Cape.

The workshop is hosted at the CTICC because it is a popular film location in itself, which has been featured in many local and international productions over the years. The CTICC offered to sponsor the venue and host this event, as it would allow one of our key target markets the opportunity to view the CTICC as a location when attending. It was a win-win strategic partnership.

The event took place over two days, with a total of 200 delegates attending per day. We limited attendance per company to two delegates to ensure we could accommodate as many companies and organisations as possible.

The event has been hosted at the CTICC for several years and is often attended by senior City of Cape Town officials, including Executive Mayors Patricia de Lille and Dan Plato, as well as Mayoral Committee Member for Safety and Security Alderman JP Smith. Other attendees have included Western Cape Government MEC Alan Winde and Deputy Director General of the Department of Economic Development and Tourism, Rashid Toefy. Saldanha Bay Municipality's Executive Mayor Marius Koen and Wesgro's CEO, Tim Harris, have also visited the event.

Each year, the event has been well attended and well received by the film community, with the CTICC successfully managing the event for the City of Cape Town and Wesgro teams. In 2019, the CTICC sponsored a cocktail networking event on the CTICC 2 Mountain View Terrace for attendees, to showcase this particular new venue option as a possible location. It was a great finishing touch to a very successful event.

"We have built a great working relationship with the CTICC team over the last three years. They have bent over backwards to ensure that the event looked great and was cost-effective. We are very grateful for the sponsorship package the CTICC has afforded us. We will certainly book future events here, once we are allowed to host live events again."

– Leonora Desouza-Zilwa, Manager: Events and Film, City of Cape Town and Lisa Mini, Project Manager: Film and Media Promotion, Wesgro

INSPIRING ENTREPRENEURSHIP: THE GIFT FAIR

The CTICC set out to launch its own events in the 2018/19 financial year, brainstorming and creating new events that would attract different audiences and build the local small business sector. The objectives of this initiative is to create new revenue streams, support entrepreneurs and SMMEs and boost job creation in the region, in line with our core stakeholder mandates.

The first event we launched was the "The Gift Fair", which took place on 29-30 November 2019. The Gift Fair forms part of the CTICC's "events collection", which focuses on innovation through a range of collaborations with companies and productions, including a Francois van Coke concert and the AllSport Expo (see p. 195).



151 exhibitors

Selling health and beauty products, arts and crafts, clothing, toys, electronic gadgets and jewellery



Over 70% Return on Investment (ROI) Net Promoter Score

Which is considered exceptional in terms of customer response



80% of exhibitors said they would return and recommend the Gift Fair



2 980 visitors

Over two days



Local is lekker

Businesses, creators and marketers from Cape Town and further afield

The Gift Fair mostly catered to the middle-income market, as we intended to make the event an affordable place for all to shop, taking into account the unstable economy.

We were very pleased with the results for our "first time out". Our primary goal is to help smaller local businesses grow, and revive the local economy in that way.

OUR SPECTACULAR VENUE: THE MOUNTAIN VIEW TERRACE

When we opened CTICC 2 in late 2017, we knew we had an exciting new venue proposition in the form of our rooftop Mountain View Terrace. As the name implies, it has spectacular views up Heerengracht and Adderley Street towards the iconic Table Mountain. We felt this venue could attract a very different crowd to our traditional business tourism audience.

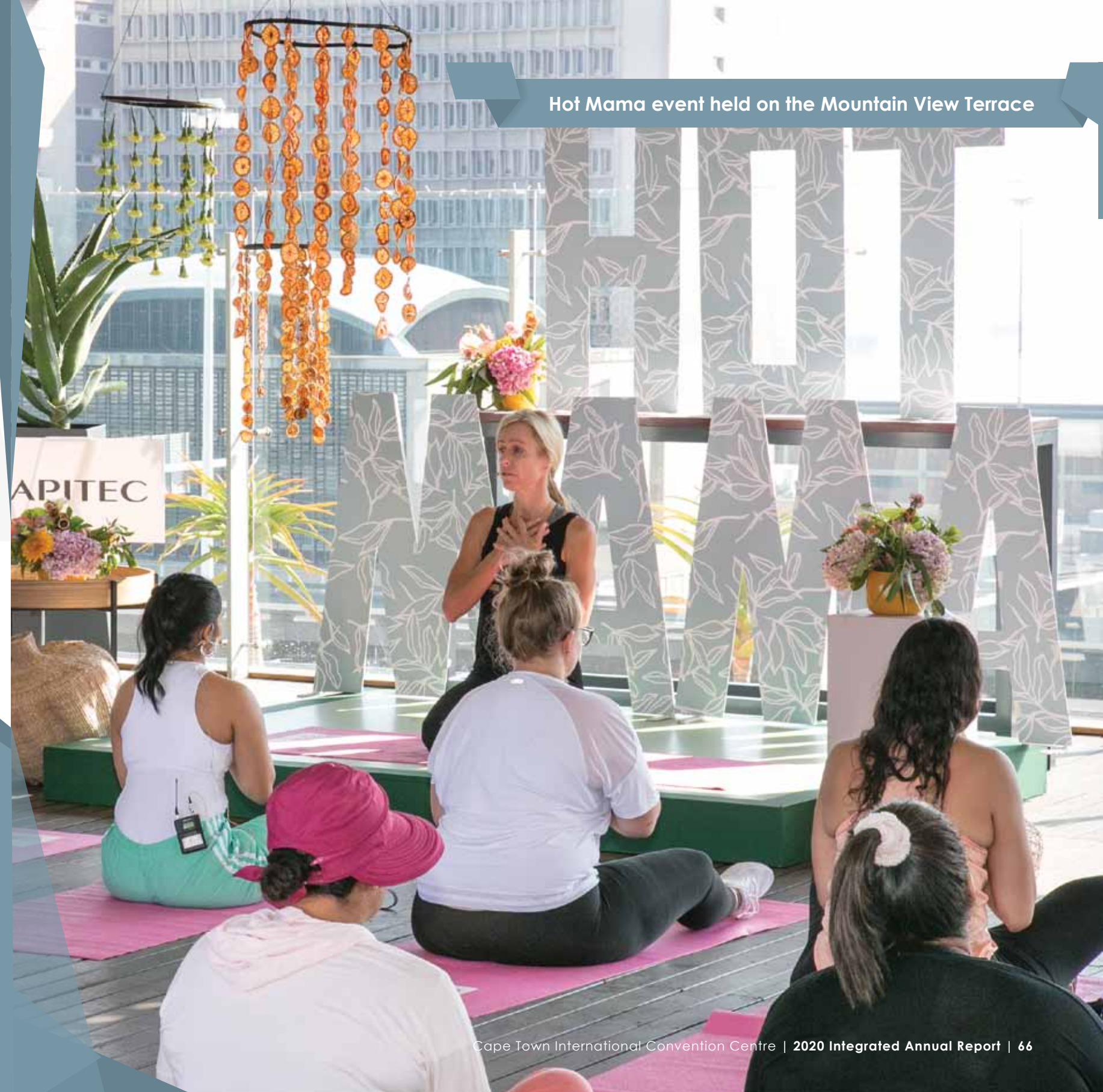
It is customisable to have a bar, outdoor furniture and strategically placed pergolas to prevent the infamous South-Easter from spoiling the fun. Thus equipped, we hatched a strategy to develop a new database of clients that would use the venue for social get-togethers, entertainment functions and, in particular, Friday wind-down events.

The resulting Summer Nights promotion invited marketing managers, digital influencers, brand managers, PR companies, entrepreneurs, radio stations and potential clients from the city to a stylish launch event on Friday, 6 December 2019. 150 people attended.

In the months following the launch, it proved itself a great new revenue stream, which can now attract the general public as well, if we choose. Since the showcase, the CTICC has collaborated with a number of companies, such as TEDx, Hot Mama yoga with Aisha Baker and Switch Beauty, an up-and-coming local cosmetics company. These new bookings have expanded and broadened our database.

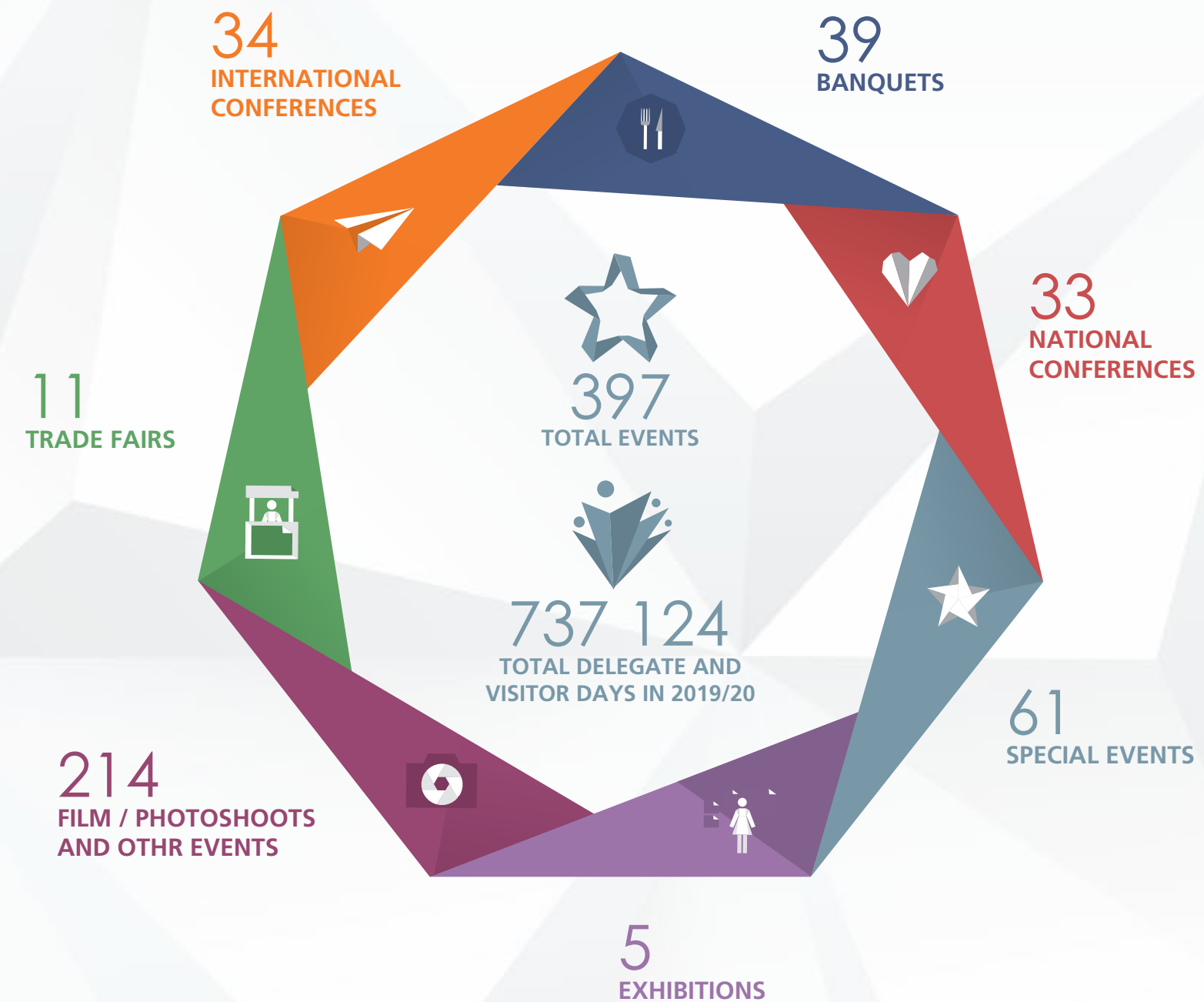
It really is a great summer venue and can be modified to accommodate social distancing.

Hot Mama event held on the Mountain View Terrace





THE COMPLETE STORY: OUR EVENT CALENDAR



INTERNATIONAL CONFERENCES

34
TOTAL EVENTS



11 527

HIGHEST ATTENDANCE
AfricaCom 2019



JUL 2019

EY Africa Leadership Summit 2019
(Ernst & Young)

310

ABSA - Rest of Africa Senior
Leadership Group

280

AUG 2019

International Association of
Pancreatology (IAP) Congress 2019

650

Lifestyle Galaxy Worldwide Annual
Conference

122

SEP 2019

26th Annual meeting of the CCSBT
(Meeting 1)

49

World Economic Forum on Africa
2019

1 000

ISO Week 2019

610

9th International Conference on the
Training of the Judiciary

271

Servier Cycle Meeting

224

Olam Finance Conference 2019

130

Huawei Conference

200

Africa Fertilizer Agribusiness
Conference 2019

153

OCT 2019

58th Annual FIATA World Congress

600

Africa Oil & Power 2019

800

26th Annual meeting of the CCSBT
(Meeting 2)

80

26th Annual meeting of the CCSBT

20

Toshiba Global Commerce Solutions
2019

120

ISQua's 36th International
Conference

1 500

Sexual Violence Research Institute
(SVRI)

770

Lyconet Leaders Summit

188

High-Level Forum: Africa Patient
Safety Initiative

120

Raising Voices - CUSP SVRI Breakfast

35

Lyconet Premium Conference

900

14th Annual AFROSAI-E Technical
Update (African Organisation of
English-speaking Supreme Audit
Institutions)

163

5th Africa Women Innovation and
Entrepreneurship Forum

600

NOV 2019

Nexia International Annual
Conference

200

Africa Oil Week 2019

1 854

AfricaCom 2019

11 527

AISA 2019 Conference

455

JAN 2020

HLM for Africa 2020

55

FEB 2020

Investing in African Mining Indaba
2020

6 500

38th Asian Racing Conference

430

HIV Vaccine Trials Network (HVTN)

110

MAR 2020

UNDP/IEC Social Media Conference
(United Nations Development
Programme)

200

Investing in African Mining Indaba 2019



Mineral Resources and Energy Minister Gwede Mantashe at the 2019 Windaba Conference



NATIONAL CONFERENCES

33
TOTAL EVENTS



2 200
HIGHEST ATTENDANCE
WorldVentures Bootcamp - South Africa



JUL 2019

20th Annual Board of Healthcare Funders Conference 2019	900
CIM Supervisory Excellence Academy Graduation	208
ITI Southern Africa 2019	250
Customer Experience Management	280
Future Production Technologies Convention	60

AUG 2019

SAFHE/CEASA 13th Biennial Conference and Exhibition	400
CISO Africa 2019	125
Society of Neurosurgeons of South Africa 2019	230
South African Congress of Oncology (SACO)	820
SAIPA Accounting Indaba	255
SA Reserve Bank	46
Herbalife Leadership Development Weekend 2019	750
Hospital Association of South Africa (HASA)	480

SEP 2019

Food Next 2019	110
CGMA Africa Conference - Finance Transformation in the Digital World	574
Gartner Symposium/ITxpo Africa 2019	1 339
Media 24 Lifestyle Conference	350
Thought Leadership Conference	220

OCT 2019

2U Company Meeting Cape Town	745
Windaba 2019	330
Association of Municipal Electricity Utilities (AMEU)	600
23rd South African Council of Shopping Centres' Annual Congress	1 307
What Works	180
The South African Society of Maxillofacial & Oral Surgeons (SASMFS) Conference 2019	241

NOV 2019

Ensuring Equal Access To Justice For Victims of Violence Against Women And Children: Rule of Law	100
African Entrepreneur Summit Cape Town	350

DEC 2019

Department of Economic Development & Tourism	80
The Role of the Church in Urban Mission	65

FEB 2020

WorldVentures Bootcamp - South Africa	2 200
---------------------------------------	-------

MAR 2020

DataCon Africa 2020	200
SAIPA Tax Update	150
Investec Asset Management (PTY) LTD - Taking Stock	800
Cover Conference	68

EXHIBITIONS

5

TOTAL EVENTS



26 686

HIGHEST ATTENDANCE
Cape Homemakers Expo 2019

AUG 2019

Cape Homemakers Expo 2019

26 686

NOV 2019

MamaMagic - The Baby Expo 2019
CTICC Gift Fair

19 782

2 980

FEB 2020

SAADA CT Fair 2020
Investec Cape Town Art Fair 2020

100

22 000

TRADE FAIRS

11

TOTAL EVENTS



3 600

HIGHEST ATTENDANCE
Cape Premier Yearling Sale 2020

AUG 2019

2019 Mica Market
Spar Trade Show
ViniMark Trade Fair 2019

550

550

300

OCT 2019

Korea Consumer Goods Showcase 2019
Africa Halal Week 2019
FutureScape 2019

550

270

100

NOV 2019

Manufacturing Indaba 2019
African Agri Investment Indaba

1 000

824

DEC 2019

L'Oreal India Group

190

JAN 2020

Cape Premier Yearling Sale 2020

3 600

MAR 2020

Africa Energy Indaba 2020

400

Cape Homemakers Expo 2019





SPECIAL EVENTS

61
TOTAL EVENTS



3 042
HIGHEST ATTENDANCE
AFI Cape Town Fashion Week 2020



JUL 2019

Penny for a Laugh Concert 1 247

AUG 2019

Christ Embassy Church Service - Sunday 600

Bianca Del Rio: It's Jester Joke 1 400

COSATU Senior Citizens Event 750

Tribute To The Legends 750

SEP 2019

African Code Week Launch 2019 100

Twelve Apostles Church of Christ Service 2 500

Discovery Health and Vitality Launch 640

The Bookery Quiz 120

A Second Chance Theatre Production 600

Bonitas Product Launch 480

The Outpouring Tour with Lusanda Beja 900

Closer - Feast of Trumpets 1 500

OCT 2019

Jeffery Iqbal 1 034

Deloitte Veritas Wine Tasting 340

Veritas Public Tasting 400

Blacks Only Comedy Show 1 500

NOV 2019

5th Annual Memorial Lecture of the late "Slabbert Mzuvukile Steve Mbiza" 1 500

Zach Knight 850

DEC 2019

Hip Hop International South Africa - SA Hip Hop Dance Championships 1 000

CTICC Presents Francois Van Coke Live 634

FEB 2020

Navin Kundra in Concert 1 500

MAR 2020

Tribal Freedom Fighter & Prof Lumumba 90

AFI Cape Town Fashion Week 2020 3 042

FILM, PHOTO SHOOTS AND OTHER EVENTS

214
TOTAL EVENTS



4 681

HIGHEST ATTENDANCE
Amazon Web Services 2019



JUL 2019

The Kissing Booth 2 and 3 (re-shoot)	200
DHS Budget Vote Cocktail	280
Amazon Web Services 2019	4 681
PPS Member Event	250
Mandela Day Food Drive in partnership with Pick 'n Pay	1 500
GCEO Roadshow	600
Meet the Managers	512
Allan Gray Investment Summit	1 400

AUG 2019

Cape Winemakers Guild	648
Discovery Invest Fund Road Show	210
Naspers AGM 2019	200
Unicaf Conference	200
TVET Month National Debate	200

SEP 2019

Maersk CEO Townhall	300
Liberty Investment Conference	300
Department of Health Public Private Consultative Forum	300
The Doha Debates	275
MultiChoice Roadshow	180
Momentum Health Summit Launch 2019	608

OCT 2019

deNovo Medica Video Interview	6
BONPRIX Still Shoot	6
City of Cape Town & Wesgro Annual Film Engagement	400
JAMMS EVENT	280
Smollan	338
Cedar House School	1 100
Morning Star Conference	500
The Annual MPS Ethics for all Event 2019	1 400
B-BEE Commission Provincial Conference	330
Cape Town Tourism Annual General Meeting	300
Exploring Emotions - Cracking the Code	375

NOV 2019

Etisalat Film Shoot	55
World Youth Forum Shoot	45
Ford Shoot	150
Ford Shoot - Base camp	150
Escape Room 2 - Car Rental Scene Film Shoot	200
Cayenne Productions Stills Shoot - Kalenji	7
Cobalt AI-UX - Shoot	50
Jireh Community Projects	1 450
SAICA 2019 Tax Bill Update	400
CaseWare Africa User Group 2019	300
Queen Elizabeth II Passenger Turn Around	950
FASfacts Annual General Meeting	200
Canon Roadshow 2019	1 200

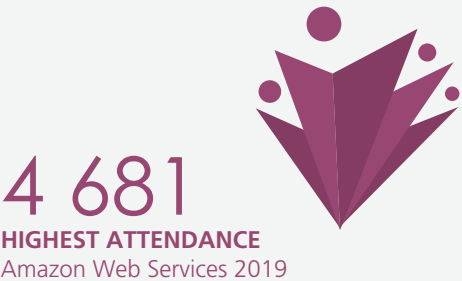
The Kissing Booth franchise





Swiitch Beauty Hangout

FILM,
PHOTO SHOOTS
AND
OTHER EVENTS



DEC 2019

Escape Room 2 - Airport Scene Film Shoot	175
Deichmann TVC	50
Otto Damenoberkleidung	8
Giant Films shoot	100
Cape Town Productions Adidas Shoot	8
Toyota Shoot Base Camp	100
Moonlighting Commercials - Scout24	70
Sailor Films Gliss Shoot	50
1Life Film Shoot	50
Otto Damenoberkleidung	8
CFA Institute Exams - December 2019	468

JAN 2020

Bullet Proof 3 The Specials	150
Vanguard TVC Stills Shoot	65
VinPro Inligting Dag 2020	800
Lundbeck Start-Up Conference 2020	200

FEB 2020

Suzuki TVC Final Shoot	50
Volkswagen Shoot	50
1st Productions Stills Shoot	10
Warka Shoot	160
Jiva Loxion TV Series	50
Rolling Pictures "Bifi" Commercial	47
Janssen	50
SARS Staff Engagement	600
SAIPA - IFRS	209
Switch Hangout	200
10th Wood Conference	800
BDO Budget Speech Event	400
State Of The Nation Breakfast Series	420

MAR 2020

Panther200210	50
Most Innovative Companies Conference and Awards	350
The Gathering 2020	850
Nedgroup Fund Managers Workshop	198
One Night In AQSA	600

JUN 2020

CTICC Covid-19 Temporary Intermediate Care Hospital	862 (Beds)
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BANQUETS

39
TOTAL EVENTS



900
HIGHEST ATTENDANCE
RCS Group Year End Event



JUL 2019

Budget Vote 2019 Dinner

AUG 2019

Table View High School

Graduation Ball For the Faculty of
Medicine & Health Sciences 2019 -
Innovation Wealth

Robben Island Banquet Function

SAICA Southern Region Annual
Dinner 2019

Smile 90.4 FM Business Breakfast

SEP 2019

Deloitte's Invest in Botswana Business
Lunch

2019 World Economic Forum on
Africa - Mokete

Interpol Global Drug Official Banquet
Dinner

OCT 2019

250 Africa Halal Week 2019 - Dinner

UCT Retirees Dinner 130

Veritas Wine Awards 700

246 Western Cape Educational Department
Long Service Awards 2019 495

450 UCT PGDA formal 2019 300

NOV 2019

200 Western Cape Government: Annual
National Teachers Awards Ceremony 195

560 Deloitte Year End Event 328

Insurance Institute Western Cape
Gala Dinner 500

Avis Budget Awards Function 680

60 RCS Group Year End Event 325

450 Sorbet Year End Awards Dinner 900

UCT Annual Awards Dinner 680

410 Old Mutual Green Lantern Awards
Evening 850

Year End Function Momentum Health 140

Shimansky Year End 275

Rylands Matric Ball Farewell 160

Windsor High Matric Ball 100

Maitland High Matric Dance

Club Travel Year End
"THE MASQUERADE" 180

Liberty and Standard Bank Direct Life
Insurance Annual Sales Gala 90

DEC 2019

Woolworths Financial Services CEO
Awards & Gala Dinner 640

Brookes Wedding 98

JAN 2020

Smith and Nephew Mea Gala Dinner 400

Siva and Karmen: Pre-Wedding Dinner 145

Raging Bull Awards 300

FEB 2020

Matthew & Robyn's Wedding 120

Presidential Golf Challenge Gala Dinner 400

Ubuntu Awards Gala Dinner 2020 400

Standard Bank Graduation Ceremony 170

Nedbank & Old Mutual Budget Speech 306

UCT Annual Awards dinner





THE ECONOMY

CTICC Annual General Meeting 2019

NAVIGATING THE ECONOMIC STORM

The coronavirus exacerbated already negative economic conditions in South Africa, when the Covid-19 State of Disaster was declared on 15 March 2020. This had a substantial impact on businesses worldwide, including the CTICC.

For the first eight and a half months of the financial year, we had achieved good results in terms of revenue, cost reductions and EBITDA. We were on track to exceed the previous year's results and on target for a revenue of R285m or higher, based on events held and contracted up to that point.

But like the rest of the world, our plans for the remaining quarter were disrupted by the pandemic and, subsequently, the declaration of the national lockdown. Travel and tourism was severely restricted and we could not trade as usual or host any events, other than the agreement we made with the Provincial Government of the Western Cape to use our facilities for a temporary intermediate care hospital and storage for medical supplies. We also donated space for a feeding scheme headquarters for Ladles of Love.

Apart from this, the CTICC remained essentially closed and this had a significant impact on our income. We only achieved a revenue of R220.7m, 22.8% below the initial target of R285m. In line with this, we anticipated that we would return an EBITDA loss of R23.6m, but we managed to reduce it to R12.5m (a 46.8% improvement on target) due to vigilant management and the fixed costs associated with operating a convention centre.

As the world slowly opens up again and international visitors are a possibility once more, we hope to see an improvement on these earnings.

In terms of our annual economic contributions, the figures have also decreased in many areas but there has been some improvement in others, due to the effect of the revised economic contribution multiplier calculations* that have been updated for the financial year under review.



R44.5bn
Cumulative contribution
to Western Cape GGP



411 113
Total number of
additional room nights
generated



R5.5bn
Total contribution to
national GDP



R603m
Net contribution to
foreign exchange
earnings



R4.9bn
Contribution to
Western Cape GGP



R348m
Contribution to taxes



737 124
Visitor days across
397 events



R975m
Contribution to
household income



11 861
Total jobs created
nationally in 2019/20
financial year



R52.8bn
Cumulative contribution
to national GDP

* The economic impact results for national government taxes, provincial GGP and employment contributions in 2017/18 and 2018/19 have not been updated to the new multipliers applied for the 2019/20 economic impact. Caution should, therefore, be used in comparing the 2017/18 and 2018/19 to the 2019/20 figures.

THIS YEAR’S FIGURES: THE CTICC’S ECONOMIC CONTRIBUTION

It has been an unusual trading year for the CTICC. The Covid-19 nationwide lockdown impacted the number of events held, which also affected attendance and delegate/visitor day numbers. It also impacted several of our economic contribution figures, as the following report will show.

As you will read elsewhere in this report (p. 37), CTICC 1 was transformed into a temporary intermediate care hospital for Covid-19 patients during June 2020 until August 2020, and this donation of space has been included in the number of events calculations. However, attendance and delegate/visitor days exclude the hospital and two other Covid-19 related “events”, namely storage of medical supplies and a food distribution project. The following pages share the findings of our independent economic impact assessment report, in accordance with the agreed deliverables.

Maintaining our mandate: Contributing to our shareholder growth strategies

The CTICC has always contributed significantly to the economic goals of its primary Shareholders, the City of Cape Town and the Western Cape Province. Central to the City’s vision of itself as an opportunity city is a commitment to “create an enabling environment for economic growth and job creation, and to provide help to those who need it most”. We believe this aptly reflects the way the CTICC has supported the province’s citizens in this unusual year.

In equal measure, the Provincial Five-year Strategic plan commits the Western Cape Government to the following five strategies: 1) building safe and cohesive communities, 2) boosting the economy and job creation, 3) empowering our people, 4) promoting mobility and spatial

transformation, while at the same time 5) driving innovation within a culture of a truly competent state. The CTICC has contributed to these objectives through its continued delivery of its triple-bottom-line social, environmental and financial “people, planet and profit” strategy.

Our contribution to the economy links to our mandate to empower people and boost the economy through driving innovation, creating jobs, supporting the knowledge economy and ensuring we focus on attracting events that align with the trade and industry sectors identified by the Western Cape as priority future growth sectors, as well as the City of Cape Town’s catalytic sectors, as illustrated below:



Cape Town, our beautiful city

Contributions to regional GGP and national GDP

Most of the direct benefit the CTICC contributes to the economy is felt within the Western Cape, but other provinces also benefit, which is what makes up the larger Gross Domestic Product (GDP) on the opposite page. For example, as tourists travel to visit destinations in other parts of South Africa, they in turn use materials sourced from other parts of the country and from abroad. This is why the contribution to Western Cape Gross Geographic Product (GGP) is somewhat less than its 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 strategies, was R4.9bn, contributing to an economy which has been in recession since the third quarter of 2019. This figure has been achieved because of the new multiplier calculations mentioned earlier, but also because the induced tourism effects in Cape Town and the Western Cape are proportionally greater than in other parts of the country.

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. 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, which is based on the multiplier effects of induced tourism and direct and indirect job creation, was R5.5bn.

Contribution to job creation

In times of economic stress and high unemployment, which many countries are currently experiencing, our contribution to job creation is perhaps the most important economic input of all. A total of 11 861 people were employed across South Africa through our economic contribution in 2019/20.

In comparison, the expenditure generated by the CTICC created or sustained approximately 12 099 jobs in the Western Cape economy in 2019/20 (6 789 direct and 5 310 indirect). These higher figures for the Western Cape are again due to the proportionally greater effects on tourism jobs in Cape Town and the Western Cape, as measured by our revised multiplier calculations.

Contribution to household income

Making a positive impact on household incomes is perhaps the most vital contribution the CTICC can make at a time of rising unemployment and economic recession, where many households are struggling to afford food and shelter. We understand the need to grow active communities through job creation, as this means regular household income and an opportunity to thrive. We contributed R975.1m to household income in the 2019/20 year. This compares to R1.2bn in 2018/19.

Contribution to tax

Our tax contribution to the South African fiscus forms part of our economic contribution to the national investment in housing, health, education and transport infrastructure – which benefits all South Africans. Our tax contribution is particularly important as the tax base narrows, as it does in a recession. Our contribution comprises PAYE on payroll, corporate taxes and VAT on direct spend. The total tax contribution for the 2019/20 year is projected to be R347.8m.

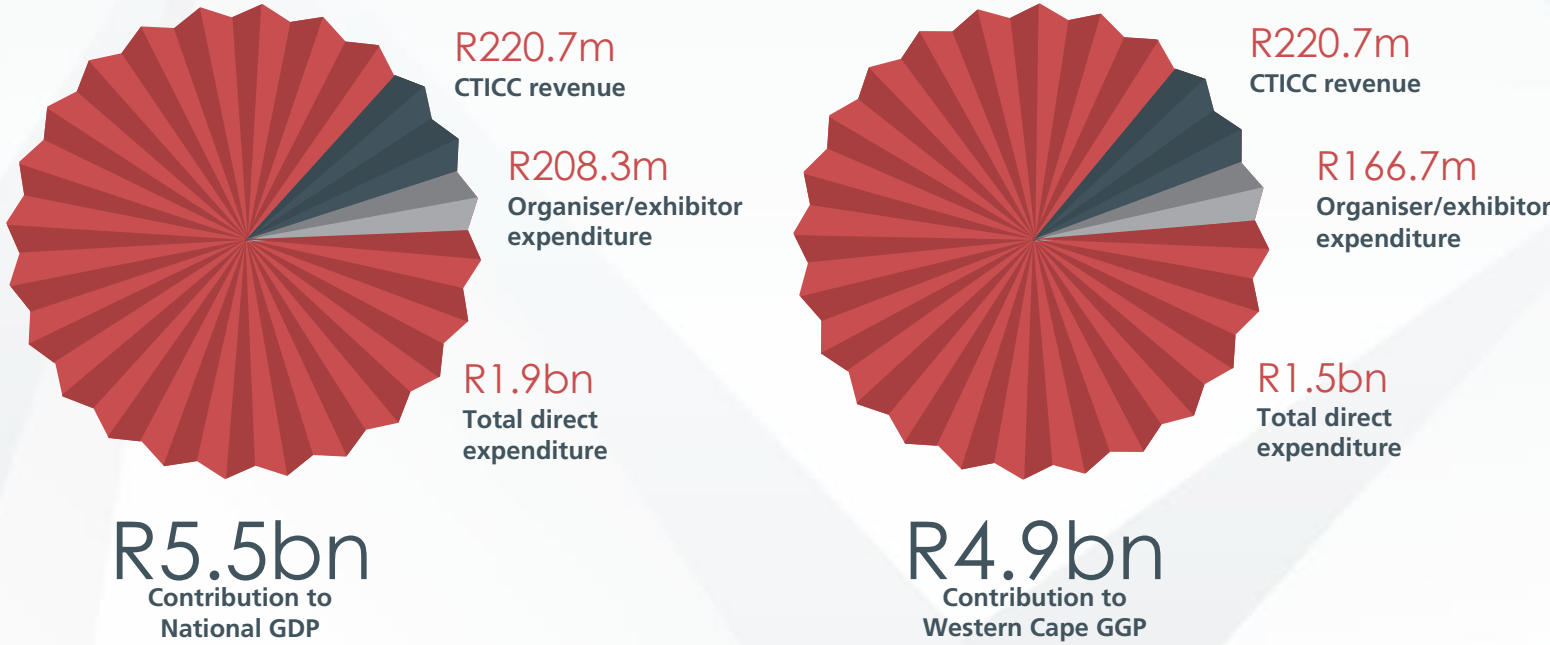
Contribution to foreign exchange earnings

International delegates and visitors to the Western Cape contribute to foreign exchange earnings, especially if they choose to extend their stay beyond the event they attend. This contribution by a lower number of international delegates, exhibitors and their guests brought in an estimated net total foreign exchange income of R603.2m in 2019/20. This compares to R677.2m in 2018/19.

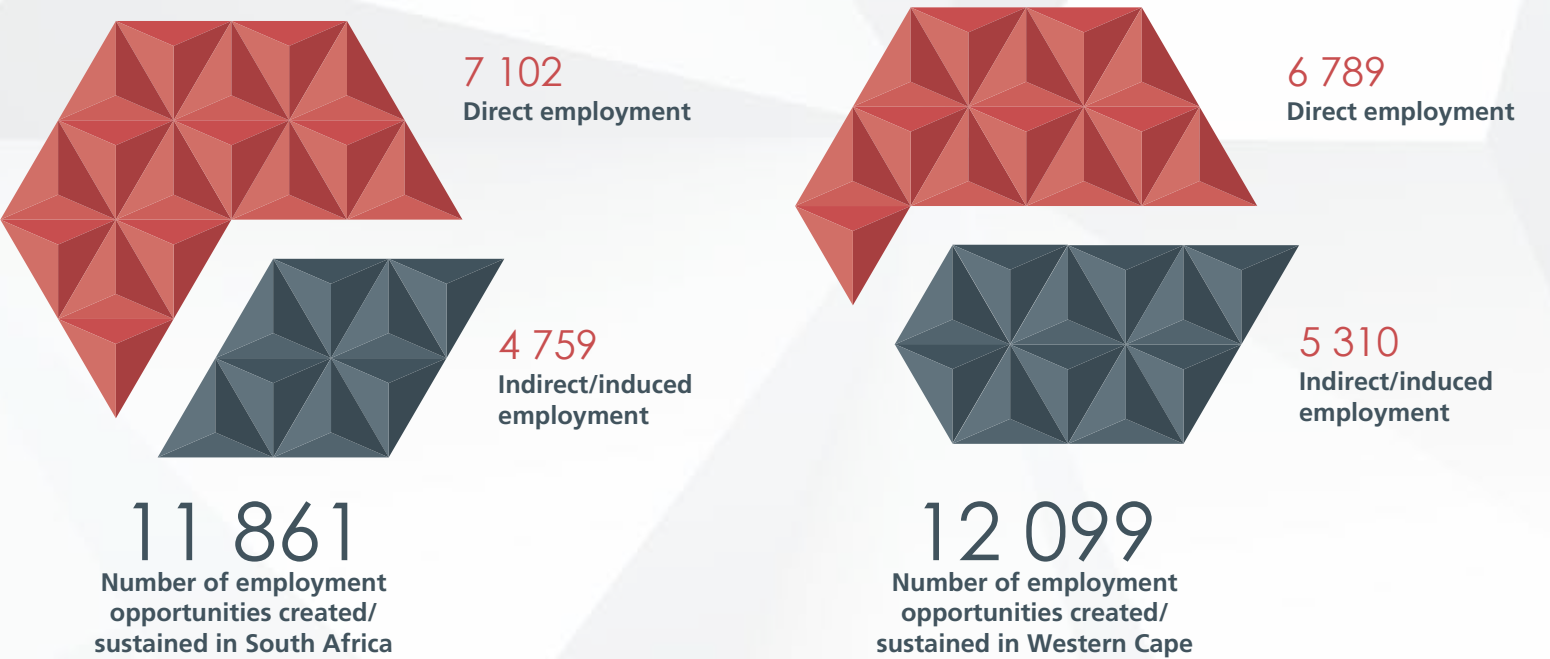
Contribution to the tourism industry

In attracting international delegates to South Africa, in particular, the Western Cape and the City of Cape Town, we in turn boost tourism income. It is estimated that we generated an additional 411 113 room nights in the Western Cape and 402 355 additional room nights in South Africa. This compares to 566 057 and 575 898 rooms respectively in 2018/19, 27.4% and 30.1% declines year-on-year. The main 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 2019/20



Graph 2: Number of employment opportunities created/sustained by the CTICC in 2019/20



402 355
Room nights generated
in Western Cape



411 113
Room nights generated
in South Africa

CTICC 1 canal entrance



OUR BENCHMARKS: KEY PERFORMANCE INDICATORS

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

We achieved many of our KPIs, despite an extremely tough economic environment, even though we only operated at full capacity for eight and a half months of the year in review.

Category	Measurement	Target 2019/2020	Actual 2019/2020
International events	Number of international events hosted compared to annual budgeted target	34	34
Total events hosted	Number of events hosted compared to annual budgeted target	394	397
Human Capital Development	Percentage of annual total salary cost spent on training of permanent and temporary staff	5%	6%

Category	Measurement	Target 2019/2020	Actual 2019/2020
Customer Centricity and Service Excellence	78% of minimum aggregate score for all CTICC internal departments and external suppliers	80%	85%
Supply Chain Procurement from B-BBEE Suppliers measured in terms of the B-BBEE Act	Percentage spend not lower than 60%	60%	86%
Student Programme: Contribution to Youth Employment and Skills Development	Number of student opportunities provided	6	11
Graduate Programme: Contribution to Youth Employment and Skills Development	Number of graduate opportunities provided	6	13
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	79%	79%
Quality Offering	Maintain Five-star Tourism Grading through effective management of maintenance quality service delivery	Achieve Five-star Tourism Grading Council Rating	Achieved Five-star Tourism Grading Council Rating

Budget			
Operational Profit ⁽¹⁾	Percentage achievement of annual budgeted operating profit	100%	153%
Capital Projects	Percentage of the total number of capital projects for the year completed or committed	90%	97%
Capital Expenditure (CTICC 2 Expansion Programme)	Percentage of total capital expenditure spend	75%	100%
Governance			
External Audit Report ⁽²⁾	Clean audit report ⁽²⁾	Clean audit ⁽²⁾	Clean audit ⁽²⁾
Minimum Competency Level	Number of senior managers registered for MFMA Competency Course	7	11

Financial Ratios			
Ratio of Cost Coverage maintained (RCC)	Total cash and investments, less restricted cash for monthly operating expenditure	6 times	9.4 times
Net Debtors to Annual Income (ND) ⁽³⁾	Net current debtors divided by total operating revenue	2%	0.20%
Debt (Total Borrowings) to Annual Operating Revenue (DC)	Total annual operating revenue divided by total debt	0%	0%

KPI definitions and notes

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

Africa Women Innovation and Entrepreneurship Forum



SUPPORTING SUCCESS: OUR B-BBEE AND SMME SERVICE PARTNERS

Promoting transformation forms part of the CTICC's mandate. During the year under review, total procurement spend with B-BBEE owned businesses was R211m, compared to R328m in the 2018/19 financial year. The reduction in overall spend is due to us completing substantial payments to our construction partner, Aveng, for work done on CTICC 2. This has resulted in a considerable reduction in our overall expenditure with B-BBEE owned service partners.

However, the spend with B-BBEE service partners, as measured in terms of the B-BBEE Act, remained at the same level as a percentage of total spend: 86%. This beats our 60% KPI target by 26%.

In terms of spend on Small, Medium and Micro Enterprises (SMMEs), this segment represented 52% of the total spend during the year under review. This compares to 60% in 2018/19.

Promoting local enterprise in the Western Cape

Where we can, we use local service partners, provided they meet the MFMA regulations and our competitive pricing requirements. We define local service partners as those located in the Western Cape. During the 2019/20 financial year, the total spend on locally-based service partners was 87.5% of the total procurement spend, representing a spend of R230.9m within the Western Cape Province. Based on the previous financial year, the spend has declined from R331m but the percentage spend has increased by 0.5% from 87.0% of the previous year.

Increasing gender equality: Supporting women-owned enterprises

In South Africa, more and more households are headed by women, with research indicating 37.9% of South African households are women-headed. As they are the chief earners in these households, it is more likely that this kind of family will have a smaller income than a male-headed household. Gender equity may be constitutionally legislated in South Africa, but the realities are different. This forms the backdrop to our focus on supporting women-owned enterprises. Total procurement spend with women-owned enterprises rose to 42% compared with 39% in the previous financial year. This has risen from 29% in 2016/17.



R211m
Total procurement spend with
B-BBEE owned businesses



42%
Total procurement spend with
women-owned enterprises
Compared to 39% in 2018/19

Leafyspace thrives as its gardening business grows

Leafyspace Pty Limited is a garden maintenance company based in Kempton Park on the East Rand in Johannesburg, but it has grown to be a national player in this sector, with offices around the country, including in Kenilworth, Cape Town.

The service they have provided to the CTICC since 2018 covers the maintenance and care of the internal plants and trees that create the leafy spaces in the main atria of both CTICC 1 and CTICC 2. These services were paused under lockdown levels 4 and 5, but were renewed once lockdown level 3 began.

Leafyspace's particular niche is their water-saving techniques that minimise the water required to keep internal plants and trees in good condition, which is very important to us both in terms of providing a relaxing and attractive space for our delegates and visitors; but also in terms of our resource-aware commitment to sustainability.

In relation to new requirements to work safely under Covid-19 conditions, Paballo Faku, Head of the Landscape Installations and Horticultural Maintenance department, says that the CTICC has been more than accommodating, providing Leafyspace staff with a larger space to change and so ensure comprehensive personal protective equipment and sanitisation were fully adopted while working in the buildings.

For Leafyspace, the contract with the CTICC has allowed them to employ six additional staff and grow their business. Since forming the partnership with the CTICC, their turnover has increased by 1.6%, while their business as a whole has grown from four people when the business opened in 2010 to 428 staff employed today. It is truly a business on the rise.



1.6%

Increase in turnover since forming a partnership with the CTICC



428

Staff are employed today, a significant increase from four employees in 2010

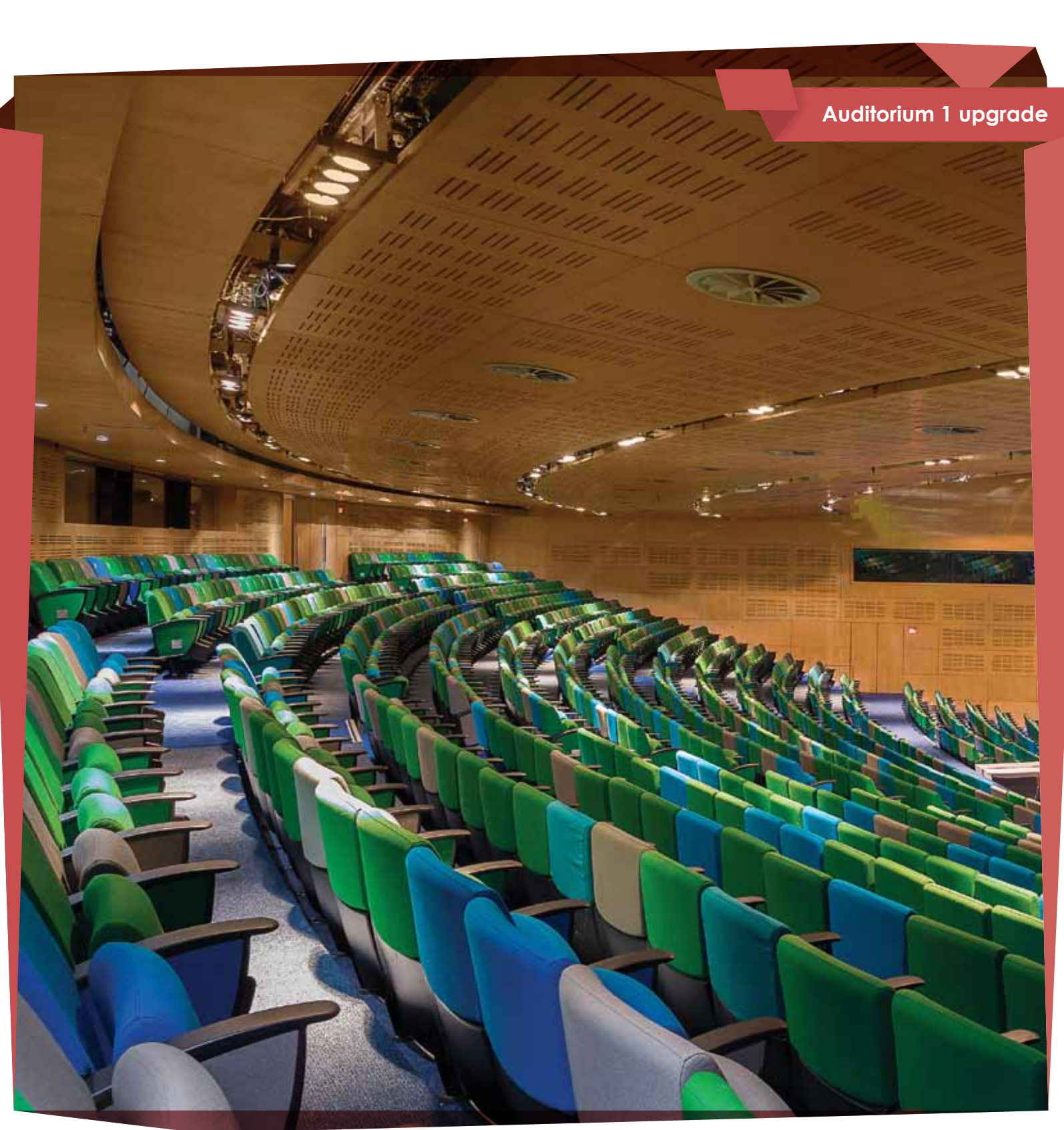
"Leafyspace is a black woman-owned company, with Level 1 B-BBEE credentials, and has grown considerably, with the CTICC's help, since its inception a decade ago."
– Paballo Faku, Head of Landscape Installations and Horticultural Maintenance

Paballo Faku – Leafyspace

CTICC 1 tiling project



Auditorium 1 upgrade



INVESTING FOR THE FUTURE: CAPITAL EXPENDITURE PROJECTS

Capital expenditure is an annual commitment. In addition, technology changes at increasing speed, as do client requirements. Our goal is always to be ahead of the curve by investing in the maintenance and upgrading of our facilities.

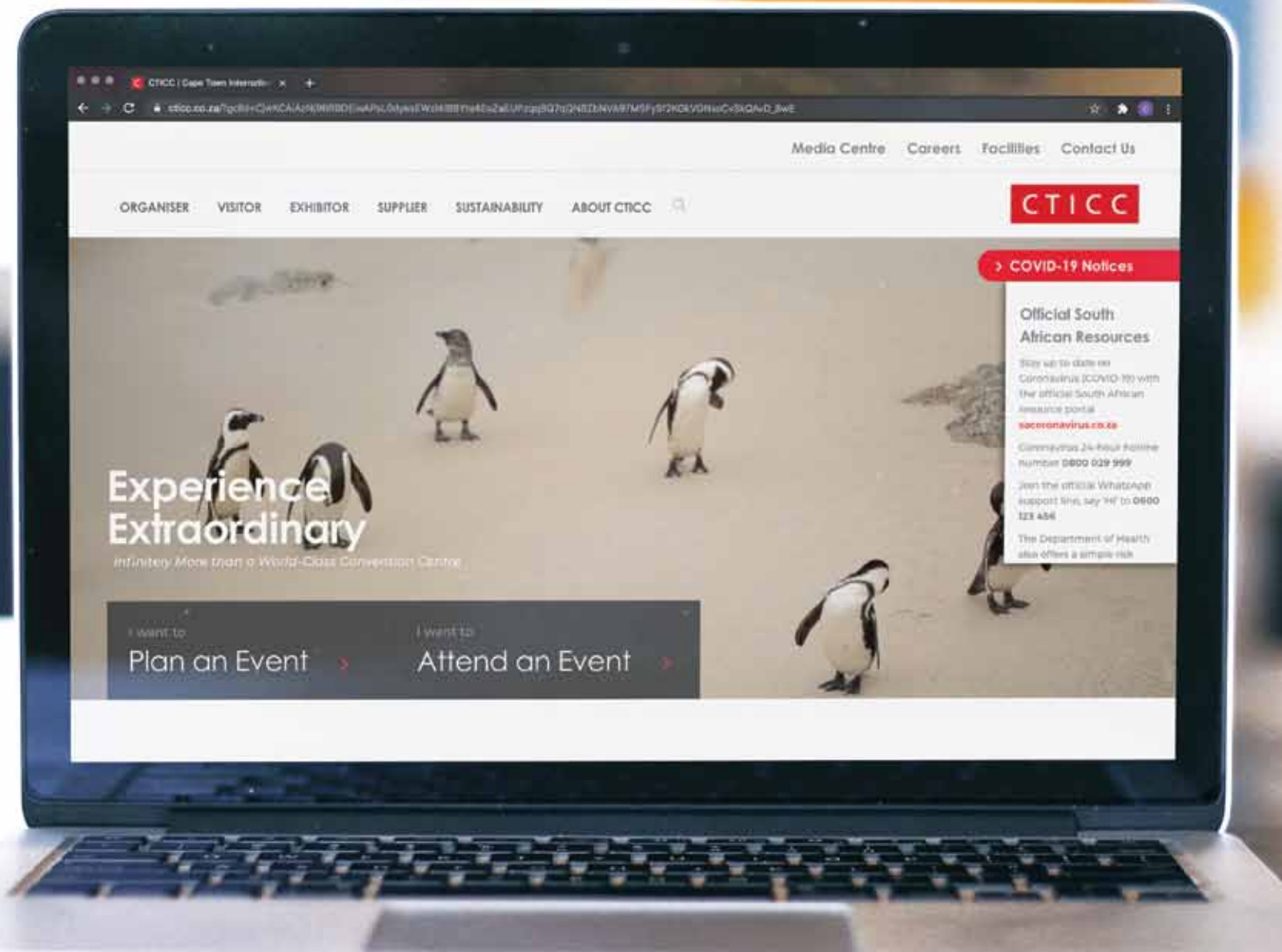
This year, particular projects took precedence once Covid-19 curtailed our normal business activity. Some refurbishments were completed prior to March 2020 and included the upgrading of:

- CTICC1 exhibition halls 1-4 to enhance configuration flexibility;
- CTICC1 auditorium 1 with refurbished seating and upgraded LED stair lighting;
- CTICC1 floor tiling throughout the building;
- Upgrade of the building management system (BMS);
- Comprehensive redesign and restructure of our website.

We had earmarked a number of projects to be completed this financial year, but due to Covid-19, they have been held over until the next financial year:

- Replacement of our freeway-facing signage;
- Upgrade of our IT server infrastructure;
- Replacement of our point of sale machines;
- Refurbishment of our Pincushion boardroom.

The CTICC website



OUR DIGITAL WINDOW: REFRESHING OUR WEBSITE AND BOOSTING SOCIAL MEDIA

The changes we have made to the website

The new website came on stream initially in December 2019 and has been improved further during the year under review. The main focus has been on:

- Improving User Experience (UX) and User Interface (UI);
- Consistent Search Engine Optimisation (SEO) marketing;
- Growing social media platforms to drive traffic to the website;
- Continuous content creation and audience engagement;
- Automation of tender-based Requests for Quotations (RFQs);
- Development of website e-commerce functionality for selected event services.

When our e-commerce portal comes online, clients will be able to order services, such as food and beverage services, online. Other services, such as IT, will follow.

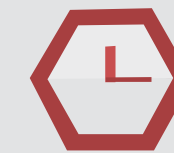
The changes have given us a more attractive, responsive, accessible and efficient website, with a cleaner, fresher look, enhanced functionality, more robust monitoring and increased traffic.

Additionally, it saves the CTICC and our staff time and, therefore, money. It will also allow staff to focus more on client-facing activities and direct support.

The benefits that have resulted

When looking at the data from 9 December 2019 to 30 June 2020, and comparing it against the same period during the previous year,

we can immediately see how our abovementioned improvements have benefited our website and online presence:



53.7%

Increase in session duration
Users are staying on our website for longer



112.6%

Increase in page views
Users are viewing particular pages on our website more frequently



44.6%

Decrease in bounce rate
Users are interacting with our website for longer



+131.2%

Rise in pages viewed per session
Users are viewing more pages during their visit to the website



57.7%

Increase in organic user session duration
Users are landing on the website as a result of unpaid search results



270.1%

Increase in social media traffic
Traffic to the website via social media has gone up



OUR COMMUNITY COMMITMENT

Caring for our communities through our CSR initiatives



SUSTAINING INSPIRING COMMUNITIES

Caring for and transforming the futures of our communities continues to be central to our triple-bottom-line approach to ensuring that all areas of our business deliver on our commitment to people, planet and profit.

This has never been more true than with the challenges that Covid-19 has brought to our lives. For our communities, represented by our five Local Community Partners (LCPs: see below) and other community organisations we work with, the pandemic has brought considerable

additional hardships – rising unemployment, hunger, an increase in gender-based violence and an ever-deepening inequality.

But in the same way as we have reshaped our business in response to the coronavirus, we have also done our best to help our LCPs, other community partners and the people of Cape Town, tackle the pandemic as best as we can, together.

BRINGING HOPE TO OUR LOCAL COMMUNITY PARTNERS

We develop an annual action plan for the corporate social responsibility (CSR) programme, which includes coordinating and implementing activations, as well as supporting other departments with their CSR initiatives. The relationships with our LCPs are central to the CSR programme. We remain in constant communication with them, performing needs analyses to ensure that the CTICC is optimally assisting them wherever possible.

This year saw the extension of existing LCP contracts for an additional year over the original three-year contract length. This was largely due to the timing of the pandemic, as well as wishing to involve our CEO in the selection of the new LCPs, which is always a staff-driven process. This will take place during 2020. We also wanted to continue to assist our current LCPs and the communities they serve as much as possible during this time, as the summary of our activations will show.

A brief overview of each of our LCPs:



Abalimi Bezekhaya, meaning “farmers of the home”, promotes small-scale urban farming in the area of Greater Cape Town called the Cape Flats.



Foundation for Alcohol Related Research does vital work with Western Cape communities affected by foetal alcohol syndrome disorder (FASD).



Ikhaya le Themba provides faith-based community development and poverty alleviation support to vulnerable children and families in predominantly Western Cape communities.



Journey of Enrichment originally focused on food security, but now seeks to uplift communities and restore dignity through outreach projects, education and sport.



Mothers Unite's mission is to deliver a positive environment for children in the Lavender Hill and Seawinds communities by providing nutritional, educational and emotional support.



Our LCP, Ikhaya le Themba, commemorating 16 Days of Activism

OUR SIGNIFICANT SOCIAL CONTRIBUTION: AN OVERVIEW OF 2019/20

During the year in review, our corporate social responsibility (CSR) spend rose from R1.6m to R5.5m in value, up 340%. This is largely due to a substantial increase in venue sponsorships, led by the R4.6m venue donation to Ladles of Love in April 2020 (see p. 40).

Our 12 activations throughout the year were focused largely on vulnerable senior citizens and children, as well as on Covid-19 risk reduction activities. These activations covered donations of food and stationery, together with – most recently – soap and sanitiser.

Our staff participate in all CSR programmes and internal activations, whether through the giving of their time or by donating goods. It is through their continued commitment that we are able to positively impact our most disadvantaged communities.



340%
Increase in CSR contribution



R5.5m
In value that the CTICC contributed to CSR in 2019/20



Danny Diliberto, founder of Ladles of Love

PROVIDING THE SPACE FOR ORGANISATIONS TO DO GOOD: VENUE SPONSORSHIPS

FoodForward SA inspired us on Mandela Day

18 July 2019



Institution supported:
FoodForward SA



Objectives:
To divert food from landfill to feed those in need.



Needs analysis:
A central location for surrounding companies and volunteers to meet, and to sort and pack food.



Event response:
The CTICC hosted the FoodForward SA organisation on Mandela Day, sponsoring their use of Hall 1A for their Cape Town packing event. FoodForward SA recovers quality edible food and redistributes it to registered beneficiary organisations that serve vulnerable communities. This allows the food to be safely diverted from landfill to hungry communities – a challenge that has grown considerably since the advent of the Covid-19 pandemic. FoodForward SA's work addresses the challenge of food insecurity, while also reducing the carbon footprint of food wastage.



Outcomes:
The event saw over 1 200 volunteers – including several CTICC staff – sort approximately 30 tonnes of food over four food-packing sessions. The food collected on the Mandela Day Food Drive supported the 530 beneficiary organisations in FoodForward SA's national distribution network. FoodForward SA confirmed that the donations would not only help with immediate needs but would also assist in stocking its warehouses with staple food reserves for months when supply was low.



**Catering for senior citizens
from Cape Town's communities**



**Staff and volunteers sorting and
packing food for those in need**

COSATU continued to celebrate our senior citizens

13 August 2019



Institution supported:
COSATU Senior Citizens



Objectives:
To honour senior citizens for their contribution to society.



Needs analysis:
A location to host the COSATU senior citizens for their entertainment event.



Event response:
This is an annual event sponsored by the CTICC and hosted by us in our largest Auditorium 1, which holds over 1 400 people. We also provided refreshments for the event. Speakers and performers brought laughter and applause to this important and sometimes neglected segment of our community – the older generation who have made considerable sacrifices for those who have come after them. It is the collective and inspirational efforts of COSATU's veterans that have worked towards protecting the rights of workers and employees today. The CTICC has sponsored the venue and catering for this event for seven years.



Outcomes:
This initiative brought together approximately 700 senior citizens from Cape Town's disadvantaged communities and recognised them for their contribution to our country.



The meeting of great minds at FARR's AGM

The Foundation for Alcohol Related Research hosted their AGM at the CTICC for the eighth time

21 August 2019



Institution supported:

Foundation for Alcohol Related Research



Objectives:

To allow stakeholders and staff from the Foundation for Alcohol Related Research to meet and attend their Annual General Meeting (AGM).



Needs analysis:

A location for the Foundation for Alcohol Related Research to host their 22nd AGM event.



Event response:

The Foundation for Alcohol Related Research helps and supports individuals and communities affected by alcohol abuse. It also runs a range of programmes aimed at raising awareness of the negative effects of alcoholism on families and communities – in particular, foetal alcohol syndrome disorder (FASD). The CTICC donated the Roof Terrace venue for the Foundation for Alcohol Related Research's AGM, where they hosted all their stakeholders, managers and staff from across South Africa. This is the eighth time that the CTICC has hosted this event.



Outcomes:

Having the event at the CTICC allowed for all stakeholders, managers and staff to meet conveniently, as delegates travel from around the country to attend the AGM. By having all their stakeholders together in an easily accessible space and central location, the Foundation for Alcohol Related Research was able to continue to promote their research and social awareness work to a broader and more diverse audience.

The Bookery's inter-school quiz: Inspired reading

12 September 2019



Institution supported:

The Bookery (The Library Project Trust)



Objectives:

To hold an inter-school reading competition to encourage reading in disadvantaged communities.



Needs analysis:

A location for The Bookery to host their Bookery Quiz.



Event response:

The Bookery is a Cape Town-based organisation that addresses the lack of functional libraries in underprivileged South African schools. The CTICC sponsored a venue for the organisation's annual Bookery Quiz, an inter-school reading competition for primary school learners. The Quiz fosters a love of reading and aims to improve literacy among these learners, who often live in disadvantaged areas of Cape Town. These schools now have libraries, which help them thrive in very challenging educational circumstances.



Outcomes:

Eight schools participated from Khayelitsha, Athlone, Maitland, Bo-Kaap, Rondebosch and Blue Downs. The learners had to read eight books and their knowledge of these books was tested. While all participating schools did exceptionally well, Kewtown Primary School was the overall winner of the 2019 Bookery Quiz.

Helping our youth thrive through improved reading and literacy skills



NICRO theatre project inspired hope in prisoners
13-14 September 2019



Institution supported:
National Institute for Crime Prevention and the Reintegration of Offenders (NICRO)



Objectives:
To increase the public’s awareness of and sensitivity to the socio-economic causes of crime through an annual public arts festival.



Needs analysis:
A location for NICRO to host their 2019 arts festival.



Event response:
NICRO runs A Second Chance Theatre Project to promote creative arts in South African prisons to assist social reintegration. As part of this project, NICRO hosts an arts festival, which the CTICC once again held in Auditorium 1. Themed “Live, Love, Leave a Legacy”, the performances featured University of Cape Town (UCT) theatre students, Pollsmoor Prison participants and a group of parolees. This is a joint venture with the UCT’s Centre for Theatre, Dance and Performance Studies and the Western Cape Department of Correctional Services.



Outcomes:
This two-day production not only provided a means of healing and rehabilitation for its participants, the “insiders” from Pollsmoor Correctional Centre and the “outsiders” on parole, but also challenged guests to see offenders as valid members of society and to acknowledge that society has a vital role to play in their rehabilitation process. Audience members were asked to fill in a questionnaire about how the performance might have challenged the way they see prisoners.

Changing perceptions through the
Second Chance Theatre Project



Showcasing talent and celebrating
milestones with Jireh Community Projects

Jireh Community Projects marked 30 years of talent
9 November 2019



Institution supported:
Jireh Community Projects



Objectives:
To raise funds for their work uplifting the Mitchells Plain community.



Needs analysis:
A venue large enough to accommodate their 200 performers.



Event response:
Jireh Community Projects focuses on early childhood development programmes in Mitchells Plain, a large suburb south-east of Cape Town. “Jireh” is Hebrew for “God will provide” and the organisation’s mission is “giving hope to humanity with your help”. The project hosts an annual concert to showcase talented children from the various Mitchells Plain communities and the CTICC has provided venue sponsorship for their concerts since 2016. This year, the CTICC hosted Jireh’s 30th anniversary dance extravaganza with 210 child performers in Auditorium 1, for whom we also sponsored cupcakes and other refreshments. It was indeed an event to remember.



Outcomes:
The event celebrated the three decades that Jireh Community Projects have served the Mitchells Plain community. The funds raised were used to continue the work of Jireh Community Projects, which includes a Seniors Programme, Sons of Fathers, Scarlet Mothers, Family Programmes and Child Care.



Helping FASfacts continue their important work

FASfacts AGM took the fight to FASD

20 November 2019



Institution supported:
FASfacts



Objectives:
To allow FASfacts' stakeholders and staff to meet and attend their Annual General Meeting (AGM) in a central Cape Town location.



Needs analysis:
A location for FASfacts to host their AGM event in Cape Town.



Event response:
FASfacts is a Worcester, Western Cape-based organisation with 17 years' experience implementing alcohol and drug abuse campaigns, with a specific focus on the prevention of foetal alcohol syndrome (FAS) and foetal alcohol spectrum disorders (FASD). They held their 2019 AGM at the CTICC for the first time. We donated both Auditorium 2 and Strelitzia Conservatory for their use.



Outcomes:
Invited stakeholders, including programme partners and beneficiaries, attended the event, giving FASfacts the opportunity to report on the previous year's activities to a wider audience. The AGM also allows the organisation to continue its preventative campaigns around FASD. The event coincided with World Children's Day and FASfacts used the event to advocate for a South Africa where every child is safe from harm and able to fulfil their potential and thrive through education.



SUPPORTING INSPIRING PROJECTS: COMMUNITY ACTIVATIONS

Mandela Day #ActionsAgainstPoverty
18 July 2019



Institution supported:
Journey of Enrichment



Objectives:
To bring warmth and comfort to homeless individuals.



Needs analysis:
In winter, donations of blankets and warm items of clothing are requested by Journey of Enrichment to assist those in need.



Event response:
The theme of Mandela Day 2019 was #ActionAgainstPoverty and the CTICC commemorated Nelson Mandela’s birthday through two activations. The CTICC not only sponsored the venue for – and participated in – FoodForward SA’s packing event in Cape Town (see p. 107), but also assisted Journey of Enrichment with their Winter Drive to provide comfort for the elderly, the young, the orphaned, the disabled, the unemployed and, more specifically, the homeless.



Outcomes:
The CTICC donated 100 pairs of socks and 100 blankets to Journey of Enrichment to distribute. This assisted our Local Community Partner (LCP) in collecting a total of 471 blankets and 442 pairs of socks, almost doubling the donations they received in their 2018 Winter Drive. These items were donated to homeless individuals in and around Cape Town’s CBD to provide warmth and comfort during the colder months.



442
Pairs of socks were collected,
100 of which had been donated
by the CTICC.



471
Blankets were collected, 100
of which had been donated
by the CTICC.



Bringing warmth and comfort to the homeless on Mandela Day



Celebrating and assisting Cape Town's senior citizens

Celebrating the International Day of Older Persons

1 October 2019



Institution supported:

Neighbourhood Old Age Homes (NOAH)



Objectives:

Since the average South African pension is devastatingly low, the objective of the activation was to create opportunities for pensioners to generate income through the NOAH Social Enterprise Development (SED) programme and, in doing so, helping to preserve their dignity and self-respect.



Needs analysis:

NOAH's SED programmes require donations in the form of ingredients for the Loaves baking initiative, as well as second-hand goods to sell at the Woodstock Trestle Table shop.



Event response:

We partnered with NOAH in Woodstock to celebrate this important day's 2019 theme: "The Journey to Age Equality". We contributed to two of NOAH's local projects by, firstly, providing bread ingredients for residents to produce baked goods for sale and, secondly, CTICC staff donated high-quality pre-loved items to be sold in their second-hand shop. Residents were given a platform to discuss their lives and achievements and former CEO Julie-May Ellingson shared a special message with the community. CTICC staff served refreshments, including sandwiches, cupcakes and juice, sponsored by the CTICC.



Outcomes:

A total of 80 NOAH residents participated in the activation. The CTICC and our staff donated corporate gifts and second-hand items to NOAH. Bread ingredients, including cake flour, bread flour, yeast, white sugar and sunflower oil, were given to the Loaves team for their bread baking project. Both contributions brought in additional income for residents and their families. The CTICC staff were reminded of the contributions that older people have made and still make in society, as well as the need to raise awareness of the unique issues that they face on a daily basis.



80

NOAH residents participated in the activation.

Bringing hope to Ikhaya le Themba

25 November to 10 December 2019



Institution supported:
Ikhaya le Themba



Objectives:
To provide participants in the activation with information about abuse and where to find help.



Needs analysis:
Ikhaya le Themba's beneficiaries are mostly unemployed and underprivileged. Our LCP asked for assistance with group projects and donations towards children's "love bags", consisting of both food and toys.



Event response:
To commemorate 16 Days of Activism Against Violence Towards Women and Children, the CTICC partnered with Ikhaya le Themba. We contributed to two of their projects during this period.

Firstly, we donated toiletry packs and coloured beads for a bracelet-making activity for their "Ladies Time" workshop on 28 November 2019. This workshop was attended by women from the Wellington community who shared information on where to find help if someone is being abused, and offered guidance on how to cope with emotional trauma.

Secondly, staff took part in an activation at Yomelela Primary School in Khayelitsha on 30 November 2019. We joined Ikhaya le Themba's playdate with an estimated 300 children aged four to 12. Our LCP holds these sessions for children, who are often living in unsafe homes and neighbourhoods, to create a safe space for them to play in, and a positive environment where they feel free to seek help should they require it.

In line with the 16 Days of Activism, healthy boundaries and suspicious behaviour were discussed with the children. The CTICC sponsored a soft toy for each participant, as well as a healthy snack and red and white beads for a bracelet-making activity.



Outcomes:
The sponsorship of donations for the 16 Days of Activism workshop and playdate provided participants with education and information about abuse and where to find help. The participants from Wellington and Khayelitsha were able to take this information back to their communities to share with others.

For the women in attendance, the physical act of making something with their own hands created a safe space, and an environment conducive to engaging in meaningful action-oriented conversation. Play therapy has been proven to be an effective tool to engage children, so the beads and bracelet-making exercises were an effective investment.



Providing a safe environment for women and children to talk about hardships in their community

WHERE TO GET HELP

SAPS Crime Stop
Tel: 08600 10111

Stop Gender Violence Helpline
Tel: 0800 150 150
SMS *120*7867# from any cell phone

Family and Marriage Society of South Africa (FAMSA)
Tel: 011 975 7107

Childline
Tel: 08000 55 555

National Crisis Line
Tel: 086 132 2322

SA National Council for Child Welfare
Tel: 011 339 5741



Keeping our communities safe during Covid-19

Assisting our LCPs to adapt to Covid-19 on World Day for Safety and Health at Work 28 April 2020



Institution supported:

Abalimi Bezekhaya, Foundation for Alcohol Related Research, Ikhaya le Themba, Journey of Enrichment and Mothers Unite



Objectives:

To provide preventative measures to curb the spread of Covid-19 for all five of our LCPs and their beneficiaries.



Needs analysis:

Due to the Covid-19 pandemic, all five LCPs requested hand sanitiser and soap to assist their communities, as many people had no source of income to fund these essential items.



Event response:

The World Day for Safety and Health at Work is an annual international campaign to promote safe, healthy and decent workplaces. In light of the Covid-19 pandemic, safety in the workplace is especially relevant and our aim with this CSR activation was to raise awareness and provide preventative measures to both our staff and our LCPs. The CTICC donated essential sanitisation items, such as hand sanitisers and soap, to all five of our LCPs. We also distributed an educational mailer to staff about the importance of safety in the workplace.



Outcomes:

These donations allowed our LCPs to continue their work safely during the pandemic. The sanitiser and soap were distributed by our LCPs to their communities, assisting in the prevention of the spread of Covid-19 and, therefore, allowing those most at risk to stay healthy.



Donating hand sanitiser and soap to communities in need

Helping families adapt to Covid-19 on Youth Day

16 June 2020



Institution supported:
Ikhaya le Themba



Objectives:
The goal of this activation was to enable as many recipients as possible to continue their studies from home during this lockdown period and to provide information about Covid-19 to Ikhaya le Themba's beneficiaries.



Needs analysis:
Ikhaya le Themba assists 213 underprivileged families in Khayelitsha, Dunoon, Wellington, Vanwyksvlei and Sunningdale. This amounts to 766 beneficiaries in total. They focus most particularly on the children and women in these families. There is a constant need for stationery supplies, which they distribute to this network.



Event response:
Youth Day commemorates the youth uprising of 16 June 1976, which started in Soweto and spread countrywide, profoundly changing the socio-political landscape of South Africa. We partnered with Ikhaya le Themba who has established youth programmes in Wellington, Khayelitsha and Dunoon.

Due to most schools being closed, parents being unable to work and children not having the necessary support or supplies to continue their schoolwork, we provided families in Ikhaya le Themba's network with essential school items. In addition, we educated children about correct Covid-19 sanitisation procedures by providing printed information and toiletries for the organisation to distribute to families in need.



Outcomes:
Children were able to continue their schoolwork with the items we donated and they learned how to protect themselves and their families from Covid-19. We also reminded staff how important education is and commemorated this day as a turning point in South African history.



213
Underprivileged families from
Khayelitsha, Dunoon, Wellington,
Vanwyksvlei and Sunningdale
were assisted



766
Beneficiaries in total



Providing learners with essential school items on Youth Day

HELPING COMMUNITIES ADJUST: OTHER INITIATIVES

Fresh fruit for the children of Lavender Hill and Seawinds

8 April 2020



Institution supported:
Mothers Unite



Objectives:
To facilitate the donation of fruit to our LCP.



Needs analysis:
The provision of nutritious food to Mothers Unite during the pandemic, when many struggled to work and put food on the table.



Event response:
We facilitated a donation of fresh fruit by local trader, Idea Fruit. Three pallets of apples were handed over to Mothers Unite to support their ongoing feeding scheme in Cape Town's vulnerable communities.

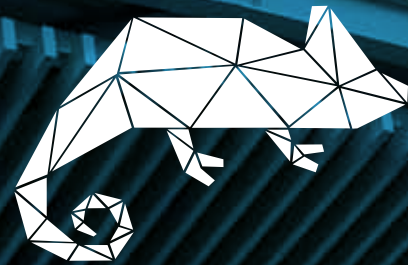


Outcomes:
The donation of fruit helped provide healthy nutrition to vulnerable individuals in Mothers Unite's support network. Additionally, this helped to enhance food and nutrition security programmes in communities that are at risk of hunger.

Idea Fruit donations

Enhancing food security in disadvantaged communities





OUR RESILIENT PEOPLE

Client Welcome Back function



CTICC staff enjoying Bok Friday



THE TEAM WHO TAKES US FORWARD

Our way of working has changed dramatically this year. For the most part, our business is now digital, with events restricted by lockdown, and social distancing and sanitisation the new normal. We still welcome clients through our doors for planning meetings and tours of our venue; but our interactions with clients are restricted to that and indoor meetings of under 250 people, for now.

Having adjusted to accept this situation for the sake of community protection, our team has pivoted to offer new digital and hybrid meeting options (see p. 197), with the same world-class service we have always delivered. And many have helped host our most community-driven “event” of all – the Hospital of Hope temporary intermediate care facility (see pp. 37-39)



Throughout our business, our people have adapted in inspiring ways, despite the challenging circumstances.

ACCEPTING THE BATON: WELCOME TAUBIE MOTLHABANE

Taubie Motlhabane joined the CTICC as CEO at the end of January 2020, accepting the baton from previous CEO Julie-May Ellingson, who oversaw the first seven months of the financial year in review. You can read Taubie's review of the 2019/20 financial year on pages 15 and 16.

Taubie was born in the North West province of South Africa, where she attended school and university.

Her first few jobs in the 1990s were in public relations, broadcasting and print media, at the North West Consumer Council, Bop TV and The Mail newspaper respectively. In these roles, she learned about the value of customer service, as well as the power of media in promoting brands: both extremely important in the tourism industry.

Taubie's subsequent roles as Head: Conferences & Protocol at the South African Reserve Bank; Events and Marketing Manager for the City Centre Hotel in Manama, Bahrain; Events Specialist at Absa Bank Ltd.; Business Tourism Manager at South African Tourism; Head of Events at the City of Ekurhuleni; and Head of the Tshwane Convention & Visitors Bureau (Pretoria), all cemented her passion for the conferencing and events industry.

As someone who has always loved people, the path of her career naturally gravitated towards working with people from all over the world. This remains one of the most rewarding aspects of her job, forging relationships between tourists – both leisure and business – and a brand, be it a business or a destination.

Career highlights that have inspired her path

One project she was proud to be part of was the conceptualising, building and management of the South African Reserve Bank Conference Centre. This was her first big break into the business events industry, and it prepared her for the role she now occupies.

Another highlight was the establishment of the Association Day workshop at the annual Meetings Africa exhibition. This is an educational and networking platform created for the African associations sector and has become one of Meetings Africa's highlights. This project was one of her "babies" during her time at South African Tourism and is a platform that has grown tremendously since then.

Then, while at Tshwane Convention & Visitors Bureau (CVB), Taubie created the CVB strategy which would position South Africa's capital city as a world-class business events and leisure tourism destination, leveraging the unique selling proposition of Tshwane as the country's research and academic hub and the only city with a Big-5 game reserve within its municipal boundaries.

Another memorable achievement from her time in Tshwane was pioneering the City's first-ever participation in the Global Destination Sustainability Index (GDSI), which encouraged more attention to sustainability within the City.

She believes in doing business differently and putting sustainability front and centre, and considers early education in this area to be vital.

Her influencers, mentors and role models

Her mother is her role model: in Taubie's own words, she is "the strongest, kindest and most intelligent, beautiful human being I know. She believes in education, independence and the beauty of everything. She always told us we can do anything we set our minds to. She was so right."

There are two more people Taubie regards as mentors, and they have nurtured her love of the MICE and tourism industry. The first was Mr Tito Mboweni, her boss when she worked as the Head of Conferences & Protocol and Manager of the South African Reserve Bank Conference Centre. It was there that she understood the power of conferences as catalysts for the knowledge and visitor economies.

Her second and even more impactful influencer and mentor was Ms Nomasonto "Sonto" Ndlovu, who hired her as the Business Tourism Manager: Association & Inter-governmental Meetings at South African Tourism. Sonto was her business tourism "sensei". Of her, Taubie says: "I owe a lot of my knowledge and expertise in this sector to her. She continues to be a great friend, teacher and mentor."

Challenges and secrets, hobbies and dreams

1) What has been your biggest challenge in the business events industry?

Competing for business against your friends is never easy. Also, facing pressure to do unethical things to get business is a huge challenge in the industry. You must be incorruptible in this industry if you want a long career.

2) What is your secret to success?

Secret? Success is an ongoing, daily effort. I believe in hard work, passion and luck. I have been very lucky and blessed. I believe that one must work hard to continue being blessed and lucky.

3) What are your hobbies?

I love travelling, jazz, R&B, cooking, reading and I also love watching good TV. I love quiet, lazy weekends as well.

4) What is your dream for the future?

My dream is that my life contributes positive things to the world. I dream about a world filled with peace, joy and prosperity. If I can contribute towards that, I will be truly privileged.

CTICC CEO, Taubie Motlhabane



Sibongiseni Gcelu and Zanoxolo Filifili completed their long-term training in the Management Development Programme



IN THE SPOTLIGHT: MOTIVATING OUR INCREDIBLE TEAM

Despite the hiatus created by Covid-19 lockdown regulations, our commitment to training and development remained strong in the year under review.

Indeed, we were able to increase our training commitment, once training providers had adapted to digital training after lockdown.

Our training continued to cover the four key areas of skills development: statutory, vocational, cognitive-developmental and leadership. In these sessions, we focus more specifically on legal compliance, skills improvement, capacity building, change management, team building and leadership development. Every aspect builds towards holistically developing each staff member and the team as a whole.

This exposure to the potential for self-improvement has a direct and long-term impact on the motivation levels of our staff, as well as the health of our business and the events and hospitality sectors as a whole.

This is particularly the case with our student and graduate programmes (see p. 141).



4m

Training spend

An 11.1% increase on the R3.6m spend in 2018/19

In the year under review, we provided the following:



Short-term training

5 152 hours

for permanent and temporary staff
– a 205.6% increase, compared to 1 686 hours in 2018/19



Long-term training

34

permanent staff members



2 527

hours for female staff



43

months of training for ten females



2 625

hours for male staff



107

months of training for 24 males

These huge increases are partly due to the demands of adjusting to Covid-19 at short notice, but also the result of a 30% larger staff complement.

This compares to just 47 months of long-term training for 19 people in 2018/19, 11 males and eight females. Long-term training included minimum competency training for management, plus management development and MBA programme modules.

STORIES OF FLEXIBILITY, FORTITUDE AND COMMITMENT

Our investment in our staff allows them to progress in their careers, right from our student and graduate training programmes through to our senior staff, management and leadership. Each of our main operating departments has selected a staff member to showcase that career progression through promotion, training, long service, student and graduate training, as well as internal recognition through awards and accolades.

PROMOTION STORY: LEARNING THROUGH TEACHING AND THE VALUE OF HARD WORK

NAME: MOEMEENA BEDFORD

Title: Supply Chain Management (SCM) Administrator – Finance department

Moemeena joined the CTICC in October 2013, seven years ago, as a Conference and Exhibitions Services Co-ordinator. Today, she is the Supply Chain Management (SCM) Administrator in the Finance department, promoted into that role due to her work ethic.

The new position comes with many learning opportunities for her, as it exposes her to a more comprehensive and formal approach to SCM compared to her previous role as Procurement Officer, which was more finance-focused.

She draws further inspiration and motivation from her colleagues – assisting them, especially the new staff, educates not just the staff themselves but also herself. She believes teaching someone else is always a learning experience. And for herself, she has been mentored by many managers in the past, all of whom have taught her to believe in and express herself. In addition, they have shown her that it is acceptable to make mistakes if one is willing to learn from these situations.

She has not yet been able to implement any changes in her new role, due to the severe restrictions Covid-19 has imposed on the event sector; but she is more than ready to take the opportunity, where necessary, when things open up once again.

"I am not someone to shy away from either work or learning something new - and I'm always willing to assist when and where I can."
– Moemeena Bedford

PROMOTION STORY: CHALLENGING GENDER STEREOTYPES WITH SELF-BELIEF

NAME: THENDO NKHUMELANI

Title: HR Administrator – Human Resources department

Thendo Nkhumeleni joined the CTICC in May 2017 as a Building Management System (BMS) Supervisor of the CTICC's control rooms. She found herself in a very male-dominated setting, supervising ten male control room colleagues. However, she learned what she needed to learn and won them over.

She believes her ability to channel the CTICC's vision through her mission-critical work in the control room helped her gain her promotion to Human Resources (HR) Administrator. Furthermore, she believes that a combination of her hard work, qualifications and control room experience, along with her understanding of the business, her self-belief and leadership skills, all played their part in her being promoted.

Today, in her new HR role, she says that what she enjoys most is to interact with staff members and help them resolve their work challenges: empowering people is her main motivation. She is also realistic about failure, saying it does not demotivate her. On the other hand, it makes her feel inspired to perform even better.

Her views on mentorship are very clear. Quoting Jim Rohn, her mentor said: "Let's go do it", not "you do it". She finds this collaborative approach particularly powerful and her own mentoring of her BMS team has made her realise that having a good mentor or manager is what motivates people to do a good job. So, her new role in HR is a good fit.

Thendo has overcome what might appear to be obstacles. When she realised that she was the only female in her department, it positively challenged her to change the narrative that women are inferior to men.

"My passion stems from anything that challenges, intrigues and motivates me. I see challenges as an opportunity for me to learn, grow and find a solution."
– Thendo Nkhumeleni

Moemeena Bedford and Thendo Nkhumeleni



Dominic Adriaanse and Madelaine Andersen



TRAINING STORY: ACQUIRING THE SKILLS TO BUILD OUR BRAND'S REPUTATION

NAME: DOMINIC ADRIAANSE

Title: Corporate Communications Officer – Marketing, Communications and Sustainability department

Dominic has been with the CTICC for nine months and is charged with presenting the CTICC's public face to the world, which is why he is studying public relations with the University of Cape Town. **The nine-week course has taught him a lot, but his top three learnings were:**

- 1) How important content creation and management is;
- 2) How to build valuable relationships with stakeholders, media professionals and audiences; and
- 3) The importance of having crisis and reputation management plans and protocols in place.

The training has provided him with a better understanding of the role of writing as a key aspect of the communications role in an organisation, which links with the importance of generating great copy for different communication channels. He has also learned about the strategic tools required to manage a brand's reputation and create

content that resonates with our target audiences and over various platforms.

He believes that you never stop learning and that it's important to refine your existing skills and learn the latest trends and methods within your field. He has already learned so much and wants only to become better at what he does and, more importantly, garner the skills and expertise he needs to thrive in his profession and industry.

"I feel optimistic that I can help play a part in helping the CTICC reach its goals and continue to be a beacon in the tourism and travel industry on the continent."
– Dominic Adriaanse

TRAINING STORY: LEARNING TO WORK TOGETHER HOLISTICALLY AND SAFELY

NAME: MADELAINE ANDERSEN

Title: Beverage Manager – Food & Beverage department

Madelaine has been at the CTICC since February 2019 when she was appointed as the Beverage Manager in the Food & Beverage department. As part of her onboarding training, she attended several short-term training workshops and courses, including OHSAS 18001 Health and Safety Management Training and ISO 22000 Awareness Training. She is also enrolled on a Get Smarter Events Management Course, which is ongoing.

The three most important things she learned from the courses were:

- 1) That communication across all spheres is crucial;
- 2) That proper planning, detailed schedules and timelines are vital to ensure a smooth event execution; and
- 3) That attention to detail is critical for optimal client satisfaction.

Madelaine says that in the hospitality industry, it is important to keep your finger on the pulse and keep up with current trends, as the industry is constantly changing and growing, so she needed to ensure she had the right skills to accommodate these changes. This has been particularly true of this year's unprecedented health and safety challenges in relation to Covid-19 and its effects on the events sector.

She also now has a deeper understanding of the roles and responsibilities other CTICC departments play in order to deliver an event. Additionally, the training has given her the knowledge and confidence to work at mastering and excelling in her current position as Beverage Manager. She concludes that a holistic view makes it easier for her to run her department harmoniously alongside others.

"It is important to continuously upskill yourself, which is particularly true in these unprecedented times. When things improve, it will be great to see the return of normal activities."
– Madelaine Andersen

LONG SERVICE STORY: FIFTEEN YEARS OF FRONT OF HOUSE PASSION AND LOYALTY

NAME: MONICA NONKASANA

Title: Senior Receptionist – Facilities and Operations department

Monica Nonkasana joined the CTICC more than fifteen years ago on 5 March 2005, so she has seen many changes at the CTICC over that time. She moved to the CTICC from the entertainment sector on a temporary basis for just three months and was employed on a permanent basis the same year.

She has job shadowed in various departments to ensure she understands the business, from the inside out. She has also done many training courses to enhance her customer service skills over the years, from administration to computing to conference and exhibition management.

The secret to her work ethic is simple and can be summed up in one word: passion. She says if you can combine your passion with your work, then you will perform at your best. And, of course, it is about her approach to customer service: she treats each person with respect and dignity.

Her motto is to treat people with the spirit of Ubuntu. Whether you come from Khayelitsha, Manenberg or overseas, once you enter the building, she sees every visitor as a customer: she does not treat anyone differently.

She has not got here entirely on her own: she sees her work colleagues as family and mentorship has played a huge role for her. She has worked with several different CEOs and EXCO members and says they have all inspired her with their different styles, allowing her to grow and take ownership of her space – that being reception, the face and front of house of the CTICC. But more than that, she too has mentored many youngsters coming into the building over the years.

She has seen several other major changes over the years: a second CTICC building in 2017 and now, in 2020, a black female CEO, which signals, to her, the possibilities of a transformed South Africa.

“When there is a friendly and welcoming atmosphere, employees will be eager to go to work every day: that inspires me.”
– Monica Nonkasana

Monica Nonkasana

LONG SERVICE STORY: MANAGING EVENTS AND CLIENTS BETTER AND BETTER OVER TIME

NAME: ZUKISWA MAGWAXAZA

Title: Event Executive – Commercial and Business Development department

Zukiswa Magwaxaza joined the CTICC on 1 August 2014 as a client-facing Event Executive in the Commercial and Business Development department, a role she has fulfilled with enthusiasm ever since – for more than six years.

Already armed with a diploma in international hotel management, her inspiration to apply to work at the CTICC came from the Cape Town International Jazz Festival, which she attended in 2014 and found the event and venue so exciting that she decided she wanted to work with us. She recognised that the CTICC is one of the biggest convention centres in Africa and decided she had to be part of the organisation. And so started her journey with us, working hand in hand with clients and planning events in all their aspects – venue facilities, catering options, safety and security, technical needs and so on.

She is very clear why she has remained at the CTICC, saying that the reason she is still here is the fact that the company invests in its employees: they are willing to develop and grow them. She also likes the excitement of organising and planning events, and meeting new people from all over the world. All those things are keeping her at the CTICC, along with the family culture that we have as staff.

The CTICC has built her self-assurance. Nowadays, Zukiswa confidently chairs national and international client meetings. However, for her, the cherry on top was being the coordinator of the first event to be held in the then-new CTICC 2 building: the 21st Annual Congress of the South African Council of Shopping Centres (SACSC), with its 1 500 delegates, was quite a feat to pull off and Zukiswa was there to make sure it all happened smoothly.

“In this industry, you have to be flexible in dealing with challenges. Sometimes it can be overwhelming, but I am still here and still smiling...”
– Zukiswa Magwaxaza

Zukiswa Magwaxaza



Matthew Valentine, Luvuyo Hlazo and Natalie Pillay

STUDENT AND GRADUATE STORIES: PROVIDING A PLATFORM FOR YOUNG PEOPLE TO THRIVE

The CTICC runs two programmes for dynamic young people keen to build a career in the event management and hospitality sectors. This is a vital part of our job creation and sector support commitment.

Our Student Placement Programme provides high-performing students studying hospitality-related courses the chance to join us on a six-month training scheme while they are studying. This practical placement helps students complete their studies by giving them access to relevant experience, which in turn makes them more employable into the future.

Our Graduate Programme offers high-performing graduates a full year's employment contract. These graduate students come from a variety of backgrounds, reflecting the different departments and services offered by the CTICC. They learn about every aspect of our business

during that year. This gives them a complete overview of both the event management process and the hospitality sector as a whole.

In the year under review, there were:

- 11 students on our Student Placement Programme;
- 13 graduates on our Graduate Programme.

It should be noted that, due to Covid-19, it has been a difficult year to give the full range of work experience the CTICC would usually afford to these young people; but we have now extended their contracts to ensure they gain our full on-the-job training experience.

Three of our graduates share their stories:

NAME: MATTHEW VALENTINE

Qualification: BCom Management Science
Department: Finance

How has being placed at the CTICC as a graduate advanced your career path?

The CTICC has given me greater insight into all aspects of supply chain management (SCM): demand management, procurement planning, acquisition management, the supplier database, contract management and logistics. By doing these tasks, I have learnt many new skills, which I know I will be able to implement in my future career.

What are your day-to-day responsibilities?

I review applications for the supplier database and assist with tenders and RFQ processes.

How will this placement inspire your plans for the future?

This placement has given me a solid foundation for my career and has provided me with a broader understanding of the working world. This has helped me set new goals and direction for my future.

NAME: LUVUYO HLAZO

Qualification: Bachelor of Social Science and Honours in Industrial Psychology
Department: Human Resources

How has being placed at the CTICC as a graduate advanced your career path?

When studying, I often wondered: "How do organisations make sure that they have the best employees to perform the job?" It is through that curiosity that I realised I have a passion for helping businesses reach their goals and helping employees reach their potential. The chance to work at the CTICC in the Human Resources (HR) department means I get daily exposure to reviewing job applicants keen to work at the CTICC. This has expanded my knowledge of how I should present myself to an employee.

What are your day-to-day responsibilities?

Because of the current pandemic, my responsibilities have been heavily

affected. This means that I am now performing a number of administrative duties, but I have also been exposed to various webinars, and am still growing my knowledge in this rapidly changing working environment.

How will this placement inspire your plans for the future?

This placement is allowing me to gain experience and to grow professionally within the HR department, which gives me a definite advantage in this competitive market because all employers want applicants with experience.

NAME: NATALIE PILLAY

Qualification: National Diploma in Public Relations Management
Department: Marketing, Communications and Sustainability

How has being placed at the CTICC as a graduate advanced your career path?

Even though I had three years of work experience before joining the CTICC team, I have made the greatest advancement in my career while at the CTICC. The experience I have gained working alongside the communications, marketing and sustainability departments has encouraged me to invest in the development of the organisation's communications capability.

What are your day-to-day responsibilities?

My daily responsibilities include monitoring and reporting on the CTICC's

media coverage and the CTICC's own communications. This includes what we, as the CTICC, publish and what the media publishes about us.

How will this placement inspire your plans for the future?

I have been inspired to merge both communications and sustainability. Our Head of Department, Olivia Bruce, has allowed me to work with our Sustainability Officer, as I believe in sustainable living and giving back to our communities, and I am fascinated by the effort the organisation puts into their corporate social responsibility (CSR) work. In addition, the experience I have gained working with the CTICC has greatly improved the way I manage my tutoring business.

STAR PERFORMER: MAINTAINING THE CTICC NO MATTER WHAT

NAME: ALEX GIRD

Title: Maintenance Manager – Facilities and Operations department

Alex Gird has been with the CTICC for eight years, having joined us in June 2012 as an electrical technician. He then progressed to Assistant Maintenance Manager in July 2017, followed by his most recent promotion in 2020 to the position of Maintenance Manager.

Alex has a deep and enthusiastic understanding of how the CTICC works and how it serves the clients and communities with which it partners. He believes that the formula for a great career consists of opportunity, determination, hard work and adapting to change, because change is the only constant – and the ability to embrace change is directly proportional to success.

Opportunity, in the form of management training at the Universities of both Stellenbosch and Cape Town, including the UCT Graduate School of Business, has undoubtedly helped him on his way. He says they have directly shaped his career progression.

As Maintenance Manager, he takes much pride in striving to get the best results from tackling challenges throughout the complex, with the most recent highlight being his role as part of the operations team that supported the Hospital of Hope. It gives him a sense that he has contributed to the fight against the pandemic, and it makes him very proud to be part of the CTICC family.

Resolving issues is at the heart of his new role and he has started implementing improved processes to make sure that workflow is optimised. He really appreciates the fact that he has the opportunity to work with a range of people who have different ways of confronting challenges – and that no one day at the CTICC is the same.

He is also grateful for the experience he has gained learning from other people at the CTICC and management in particular. This aspect of his work has definitely given him the opportunity and tools to grow.

The person who has had the most influence on his mentorship is Craig Barrington (General Manager: Facilities and Operations). He has taught Alex that no matter what life gives you, you must make it work and get the job done.

As a result, he has a very simple attitude to his work. He enjoys solving problems and works with a team of technical people who share that passion. When challenges arise, he always pushes through with the team, remembering the words of Albert Einstein: “We can’t solve problems by using the same kind of thinking we used when we created them”. It is these qualities that he believes led to his nomination.

The Star Performer Award is an annual award voted on by staff after nomination by management. The award can be for any staff member at any level of the organisation. The nomination is usually confidential.

He is extremely grateful to have been nominated for and won the Star Performer Award, and thanks everyone who believed in him and gave him this opportunity to excel.



In 8 years

Alex Gird has progressed from
an electrical technician to
Maintenance Manager

“I believe that I have showed that when facing a challenge, I will always find a way to tackle it with the team: I don’t believe in working in silos.”
– Alex Gird

Alex Gird

Sibongiseni Gcelu



MANAGER OF THE YEAR: MASTERING QUALITY ON A MASSIVE SCALE

NAME: SIBONGISENI GCELU

Title: Executive Sous Chef – Food & Beverage department

Sibongiseni Gcelu started working at the CTICC just three years after it opened, in January 2006, so he has been cooking in the CTICC's kitchens for 14 years. In that time, his career has progressed steadily upward. From 2006 to 2010, he was a Chef de Partie. He then became a Junior Sous Chef (2010 to 2011) before becoming a Sous Chef (2011 to 2012). He was then promoted to a Senior Sous Chef (2012 to 2016). Since 2016, he has been Executive Sous Chef, which makes him Executive Chef Roberto de Carvalho's second-in-command.

He is a man inspired by the love of food. Very much a people's person, he is driven by the opportunity his role gives him to change other people's lives through mentoring and coaching. He is also motivated by moulding his colleagues into a team that works smoothly and happily together, to the benefit of the CTICC and their clients, as well as by the recognition the CTICC has given him.

He says he does not know what the process of nomination was for his recognition as Manager of the Year, but he has more to say about why he might have been nominated. He believes he has commitment to and passion for his job and is able to find a good balance between his work in the kitchen and his ongoing studies. He also shares the CTICC brand's values: passion, integrity, innovation, excellence, gratitude and caring.

And in line with those values, he is grateful for the support the CTICC has given him for his studies at the University of Cape Town, the International Hotel School and the University of Stellenbosch, not only funding his courses but always giving him time to meet his deadlines.

He is also full of appreciation for his excellent and capable team and the world-class equipment he is fortunate to have at his disposal.

As for the award itself, he says it means a lot to him as the company has shown him that they recognise the work, the time and the effort that he puts in. It also motivates him, even more, to carry on his commitment to the company's values. Finally, like Alex, he thanks everyone who voted for him.



In 14 years

Sibongiseni worked his way up in the CTICC kitchens, from Chef de Partie to Executive Sous Chef

"I enjoy leading this team. It comes with its challenges but I love making decisions and finding solutions that work for this kitchen and the clients we serve."
– Sibongiseni Gcelu



KEEPING SPIRITS HIGH: ENSURING STAFF WELLNESS

From a human resources perspective, the shift to the various stages of lockdown required some adjustment, particularly in the hard lockdown period. Information was emailed to all staff from the start of the pandemic, and a Covid-19 awareness session was held with ER24 for all employees.

Emphasis was placed on information sharing, with a focus on health and safety protocols. Regular calls, emails and access to the Human Resources (HR) department ensured that staff had the freedom and flexibility to raise any issue or area of concern. Furthermore, every work day, a member of the HR team was “on call” at the office, so that someone was always available to assist those working at the centre, face-to-face.

During this time, the Employee Wellness Programme (EWP) has assisted with uplifting emotional well-being and, in particular, supporting staff

who live alone, as the lockdown period has been a difficult and lonely experience for some.

More practically, flu vaccinations were offered to all staff, and 125 staff and 21 family members were vaccinated during May 2020 and June 2020. The World Day for Safety and Health at Work initiative on 28 April 2020 also assisted in raising awareness around best practice health and safety in the workplace for both staff and our Local Community Partners (LCPs) (see p. 122).

Finally, when staff or their family members have come into contact with the virus, we have provided support during self-isolation to ensure their continued well-being. Staff were also referred to medical practitioners or health clinics for further care.

Skybridge between CTICC 1 and CTICC 2

HUMAN RIGHTS AND ANTI-CORRUPTION TRAINING PERFORMANCE

13 employees (4.6%) benefited from a total of 65 hours of formal training in the CTICC's policies and procedures on human rights issues. During the year under review, the CTICC had no incidents of discrimination and, as such, no actions were required.

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.



4.6%

Employees benefited from a total of 65 hours of formal training in the CTICC's policies and procedures on human rights issues



The CTICC directly employs one person to manage safety and security and oversee its external security contractors

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) in place, with staff-nominated ERF representatives who take a collective approach to resolving employee relations matters. Concerns can be raised directly with the Human Resources (HR) department or via the ERF on a variety of matters varying from working conditions to dispute resolution (see p. 28).

Fair labour practices and human rights principles are adhered to at the CTICC and are also 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 six employees (2.1%) who belong to the South African Commercial, Catering and Allied Workers Union (SACCAWU).




2.1%

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



NURTURING OUR WORLD



we are a green conscious convention centre 

PROTECTING AND PRESERVING THE PLANET

The year under review has been one of mixed fortunes. Our planet has made it plain that it can survive almost anything – except maybe us. We have been severely humbled by Covid-19 and reminded that we hold our environmental destiny in our hands.

This is not news to the CTICC. We have always taken our commitment to the planet very seriously and we continue to seek ways to protect our environment by reducing our water and energy usage, as well as minimising waste sent to landfill. We do this primarily because it is the right and responsible thing to do, as well as because many of our clients demand this commitment from us for their events. A case study of such an event will be showcased later in this chapter (p. 161).

There has been some good fortune too: the Western Cape’s drought has broken, although the province remains a water-scarce region. Bearing in mind the ongoing risk of recurring drought, the CTICC has ensured it can be water-independent thanks to our own filtration and reverse osmosis systems. Indeed, this has saved us considerably on municipal water bills and reduced pressure on Cape Town’s water supply as well.

Our energy conservation efforts have been challenged by the return of load shedding. Although we have power generators installed, they are neither cheap to operate nor environmentally friendly. Our long-term plan to harness photo-voltaic (PV) solar power to feed into our power supply is still under consideration.



We are committed to protecting our environment, and continuously find ways to divert waste from landfill and minimise our water and energy usage.



The CTICC Nurture Our World team

DRIVING OUR NOW MISSION: MEET THE TEAM

The Nurture Our World (NOW) team is a core component of our sustainability strategy. It advises on sustainability policy and is charged with ensuring we meet our environmental commitments regarding energy, water and waste.

The NOW committee was established to drive the implementation of both our social and environmental sustainability practices from a strategic, operational and commercial perspective. The committee draws members from every CTICC department and has been transforming commitment into practical action since 2009. The team works together to ensure that sustainability remains at the centre of every aspect of the CTICC’s operations.

The committee meets at least once a month to discuss all matters pertaining to social and environmental sustainability. Issues and solutions are discussed, and future strategies are proposed and implemented. This

ongoing commitment extends to assisting clients with greening their own events. All initiatives are spearheaded by the NOW team, which is complemented by a dedicated CTICC Sustainability Officer.



The CTICC was the first convention centre in Africa to report our sustainable practices in line with United Nations Global Compact (UNGC) principles – standards which we believe inspire our industry, as well as our clients and staff.

The NOW initiative has a very specific 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 world leader in sustainability, while leveraging sustainability as a significant selling point;
- It refines the CSR strategy to maximise and deepen the impact of targeted investments in support of Local Community Partners (LCPs), including 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 passion reflected in these principles has allowed us to achieve and maintain sustainability leadership in our sector.

Clare Nichols



RECORDING OUR PROGRESS: MEET OUR SUSTAINABILITY OFFICER

At the CTICC, we have a dedicated Sustainability Officer, Clare Nichols. She coordinates the Nurture Our World (NOW) committee and is tasked with managing and expanding the CTICC's corporate social responsibility (CSR) and environmental sustainability portfolio.

Her role includes:

- Developing a yearly action plan for the CSR programme (see pp. 107-126);
- Coordinating and implementing activations and venue sponsorships;
- Supporting departments across the business with their CSR initiatives;
- Assisting the Conference and Exhibitions department with the greening and upcycling of events;
- Developing case studies to document our sustainability initiatives;
- Sharing our experiences so that other centres and event organisers can learn from us (see p. 161).

We asked her two important questions and here are her answers:

Q: What have been the sustainability highlights for you since you joined the CTICC?

A: The reverse osmosis (RO) water filtration plant and the Vivreau water system. These are significant game-changers. The RO plant's benefits are well known; but the Vivreau water system, which allows us to bottle our own filtered, sparkling and still water on-site using the water from our RO plant, is not. A benefit of this system is that we can use stylish, reusable, CTICC-branded bottles to serve the water.

Q: How has Covid-19 impacted the CTICC's sustainability commitments?

A: Many of the sustainability projects have been temporarily put on hold as a result of the pandemic. One positive impact of the national lockdown measures is the reduction in utility usage and waste generation. This has impacted positively on our carbon footprint, which has declined for the year under review.

Although smaller hybrid events, with reduced environmental footprints, may be part of what the future holds, I believe the conference and exhibitions industry will revive in due course. The challenge will be how to implement sustainable safety measures that will benefit both people and planet.

ADHERING TO 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 split into the following categories:

- a) **Human rights**, which encompasses respecting human rights and ensuring we are not complicit in human rights abuses;
- b) **Labour**, which includes preserving the freedom of association and the right to collective bargaining, the elimination of forced, compulsory and child labour, and the rejection of discrimination in employment and occupation;
- c) **Environment**, which involves approaching environmental challenges in a precautionary manner, undertaking initiatives to promote greater environmental responsibility and encouraging the development and dissemination of environmentally-friendly technologies;
- d) **Anti-corruption**, which states that businesses must work against all forms of corruption, including extortion and bribery.

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



Human rights



Environment



Labour



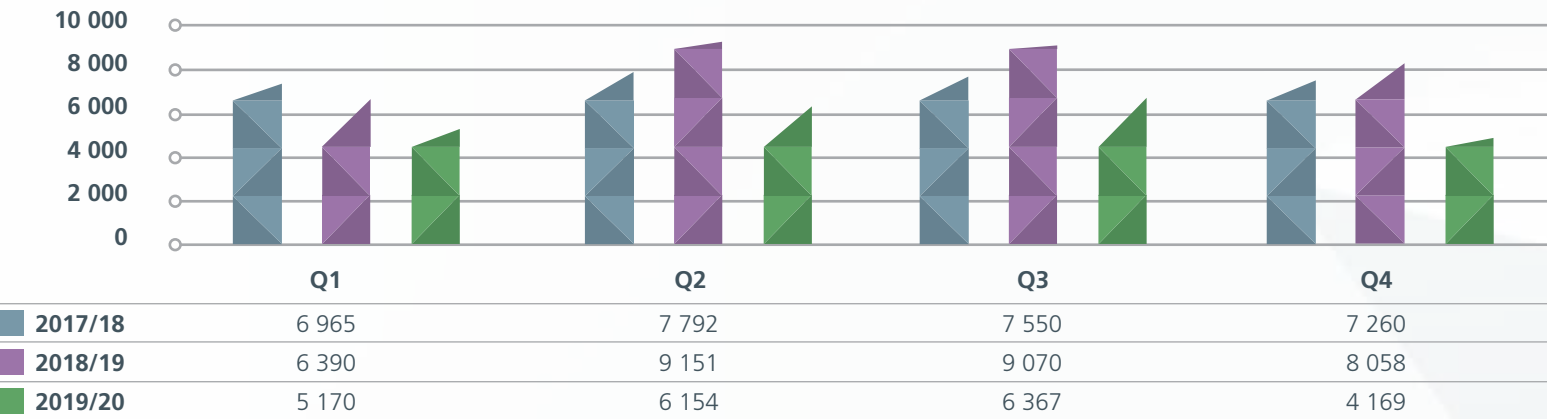
Anti-corruption

GREEN CHAMPIONS: CONSERVING RESOURCES AS BEST WE CAN

Reducing our water consumption substantially

The CTICC’s water supply has, to date, been provided by the City of Cape Town. During the year under review, the CTICC used a total of 21 860.2kL from the municipal supply, representing a substantial decrease of 33.1% compared to 2018/19 (32 668.6kL).

Table 1: Total water consumption breakdown by quarter in kL



The significant saving was realised because of the implementation of the reverse osmosis (RO) plant, which converts groundwater to potable water. Installed to cater fully for all our daily water consumption needs, it can produce up to 200 000 litres of drinking water in a 24-hour cycle and has a tank storage capacity of 400 000 litres to accommodate for maximum demand scenarios. In addition, much of the complex was also in lockdown for most of the third and the entire fourth quarter of the year in review. There was a spike in usage when the Hospital of Hope opened its doors in June 2020, as the table below demonstrates but, overall, the water usage trend is down due to the RO plant.

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
2017/18	538	3 747	2 680	2 378	3 358	2 056	2 219	2 371	2 960	3 365	2 480	1 415
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	1800	2 806	1 761	1 021	666	2 482

The CTICC also continues to implement a range of water-saving measures across all its departments and services. These include:

- Rainwater storage tanks that capture up to 265 000 litres of water at a time, which is then used for irrigation of indoor plants, cleaning and, in winter, providing water to the cooling towers of the central air-conditioning system;
- Collecting the condensate from the air-conditioning units: about 20 000 litres of water are collected every week and used for cleaning purposes at the centre;
- Limiting washing machine use by not using tablecloths and offering disposable napkins and biodegradable cups in our coffee shops, as well as providing our clients with the option to use these sorts of utensils at their events;
- Reducing water usage by installing aerators in all taps in the kitchens, staff showers and meeting suites;
- Supervising the water use of exhibitors and, in particular, plumbing orders.

Water from our Vivreau system



MINIMISING OUR ENERGY CONSUMPTION OVER TIME

In terms of energy consumption, during the year under review, the CTICC utilised 42 660.2 total gigajoules of energy from fuel and electricity generation. This means we used 4.7% less energy this year compared to last year.

This would have been a considerably greater reduction, bearing in mind the likely effect of the CTICC being closed for the last three and a half months of the financial year under review. However, the significant energy requirements of the Hospital of Hope in the last quarter have skewed these energy consumption figures. This year is, therefore, an anomaly and cannot accurately be compared to previous years.

During the 12 months under review, the CTICC used an average of 986 813 kWh of electricity per month. This is 4.4% less per month than the previous year and equates to a daily average of 32 436 kWh (33 600 kWh in 2018/19). The space-related equivalent was approximately 0.74 kWh/m². (0.76 kWh/m² in 2018/19). Looking at the kVA peak consumption average per month, there was also a small reduction from 2 569 kVA to 2 547 kVA for the year in review. This is the peak usage average for both buildings combined.

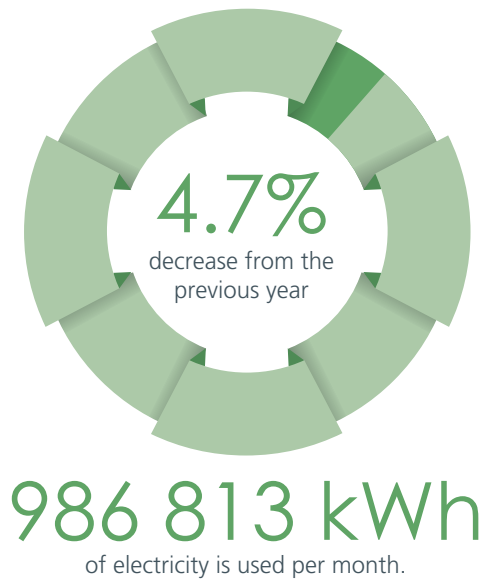


Table 3: Combined energy consumption for CTICC 1 and CTICC 2 for the 2019/20 year

Year	Total kWh	Fuel Litres	Total Gigajoules	Year-on-Year
2017/18	11 684 111	1309.1	42 110.7	35.1%
2018/19	12 416 212	1187.6	44 742.8	6.3
2019/20	11 841 755	797.0	42 660.2	-4.7%

Keeping the greenhouse cooler

Our greenhouse gas emissions fell by 561 tonnes during 2019/20. This is mostly because of the lockdown constraint on public meetings from March 2020, affecting the last quarter of operations and limiting or preventing travel altogether.

We also seek to offset our staff flights, an example being the trees planted to compensate for staff flights to the 2020 Meetings Africa exhibition in

Johannesburg. This technically reduced our gas emissions by 2.9 tonnes. The subsequent overall annual reduction in greenhouse emissions across vehicle, generator, electricity and travel metrics led to a reduction in CO² tonne equivalent greenhouse emissions of 4.6%.

Future energy-saving plans

Our ability to make further savings is now incremental, but we continue to seek out possible areas of saving where we can. One example is the replacement of all the gallery lights along the CTICC 1 corridors and walkways, which is currently underway. These lights use a considerable amount of electricity in their current form; but replacement with LEDs will reduce the wattage and power consumption by 75% – a substantial saving. The installation of PV solar power generation panels on our rooves is also still part of our five-year capital expenditure plan.

A more immediate decision has been made to install heat pumps for more efficient water heating in CTICC 1. These will replace our existing boilers, which use a significant amount of power. The tender has been awarded but the project was put on hold due to Covid-19 and the installation of the Hospital of Hope. The intention is to install the pumps by the end of 2020, which is expected to enhance the energy efficiency of the building.

MINIMISING OUR WASTE: MANAGING OUR WASTE DIVERSION

Minimising the amount of waste we send to landfill has always been a key pillar of the CTICC’s environmental sustainability efforts. This year, our overall waste production dropped, with 71% of total waste diverted from landfill. Due to Covid-19, there have been fewer events; but our commitment to reduce, rethink, reuse and recycle through maximising diversion from landfill has remained in place.

The recyclables we collect include paper and board, glass, plastics, metals and compostable food waste. Hazardous waste is dealt with appropriately by expert service partners. Our diversion rate has been consistently over 70% and has been at that level since we set a baseline in 2012/13, when just 30% of our waste was diverted from landfill.



CREATING PARTNERSHIPS FOR SUSTAINABILITY: WORLD ECONOMIC FORUM ON AFRICA 2019

The 28th World Economic Forum (WEF) on Africa took place at the CTICC from 4-6 September 2019. Building on the priority areas that have framed WEF’s sustainability policy since 2015, as well as on its sustainable procurement policy, the Forum developed its Sustainability Strategy 2021. This is designed to ensure the highest level of sustainability for its offices and events.

Setting objectives and reaping the benefits

To ensure they met their sustainability goals, the WEF’s sustainability consultant worked together with the CTICC team to ensure the event was as “holistically green” as possible. **The goals included:**



Monitoring and measuring waste



Reducing and tracking electricity usage



Making the catering sustainable



Upcycling as much of the material and food used as possible

The CTICC ensured the project was successful by doing the following:

- Meeting with the client’s sustainability consultant to discuss the various event greening options available;
- Delivering a water-reduced menu to further enhance the sustainability of the event;
- Serving organic vegetables, fish from the green South African Sustainable Seafood Initiative (SASSI) list and fewer red meat options;
- Using water from the Vivreau system, served in glass jugs and bottles, while Coca-Cola supplied products only in glass bottles to minimise plastic use;
- Offering any unused food from the event to CTICC staff or sending it to fly farms, where it was converted to compost;
- Maintaining the temperature of the building at 22-25 degrees Celsius to minimise the usage of the air-conditioning system;
- Measuring the electricity daily to monitor energy consumption across the whole event;
- Arranging for the wood from the event to be donated to one of the CTICC’s Local Community Partners (LCPs), Abalimi Bezekhaya;
- Donating the balance of the wood waste, together with flowers from the gala dinner, to schools, hospices and old age homes in the Cape Metro area;
- Diverting 22 640 kg of wood and 5 520 kg of mixed recycling from landfill;
- Retaining the trees and spekbooms used at the event at the CTICC to continue offsetting WEF’s carbon footprint.

Abalimi Bezekhaya, receiving the wood donation from the WEF event



Our 2019 Annual General Meeting gift to our guests



INSPIRING A LEGACY: MAKING OUR AGM AS SUSTAINABLE AS POSSIBLE

The CTICC’s Annual General Meeting (AGM) is an opportunity to demonstrate our triple-bottom-line credentials. Last year, we decided to host an environmentally-friendly event, showcasing our green eventing capabilities.

Planting trees for our AGM guests

The parting gift for our AGM guests was a spekboom to take home and an indigenous tree to be planted on each guest’s behalf in the Platbos Forest reforestation project in the Southern Cape.

This truly represented our commitment to sustainability and our ability to positively impact our world. We achieved this by partnering with Greenpop, a non-profit organisation which restores ecosystems and empowers environmental stewards through reforestation, urban

greening, sustainable development and environmental art projects across sub-Saharan Africa.

Greenpop is the organisation behind the reforestation of Platbos, where our guests’ trees have been planted. As a reminder of that exceptionally precious historical relic forest, where some trees are over 1 000 years old, we gave each guest a laser-cut bamboo keyring with the coordinates of the Platbos Forest reforestation area engraved on it.

The sustainable wonder of the spekboom

The other part of our gift to AGM guests was the spekboom. It is one of the most effective photo-synthesisers on the planet. Just one tree can pull over a tonne of carbon out of the air per year – so it is great at tackling air pollution. Over and above that, it is extremely waterwise and surprisingly edible.

Our spekbooms were sourced locally and then replanted into locally produced Growbags by our Local Community Partner (LCP), Abalimi Bezekhaya. By utilising their services, we supported and generated income for our LCP’s beneficiaries.

Growbags are 100% upcycled planters made from old billboard vinyl or PVC. Each planter is one of a kind, and handmade in Cape Town.



Just one tree can pull over a tonne of carbon out of the air per year – so it is great at tackling air pollution. Over and above that, it is extremely waterwise and surprisingly edible.

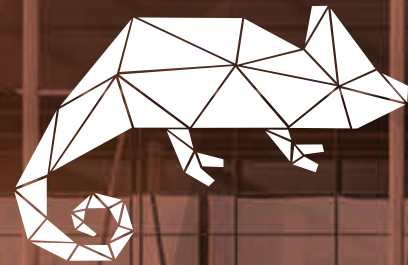
Keeping our event green

Other aspects of the AGM were also sustainable. To further reduce our environmental impact, **we did the following:**

- Hired furniture from our supplier’s existing catalogue, instead of custom-making one-off items;
- The meals prepared were cooked using waterwise methods;
- We only used South African Sustainable Seafood Initiative (SASSI)-approved seafood items, and locally sourced meat and vegetables;

- Real crockery was used in order to cut down on waste. Dishes were simply washed in our waterwise dishwasher and reused.

On the whole, the AGM provided us with an effective platform to showcase our sustainable credentials and, hopefully, convert a few more to the cause along the way.



GOVERNANCE

Cape Town International Convention Centre 2

Overlooking our leafy spaces in CTICC 2

ENGAGING WITH OUR STAKEHOLDERS

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 and determines our 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, and 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 Directors, 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, which enables it to contribute meaningfully to the Convenco.

Conflicts of interest

Directors are required to declare their personal financial interests and those of related persons in contracts with the group. 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 implementation of the strategy and objectives adopted by the Board. The Chairperson of the Board manages the relationship between the Board, the Chief Executive Officer and the various Board committees.

Board committees

The Board acknowledges that its overall responsibility for Convenco rests with the Board as a whole. To assist it in fulfilling its responsibilities,

the Board delegates some of its functional responsibilities to its committees by means of clearly defined mandates. These committees report continuously to the Board on their deliverables in accordance with their Board-approved charters. A detailed report on the composition and responsibilities of these five committees is set out on pages 170 and 172.

Company Secretary

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

Board meetings

The Board met four times during the year under review and will meet at least four times per financial year and more often if circumstances require. The table on page 170 sets out the Board meetings held and attendance during the reporting period.



The Board of Directors ensures that good ethical standards and corporate governance principles are adhered to, in accordance with the King IV Report on Corporate Governance for South Africa, 2016™ ("King IV™").

DIRECTORATE AND ADMINISTRATION
for the year ended 30 June 2020

Directors

DA Cloete
Chairperson
Independent Non-Executive Director
Appointed: 27 October 2015

A Cilliers
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

JM Ellingson
Executive Director
Appointed: 1 September 2014
Resigned: 31 January 2020

G Harris
Independent Non-Executive Director
Appointed: 16 October 2018
Resigned: 27 January 2020

W Parker
Independent Non-Executive Director
Appointed: 30 May 2019
Resigned: 31 January 2020

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) Proprietary Limited
Appointed: 29/08/2020

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 2019 – 30 June 2020

Name of Director	Board	Audit and Risk Committee	HR and Remuneration Committee	Nominations Committee	Social and Ethics Committee
Total number of meetings	4	5	4	3	3
Cloete DA	4	-	3	3	-
Cilliers A	4	5	-	3	-
De Wet W	4	-	-	-	-
Ellingson JM	2	-	-	-	2
Fourie SW	3	-	-	2	-
Fraser JC	4	-	4	-	-
Harris G	2	-	2	-	-
Mdebuka MB	4	-	3	-	2
Motlhabane TT	2	-	-	-	1
Myburgh-De Gois S	4	-	4	-	3
Pangarker N	4	-	-	3	-
Parker W	2	-	-	-	-
Zama CK	4	5	-	-	3
Burton M #	-	4	-	-	-
Ndaba L #	-	4	-	-	-
Singh D #	-	3	-	-	-

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

Details of Convenco Board composition 2020

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		•				•				•
(*)	Cilliers	Annalise	16 October 2018	•					•				•
(*)	Fraser	John Cameron	24 August 2017		•				•				•
(*)	Myburgh-De Gois	Sharon	16 October 2014	•					•				•
(*)	Pangarker	Nisaar Ahmed	16 October 2018		•			•				•	
*	Fourie	Solly William	22 November 2011		•		•						•
*	Zama	Carol Kholeka	24 August 2017	•		•						•	
#	Motlhabane	Tebogo Taubie	1 February 2020	•		•							•
#	De Wet	Wayne	16 October 2018		•		•					•	
(*)	Mdebuka	Menelisi Bennet	9 July 2019		•	•							•
#	Ellingson	Julie-May	1 September 2014 (Resigned 31 January 2020)	(R)					(R)				(R)
(R)	Harris	Guy Patrick	16 October 2018 (Resigned 27 January 2020)		(R)				(R)				(R)
(R)	Parker	Wahida	30 May 2019 (Resigned 31 January 2020)	(R)				(R)					(R)
Total				4	6	3	2	1	4	0	0	3	7

* Non-Executive Director (*) Independent Non-Executive Director according to the Shareholders # Executive (R) Resigned during the year and not counted as part of the total

DIRECTORATE

for the year ended 30 June 2019



Deon Cloete



Annelise Cilliers



John Fraser



Sharon Myburgh-De Gois



Nisaar Pangarker



Solly Fourie



Kholeka Zama



Taubie Motlhabane



Wayne De Wet



Bennet Mdebuka

BOARD COMMITTEES

The Convenco Board committees operate in accordance with the terms of reference as defined in their respective charters. Regular reports on the activities of the committees are provided to the Board. The members of the committees are listed on page 169.

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 five times during the period under review.

The purpose of this committee is to provide an oversight role of 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 twice during the period under review.

The committee assists the Board in determining that it has the appropriate composition to enable it to execute its duties effectively, and confirms that the Directors are appointed through a formal and transparent process. Additionally, the committee reviews the performance of the Company Secretary, and ensures that the Board

committees have the appropriate skill sets needed for them to fulfil their responsibilities. This is done through induction, ongoing training, development and 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 three 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 was formally constituted by the Board on 29 May 2020 and, therefore, no meetings were held during the period under review.

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

KEEPING UP TO DATE WITH PRIVACY AND LABOUR LAW

Complying with the Protection of Personal Information Act (POPIA)

The Protection of Personal Information Act (POPIA) finally became effective on 1 July 2020, which means the deadline for compliance is 30 June 2021. During the year under review, the CTICC prepared for this by organising POPIA compliance training for the EXCO, Manco and Leadership team in November 2019. Further training on the Role of Information Officers was attended by EXCO in March 2020.

The training involved working through the fundamental privacy and personal information protection features of the act. Several aspects of the law were discussed, including potential case law scenarios, with an emphasis on assessing how our current database and personal information policies and procedures might need refining.

The process of onboarding changes to comply with POPIA is ongoing, and so too is awareness training for all staff on the need to update certain forms and processes to ensure compliance.

The training was held in a workshop format, which allowed the group to ask questions about the impact on their teams and develop a good foundational understanding of POPIA.

Remote working implications for POPIA

The same processes of keeping information safe and confidential within the workplace apply when working from home. This means ensuring no confidential information is left visible or exposed and that such information is destroyed or shredded as necessary.

Remote working does not affect how we protect personal information digitally. Records can only be accessed through an encrypted connection, whilst all remote devices have full hard drive encryption activated.

Keeping up to date with labour law

Annual labour law training was attended by the Human Resources (HR) Manager in November 2019. Labour law is constantly being amended so it is important that the HR Manager is aware of any legislative updates in order to determine if any changes to policies or procedures are required.

Being aware of case law and how the labour court has ruled on certain cases allows us to update our knowledge and adjust our policies accordingly. In line with legal amendments implemented at the end of 2018, we have updated our leave policy to include parental leave, surrogacy leave and adoption leave.

WHAT IS POPIA?

The Protection of Personal Information Act (POPIA) is South Africa's data protection law.

POPIA protects people from harm by safeguarding their personal information, which could include: the person's race and gender, contact information, financial and medical details, employment or criminal history, biometrics, memberships and education.

To achieve this, the Act sets conditions for when it is lawful for someone to process someone else's personal information. POPIA applies to all personal information, regardless of what form it is in.

CREATING VALUE THROUGH STAKEHOLDER ENGAGEMENT

We aim to meet the needs of our various stakeholders so that all of us thrive in boosting the business tourism sector – as a team.

Our CTICC stakeholders

Shareholders



City of Cape Town

Primary Shareholder and investor. Partner in the creation of an opportunity city that enables economic growth and job creation, and delivers essential services to businesses and citizens.



SunWest International

Minority Shareholder. Partner in overseeing our success as an adaptive, sustainable and viable commercial enterprise.



Western Cape Government

Secondary Shareholder and investor. Partner in growing the ongoing economic benefits that flow from the provincial government's commitment to a safe Western Cape that balances opportunities with responsibilities.

Clients, staff, community and business partners



Clients: Professional conference, exhibition and event organisers

Essential to the financial sustainability of our business.



Service partners

Contributors to effective delivery on organisational mandate, goals and KPIs, including economic contribution and job creation targets.



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.



Business tourism and other industry associations

This includes global and local industry associations such as AIPC, ICCA, UFI, and SAACI, who promote the business tourism sector and the sector's career opportunities. The Green Building Council of South Africa (GBCSA) works with its membership community to inspire a built environment in which people and planet thrive.



CTICC staff

Key drivers of the creation and maintenance of our brand and reputation, locally and globally.



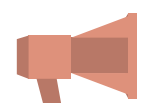
Local Community Partners

Established partnerships since 2011 (Abalimi Bezekhaya) and 2012 (the Foundation for Alcohol Related Research), and with Ikhaya le Themba, Journey of Enrichment and Mothers Unite since 2017. These partnerships were established to strengthen community linkages and offer ongoing support so these committed organisations can thrive.



Tourism partners: Cape Town Tourism, Wesgro and South African Tourism

Collaborative promoters of the city, province and country as a premier business tourism and investment destination.



Media

Partner in sharing our story. Primary audience for information dissemination and reputation management, as well as an ally in sharing and celebrating economic contribution achievements.



CCID: Safety and security stakeholders and hotel security group

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

CTICC comfort seating

The quiet roads between CTICC 1 and CTICC 2 during lockdown

The table on page 175 outlines our primary stakeholder audiences and how we work together to create extraordinary experiences, support our communities and play a part in growing the South African economy through job and value creation.

Traditionally, we maximise engagement through networking and fostering connections with our existing client base, our Shareholders, our service partners, international business tourism associations, broader local tourism partners, as well as hospitality sector conference and event organisers, in line with the region's key catalytic investment promotion sectors.

In addition, as remote working and digital communication becomes more entrenched, we have seen a rise in engagement on our Facebook, Twitter, Instagram and LinkedIn platforms, particularly since March 2020. Our new website has also seen web traffic grow considerably in this period (see p. 100 for the full story).

For the year under review, there were:


32 481
Facebook followers

vs. 29 387 in the
previous year.


an increase of
10.5%



7 077
Twitter followers

vs. 6 868 in the
previous year.


an increase of
3.0%


2 277
Instagram followers

vs. 1 706 in the
previous year.


an increase of
33.5%


12 985
LinkedIn followers

vs. 9 376 in the
previous year.

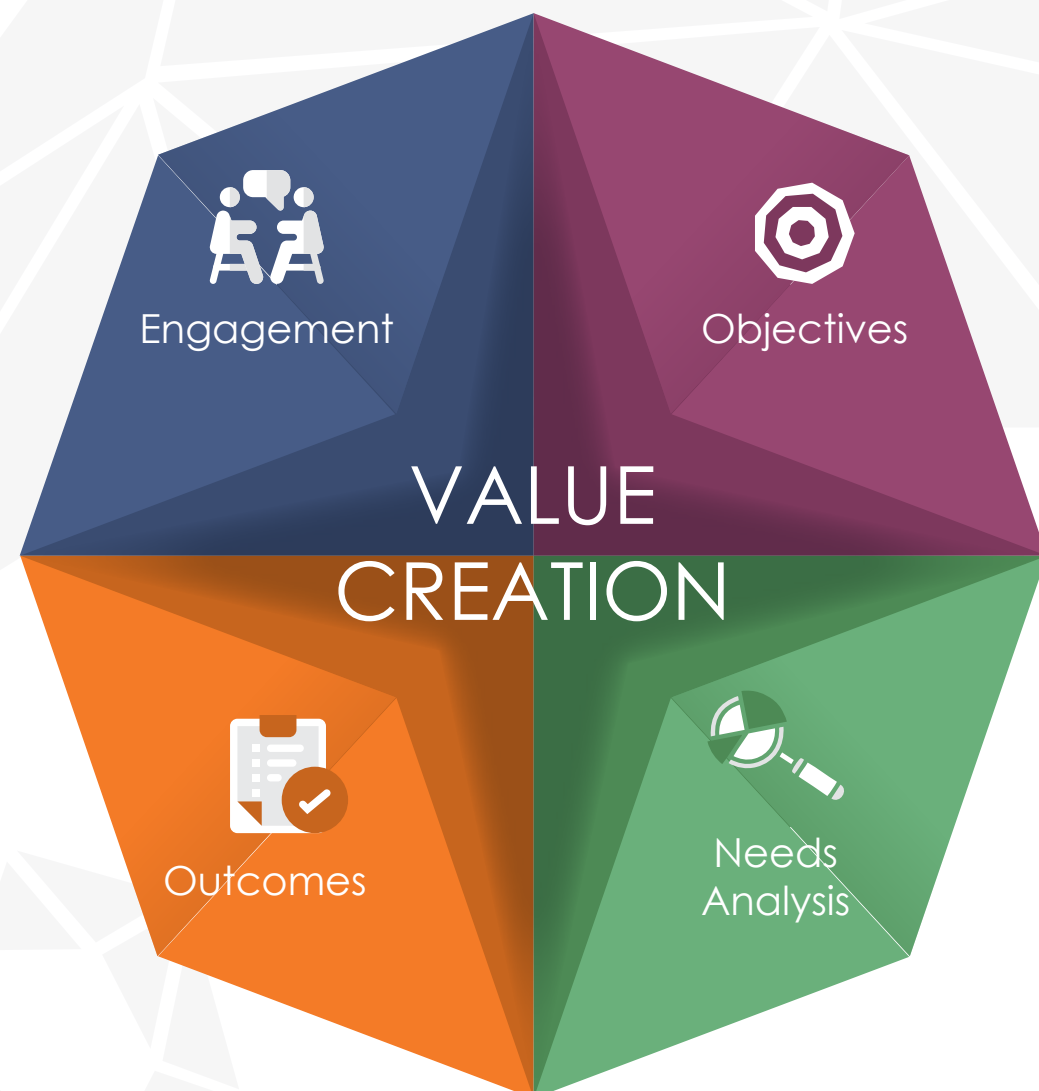

an increase of
38.5%

HOW WE ADD VALUE TO OUR STAKEHOLDERS

A selection of stakeholder events follows, illustrating the range of stakeholders we engage with and what value is created through those engagements. We conducted 226 stakeholder engagements during the year in review, ranging from business and tourism association events to client presentations and Shareholder meetings.

This year, we introduced a new format that highlights the CTICC and stakeholder objectives, responses and outcomes for each event.

The overall intention of our stakeholder engagement programme is to add value, to both our business and to that of our partner stakeholders – whether they are convention bureaux, tourism partners, industry associations, professional conference and event organisers, media, service providers, Shareholders or, most importantly, our valued clients.





Presenting the CTICC as a venue
for the 2021 ISAKOS congress

CTICC hosted ISAKOS to finalise congress event requirements 23 January 2020



Stakeholder:

Institute for Arthroscopy, Knee Surgery and Orthopaedic Sports Medicine (ISAKOS)



Needs analysis:

ISAKOS required a venue for their 2021 congress.



Engagement:

The CEO, GM: Commercial and Business Development, Head of Sales and Sales Executive: International hosted the ISAKOS team, the local association and The Conference Company team, for a dinner in CTICC 2. The group enjoyed sundowners on the Mountain View Terrace before they were seated for a three-course dinner.



Objectives:

To strengthen relationships and showcase the CTICC offering.



Outcomes:

Contracted booking for 13th Biennial ISAKOS Congress in November 2021: expected attendance of 4 500 delegates.

Regular Cape Town & Western Cape Convention Bureau lead generation meetings

6 February 2020



Stakeholder:

Cape Town & Western Cape Convention Bureau



Needs analysis:

Research required to generate an action plan to assist in creating future business opportunities.



Engagement:

The GM: Commercial, Head of Sales and the International Sales team met with the Cape Town & Western Cape Convention Bureau team to generate international leads through collaborative research.



Objectives:

To discuss an action plan for lead generation.



Outcomes:

An action plan was created for research to be conducted. This will assist the City of Cape Town and the CTICC in bids for new and upcoming international events. Previously, meetings to focus on research updates took place monthly or quarterly. However, due to the importance of the research to lead generation, these now take place fortnightly.

Generating business lead opportunities with our convention bureau partner



Meetings Africa Trade Show offered significant new leads
27-28 February 2020



Stakeholder:
Meetings Africa



Needs analysis:
Lead generation and new business development.



Engagement:
The CEO, GM: Commercial and Business Development, GM: Food and Beverage, the Head of Sales and Business Development: National attended the annual Meetings Africa exhibition in Johannesburg. The event launched with the Bon day conference and ICCA Association meeting programme. The next day kicked off with the trade show, where attendees and exhibitors engaged via a business match-making calendar with scheduled appointments to introduce key clients to industry contacts.



Objectives:
To engage with and secure new clients and industry partners.



Outcomes:
Meetings were conducted, generating new business for the CTICC and strengthening key industry relationships.

Engaging with prospective clients at Meetings Africa



Promoting our new Mountain View Terrace venue

Mountain View Terrace launch expanded existing CTICC audience
6 December 2019



Stakeholder:
Existing and potential clients based in South Africa



Needs analysis:
Development of a new database of clients to host not only business events but also social functions on the Mountain View Terrace.



Engagement:
The Sales and Marketing teams developed a strategy to promote the Mountain View Terrace by encouraging established brands to collaborate with us to showcase the versatility of the rooftop venue. This was done through the Summer Nights promotion, and the resulting launch event allowed guests to physically experience the space. 150 guests attended this one-night event.



Objectives:
To promote the new Mountain View Terrace as more than just a business venue.



Outcomes:
The event was successful and attended by digital influencers, media, prospective new clients and brand specialists drawn from around the City. We have now developed a new database of clients, which includes brand activators and marketing professionals. We have since successfully attracted several new bookings.



Hosting Arena Destination Management in our beautiful city

Arena Destination Management visited Cape Town 17-20 September 2019



Stakeholder:
Arena Destination Management



Needs analysis:
Destination knowledge acquisition for Arena.



Engagement:
Alessandra Delmonte visited Cape Town to familiarise herself with the destination and the CTICC. Day one consisted of site inspections of CTICC 1 and 2, as well as the surrounding hotels. Day two consisted of a half-day peninsula tour and a trip up Table Mountain, with dinner at GOLD Restaurant, hosted by the former CEO, GM: Commercial and Business Development and the Head of Sales.



Objectives:
To strengthen the relationship with the CTICC's US lead generation company.



Outcomes:
Arena experienced a successful orientation of the CTICC and its destination offering. Since the partnership was created in October 2019, Arena leads are received monthly. For the 2019/20 financial year, we have received a total of 34 international leads, 30 of which are currently active and four that are new.

Meeting with Deputy Mayor Ian Neilson and Provincial Finance and Economic Opportunities MEC David Maynier 5 February 2020



Stakeholder:
City of Cape Town and the Western Cape Government



Needs analysis:
Establishment of clear channels of communication between the CEO and Shareholders.



Engagement:
CEO Taubie Motlhabane was introduced to Deputy Mayor of Cape Town Ian Neilson and Western Cape Government Finance and Economic Opportunities MEC David Maynier by Convenco chairperson, Deon Cloete.



Objectives:
To introduce the new CEO to key Shareholders.



Outcomes:
Introducing the CEO to the provincial government and City leadership structures opened channels of communication. This partnership is vital to our ongoing success.

Building vital relationships with the City of Cape Town and the Western Cape Government



IMEX America puts the CTICC on a global platform
10-12 September 2019



Stakeholder:
IMEX America.



Needs analysis:
New business acquisition.

Engagement:

The Head of Sales attended the annual IMEX America trade show in Las Vegas. This show took place over two days and the purpose was to obtain new leads for events from the show.



Objectives:
To generate leads and strengthen client relationships.



Outcomes:
Several meetings were conducted over the duration of the conference, allowing the CTICC to work on long-term international business generation in an important market.

Acquiring new business at IMEX America



**CEO, Taubie Motlhabane welcoming
President Cyril Ramaphosa to the CTICC**



CTICC Social Committee



KEEPING OUR TEAM INSPIRED: STAFF ENGAGEMENT

The CTICC has a comprehensive programme of employee engagement activities that provide us with a platform to connect with our staff on an ongoing basis. These include a number of incentive initiatives, such as Star Performer of the Quarter and the annual CEO and Manager of the Year awards.

This builds confidence and trust between colleagues and assists the business in aligning staff to the CTICC brand and its promise of delivering extraordinary experiences. Sharing company news and celebrating successes or big event wins support staff in their role as frontline brand ambassadors, and ensure that they remain inspired to continue growing in their careers. Long service awards reinforce staff recognition and loyalty, and encourage their professional ambition.

We host regular staff meetings to cover company performance, staff training presentations and staff travel feedback. **In addition, in the past year, we spent time together in the following ways:**

Motivating each other to help the CTICC thrive

Before the lockdown, we hosted a staff social called **Poorman's Friday**, on the Friday before payday. At these events, we gathered to share food, drinks and music. The CTICC sponsors these events.

Sometimes, when a suitable date for Poorman's Friday doesn't work, perhaps because we are too busy with events, we switch it to **Richman's Friday**, the day *after* payday. The same camaraderie, the same intention, supported by the same sponsorship from the CTICC.

We also held regular **Staff Breakfasts**, which are formal, sit-down events where Management presents reports and plans to staff. The focus at these events included the presentation and public recognition of long service awards, star performers of the quarter, as well as, at the end of the financial year, the CEO and Manager of the Year Awards.

Occasionally, these events had a very specific purpose, as was the case with the one in January 2020 this year. As well as providing the platform to present our regular Star Performer of the Quarter and long service awards, it was also the time that we bade a **formal farewell to former CEO, Julie-May Ellingson**, who moved on after five years at the CTICC at the end of January 2020.

We also held our usual **Client Welcome Back** function, which occurs at the start of the New Year, to thank clients for their continued support and business. At this event, Julie-May Ellingson received another send-off.

In July 2019, we celebrated our traditional **Mid-year Bash**, when, after six months of hard work, the organisation takes time out to relax and have some fun. In 2019, a knockout netball tournament was held and various awards were given to individuals and teams. In first place were the Warrior Queens, Man of the Match was Willem Haasbroek, Woman of the Match was Judith James and the Best Dressed Team was the Red Panthers.

And in December, we usually have a **Year End Function** to finish off the year with a social event, where the CTICC invites staff and their partners to join in the celebration. Partners, in particular, are recognised for their support and understanding throughout the year.

THE CLIENTS WE INSPIRE: CUSTOMER FEEDBACK

Customer satisfaction remained excellent at the CTICC in the year under review. We received an overall Customer Satisfaction Index of 85%, which is 5% above our KPI target of 80% and 1% up on our previous year's rating. We use an independent company, N'Lighten, to measure our Customer Satisfaction Index. This is done monthly, via email, telephone or face-to-face. It includes every type of event hosted at the CTICC.

The results of these customer experience surveys are used to continually evolve and improve our training and quality of service to ensure it remains exceptional to our clients, visitors and stakeholders alike.



85%

Overall Customer
Satisfaction Index was 5%
above our KPI target of 80%



THE FUTURE



ADAPTING TO A NEW WORLD

Has conferencing changed forever? It is hard to give a definitive answer; but changed temporarily, it most certainly has.

Although we were closed to events in the last financial quarter, our team, behind the scenes, has been extremely busy. We have been helping combat the public health and socio-economic challenges brought on by Covid-19 (see p. 37), while also adapting our event offering to include digital and hybrid events.

We have made it our priority to maintain relationships with our clients and support our staff at this time, so that we can focus on contracting new events for the future, in partnership with our newly-contracted African lead generation partner and our European and American lead-generating partners. We have also introduced new food and beverage options that suit the times.

Likewise, we have been actively analysing local and global trends so that the CTICC can offer a wider range of best-practice Covid-19-safe

potential eventing options, when the regulations on meetings ease (see p. 197).

The CTICC has always aimed to be at the forefront of technological advancements when delivering events and, in line with this commitment and a strong awareness of the importance of making clients and delegates comfortable, the CTICC is incorporating safety procedures and technology to further enhance our visitor experience.

We are completely prepared for the demands of a digitally-connected world, ensuring that our service excellence delivers seamlessly on these changing requirements. From the simplest to the most complex MICE solution, we are ready to launch our clients into a new eventing world, hitting the ground running.

CREATING OUR OWN EVENTS INTO THE FUTURE

We have mentioned our new focus on creating our own events in the Event chapter (see p. 65), where our successful first Gift Fair was reviewed. The objectives of this new initiative, which is driven by Own Events team, are to build new revenue streams, support Small, Medium and Micro Enterprises (SMMEs) and boost job creation in the region, in line with our core stakeholder mandates. Our 17 years' track record of hosting extraordinary experiences has also helped us identify and plan the sorts of events for which we know there will be a ready audience and demand.

AllSport coaching workshops and the 2021 AllSport Expo

The first of these events were the AllSport digital coaching workshops, which we ran in October 2020 and November 2020. These consisted of four three-hour workshops targeted at school sports coaches to give them insight into the very latest learning and best practice on the topics of sports psychology, sports nutrition and sports injury rehabilitation. The workshops also advised on how to safely build teamwork, performance and resilience in these unusual Covid-19 times.

South Africans love their sport and with severe constraints on spectating many sports still in place around the world, this set of expert-led workshops offered hope for new ways of engaging in the sports South Africans love.

The original AllSport expo that would have accompanied these workshops has not been abandoned. The launch took place just before lockdown, on 3 March 2020, and the official event is planned for September 2021.

It will have the following features:

- Platform for every type of indoor, outdoor and water sport;
- One-stop-shop for sport and wellness, including health, nutrition, injuries, sports equipment and activewear;
- A fun Kids Sports Zone;
- Mini-challenges and competitions, tournaments, sports training sessions, wellness workshops, live demonstrations, performance improvement coaching, sports injury and rehabilitation workshops.

We will, of course, follow all government guidelines on social distancing and capacities for this event.

Reinforcing our business case: Two additional CTICC events

We have two major own events planned for 2021. One will be a conference on procurement, while the other is a beverage industry-focused trade fair.

These events will be a hybrid offering, including demonstrations of new technologies or digital new business meeting options.

OWN

Two major own-originated events are planned for 2021

Own Event Business Development Manager, Adele Eloff, speaking at the AllSport Expo launch



Curved LED wall in the CTICC studio



CTICC hybrid event



Transforming conferencing: Digital and hybrid events

The CTICC has responded to the constraints on public meetings, which remain at 250 people indoors and 500 people outdoors, with all social distancing, mask-wearing and sanitisation protocols observed. We can safely provide for these meetings, but we required a solution that allows clients to address and include much larger numbers, as our previous large-scale pre-Covid meetings, conferences and exhibitions did.

The CTICC has been working with suppliers to create both digital and hybrid events.

- **The CTICC studio** is at the core of this offering and allows the very latest technology to be harnessed to create these events. The studio can offer different sets, and the infrastructure and technology that has been installed are state-of-the-art.
- **Digital events** are similar to Teams or Zoom-style meetings, but on a far larger scale, with each participant connecting remotely to a “hosted” meeting with a set agenda and calendar.
- **Hybrid events** are small face-to-face, socially distanced meetings with streamed digital extensions to bring in many thousands of additional delegates or guests to both conference and exhibition-style events.
- **A bespoke digital platform** can be purchased by clients to host their digital event. It can accommodate from ten to thousands of virtual guests. It will give them access to a range of additional elements they would normally have at a physical event – breakout rooms, lounges and the ability to attend or watch different sessions – all digitally. This platform can also accommodate exhibitions through 3D digital tour-type experiences.
- **A range of other digital experiences** is available. One might give you a 3D gaming effect, where you can “walk” around in a space. Others might allow you to see a list of exhibitors and meet them on video or make a face-to-face appointment. It is also possible to provide virtual tours of exhibition stands.

These options are all dependent on what the client wants to achieve and is personalised to their particular needs and budgets. We are ready to launch our clients into the digital eventing world.

Manufacturing Indaba



EXPANDING OUR AFRICAN FOOTPRINT

One of the main strands of our forward strategy is a strong focus on our own continent as a source of business.

The CTICC has a strong national sales force in place and they plan to target clients by promoting the concept of smaller regional conferences of between 500 and 1 000 delegates. The main objective for the immediate future is to maintain and support client relationships.

We are also working hard on an Africa-focused strategy. We already host a number of Africa-themed events. **These include:**



Building on this potential, we have secured several Africa-focused corporate events for the coming year.

We are very fortunate to have already landed a number of additional African events this year. **They include:**



- Africa Energy Indaba signed a three-year agreement for an annual conference event;
- Manufacturing Indaba is a regionally-focused event, which has just moved to the CTICC and will continue to be hosted here in the future;
- Africa Halal Week recently moved to the CTICC.

These three events have all taken place for the first time at the CTICC in the year under review.

A further major win for us has been MTN's #WAS13 - Global Connect trade expo, which will take over both CTICC 1 and CTICC 2. This major corporate business event has been postponed until 2021.



In conjunction with our Cape Town & Western Cape Convention Bureau and our African Association Management Company partners, we intend for this segment of our business to grow.

INSPIRING FUTURE HIGHLIGHTS: UPCOMING EVENTS

A number of large conferences feature in our forward book including several medical conferences:

- 14th International Congress of Human Genetics – ±7 000 delegates in 2022;
- 18th International Congress of Immunology (IUIS 2022) – ±6 000 delegates in 2022;
- International Federation of Gynaecology and Obstetrics (FIGO) World Congress – ±4 000 delegates in 2024.

In other fields, we will welcome:

- 36th International Conference on Lightning Protection – ± 350 experts in 2022;
- The International Bar Association (IBA) – ±4 500 legal delegates in 2023.

These and a range of events focused on the energy, finance, health, mining and science sectors make up a healthy international event forward book and a healthy future for the CTICC.

Africa Oil & Power

OUR FORWARD BOOK: HOW WE WILL THRIVE

The events described on the previous page and listed below will bring visitors back to our centre, perhaps in the short-term, under different socially distanced circumstances; but return, we are convinced they will. And in doing so, they will continue to contribute to our economy, and, in particular, our tourism economy.

SEP 2021

World Congress of Sexology 2021 1 000

OCT 2021

Global Self-Care Federation World Congress 2021 400
Africa Oil & Power 2021 300
6th Global Alcohol Policy Conference 300
The International Association of Forensic Toxicologists (TIAFT) 600

NOV 2021

Africa Oil Week 2021 1 000
AfricaCom 2021 800
GTR | Exporta 300
Bonds & Loans Africa 2021 280

DEC 2021

Congress Meeting of the International Society of Arthroscopy, Knee Surgery and Orthopaedic Sports Medicine (ISAKOS) 4 500

JAN 2022

Oriflame Global Diamond Conference 1 200

FEB 2022

Human Heredity and Health in Africa 150
International Congress of Human Genetics 2022 7 000
World Association of Waterborne Infrastructure - PIANC World Congress 600

MAR 2022

12th International Symposium on Targeted-Alpha-Therapy 400
Bonds & Loans Africa 2022 280
World Association of Waterborne Infrastructure - PIANC World Congress 600

MAY 2022

ISF World Seed Congress 2022 1 000
International Federation of Surveyors - FIG 1 200
7th World Conference on Research Integrity 800

JUN 2022

30th Annual International INCOSE Symposium 700

JUL 2022

World Federation of Paediatric Intensive and Critical Care Societies - WFPICCS 2022 1 500
International Conference on Mercury as a Global Pollutant (ICMGP) 1 000
GBATA 23rd Annual International Conference 400

AUG 2022

17th International Heat Transfer Conference 1 400
18th International Congress of Immunology - IUIS 2022 6 000
18th International Symposium on Microbial Ecology 1 800

SEP 2022

28th International Nuclear Physics Conference

700

OCT 2022

36th International Conference on Lightning Protection

350

NOV 2022

The 30th Commonwealth Agriculture Conference

400

World Engineering Education Forum (WEEF), Global Engineering Deans Council Conference (GEDC) & Global Student Forum (GSF) - 2022

1 000

MAR 2023

The International Symposium on Pneumococci and Pneumococcal Diseases (ISPPD)

1 100

JUL 2023

World Congress of the International Health Economics Association

800

AUG 2023

International Cartographic Conference ICC

1 200

International Symposium on Rehabilitation and Physical Therapy in Veterinary Medicine 2023

500

SEP 2023

World Congress of the World Federation of Neurosurgical Societies (WFNS) 2023

3 000

FIP World Congress of Pharmacy and Pharmaceutical Sciences

2 500

OCT 2023

Conference of International Bar Association (IBA 2023)

4 500

International Conference on Accelerator and Large Experimental Physics Control Systems (ICALEPCS) 2023

500

NOV 2023

Regional Congress of the International Society of Blood Transfusion

1 000

76th Congress of the International Fiscal Association

2 000

MAY 2024

World Congress of the International Hepato Pancreato Biliary Association 2024

2 400

AUG 2024

32nd General Assembly of the International Astronomical Union 2024

2 500

SEP 2024

International commission on Yeasts ICY of the International Union of Microbiological Societies

300

OCT 2024

2024 International Obstetrics and Gynaecology Congress

4 000

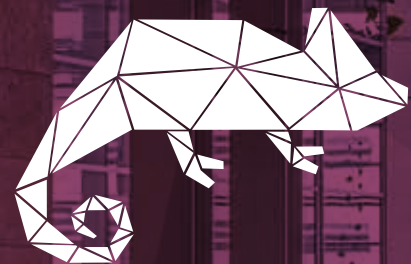
OCT 2025

International Association of Paediatric Dentistry (IAPD)

1 000

Africa Halal Week





ANNUAL FINANCIAL STATEMENTS



EXCO, MANCO and
Leadership team



CTICC 2 exterior

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DIRECTORS' RESPONSIBILITY STATEMENT

for the year ended 30 June 2020

The Directors are required by the Municipal Finance Management Act (Act 56 of 2003) to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the Directors to ensure that the annual financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the annual financial statements and were given unrestricted access to all financial records and related data.

The annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP), including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The annual financial statements are based upon appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates.

The Directors acknowledge that they are ultimately responsible for the system of internal financial control, established by the entity, and place considerable importance on maintaining a strong control environment. To enable the Directors to meet these responsibilities, the Board sets standards for internal control aimed at reducing the risk of error or deficit in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The Directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

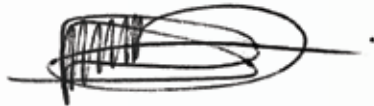
The Board of Directors have reviewed the company's cash flow forecast for the year to 31 August 2021 and, in the light of this review and the current financial position, we are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently reviewing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on page 224.

The annual financial statements set out on pages 229 to 275, which have been prepared on the going concern basis, were approved by the Board on 27 August 2020 and are signed on its behalf by:



Director
Chairperson of the Board



Director
Chief Executive Officer

REPORT OF THE DIRECTORS

for the year ended 30 June 2020

The Directors submit their report for the year ended 30 June 2020.

1. Main business and operations

The company's performance for the first eight months of the financial year was above expectation and it was able to report good results in revenue and earnings before interest, taxation, depreciation and amortisation (EBITDA) growth. This was made possible through an increase in events, specifically international events, where the annual target of 34 was achieved in March of this year. This drove the revenue growth of 10% over last year. The EBITDA grew by 39%, as a result of the revenue growth but also due to good cost containment.

Management has instituted various cost initiatives to reduce the costs within the business, as well as the capital expenditure requirements, to ensure that the available resources are utilised as efficiently as possible. The company has also frozen all vacancies not considered critical, closed off portions of the buildings not in use and has continued with its maintenance programme to preserve the 5-star conference grading.

The amounts outstanding at the end of the previous year from the principal building contractor (R34.6 million) has been repaid in full at the reporting date. The amount owing by the City of Cape Town (R6.4 million) was agreed by both parties, with the final payment due on the project at an agreed R8.7 million, which was settled in July 2020.

The company's performance was significantly impacted during March 2020 when the government introduced the State of Disaster and the lockdown to combat the effects of the Covid-19 pandemic on the population. The lockdown significantly impacted the company's trading operations for the remainder period of the financial year. The promulgation of the State of Disaster in March 2020 resulted in all events where more than 100 people were in attendance had to be cancelled or postponed. This affected the majority of the company's events, resulting in 76 events being cancelled or postponed, which resulted in a decline of R91.4 million in revenue for the period.

The company had concluded an agreement with the Western Cape Provincial Government (WCPG) to utilise the facilities during the pandemic as a temporary intermediate care hospital and for the storage of medical supplies. This provided some much needed relief as the company was able to recover some of its fixed operating costs for the period of the rental. As at the reporting date, the temporary hospital was still in operation and would continue until 17 September 2020. The rental agreement for the storage of medical supplies ended on 12 July 2020. The WCPG paid the company the full contract value on signature of the contract, which resulted in the increase in the client deposits balance at year-end.

Even though the lockdown stages have been adjusted to allow for the increase in economic activity, it has not benefited the company, as the majority of the events that utilise the venues would have more than 50 people in attendance, which is the limit imposed by the regulations. The more profitable international events would also not be able to utilise the venues as the international borders are still closed.

The consequence of the above results in a decrease in the future cash flow projections, which is 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 currently financial year is R82.0 million and is reported in the Statement of Financial Performance.

2. Going concern and events after reporting date

Due to the regulations relating to the combating of the Covid-19 pandemic, the company is unable to conduct its normal business operations and, as a result, contacted its clients who had events booked during the period of lockdown and up to 31 December 2020 to negotiate the postponement of the events rather than the cancellation. The process proved very successful as many large events were postponed to the 2021 calendar year, with the dates to be confirmed as soon as these events are allowed to take place.

The agreement reached with WCPG has allowed the company to recover a portion of its costs and thereby preserve its cash flow as much as possible. It is unlikely that the company would be able to operate at the level seen pre-lockdown before the third quarter of the next financial year. Management has prepared forecasts and projections, taking into account the likely scenarios and accounting for the possible changes in the trading performance. The projections were reviewed by the Board at its August 2020 meeting, where it has been agreed that management will continue to review the costs to achieve further savings due to the venue being vacant. The outcome of the analysis reflects that the company has sufficient cash reserves to sustain itself for at least the next financial year, without the requirement to obtain either loan funding or a cash injection from its shareholders. At the January 2021 council meeting, the City of Cape Town, as the majority shareholder, has approved an additional investment through the purchase of a new class of shares in the company, to a maximum amount of R200 million.

After the reporting date, the government moved the country to Lockdown Level 2, which allows for the return of most business activities including business and leisure travel, but significantly still restricts the attendance numbers for conferences and events to no more than 50 people. Therefore, this still restricts the company's operation as there are currently only two events booked for less than 50 people.

REPORT OF THE DIRECTORS
for the year ended 30 June 2020 (continued)

2. Going concern and events after reporting date (continued)

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

- The impact on revenue of the inability to host events above 50 people;
- The company will be able to return to reduced operations towards the end of the 2021 financial year;
- Reductions in all costs where possible, e.g. critical maintenance only to be conducted, freeze on non-critical vacancies, locking down areas of the building not in use, etc.;
- Deciding on which costs are not to be reduced during this period, e.g. advertising and marketing to ensure that the company remains top of mind;
- Forecast capital expenditure for 2021 reduced and only critical items are approved;
- No reductions in the fixed costs possible;
- Additional costs related to staff working remotely and requiring equipment and support.

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.

3. Incorporation

The company was incorporated on 19 April 1999 and obtained its certificate to commence business on the same day.

4. Shareholding

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

5. Contribution from owners

There were no changes in the authorised or issued share capital of the company during the year under review.

6. 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.

7. Dividends

No dividends were declared or recommended during the year.

8. Board

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

Name	Nationality	Changes
A Cilliers	SA	
CK Zama	SA	
DA Cloete	SA	
G Harris	SA	Resigned 27 January 2020
JC Fraser	SA	
JM Ellingson	SA	Resigned 31 January 2020
MB Mdebuka	SA	Appointed 9 July 2019
N Pangarker	SA	
S Myburgh-De Gois	SA	
SW Fourie	SA	
TM Motlhabane	SA	Appointed 1 February 2020
W De Wet	SA	
W Parker	SA	Resigned 31 January 2020

9. Auditors

Auditor-General of South Africa is appointed as auditor in terms of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003).

COMPANY SECRETARY’S CERTIFICATE
for the year ended 30 June 2020

In terms of section 88(2)(e) of the Companies Act No. 71 of 2008, as amended, we, Kilgetty Statutory Services 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 2020, 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
29 January 2021

RISK MANAGEMENT REPORT
for the year ended 30 June 2020

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”) and Risk Management Policy. The Board, Audit and Risk Committee and the Chief Executive Officer are responsible for ensuring that the institutional environment supports the effective function of risk management. Risks with unacceptable exposure have to be addressed in an appropriate manner by 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. CTICC’s policy is that it constantly identifies, manages, monitors and reports on risk in the organisation and that it holds management accountable for the effective management of risk.

The Board and management are thus fully committed to and accountable for effective risk management in ensuring that the strategic objectives of the CTICC are met. Risk management forms part of managements’ core responsibilities and is an integral part of the internal processes of CTICC. It is a systematic process to identify, evaluate and address risks on a continuous basis in order to prevent such risks impacting negatively on the CTICC’s business objectives and service delivery capacity. In this regard, 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 Chief Executive Officer is the ultimate 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 formally 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. Risk owners (generally senior management) are assigned the individual risks as per the risk register. Each risk owner is responsible for the management of actions in place to manage the risk and the relevant target dates. 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 Chief Executive Officer on the status of actions taken and any changes within the risk environment.

5. The Chief Executive Officer prepares the quarterly risk management report for the Audit and Risk Committee.
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 Chief Executive Officer and the relevant oversight bodies.
8. Internal Audit provides an independent and objective assurance on the effectiveness of CTICC’s system of risk management. Internal Audit 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
29 January 2021

REPORT OF THE AUDIT AND RISK COMMITTEE
for the year ended 30 June 2020

The Audit and Risk committee (“the committee”) submits its report in respect of the financial year ended 30 June 2020.

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	4/5
Ms Annelise Cilliers	CA (SA)	Independent Non-Executive Director	31 January 2019	5/5
Mrs Lindiwe Ndaba	B Compt Certified Internal Auditor Certified Ethics Officer	External	24 August 2017	4/5
Dr Divya Singh	LLD (Doctor of Laws)	External independent	24 August 2017	3/5
Ms Kholeka Zama	CA (SA)	Non-Executive Director	26 June 2018	5/5

Composition of the committee

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

The committee was chaired by Ms 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 present.

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

management and evaluation; effective governance; compliance with the MFMA and other applicable legislation and any other matters referred to it by the Board; and

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

Discharge of responsibilities

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

Internal controls

The committee has, during the year under review:

- Exercised oversight of a process, facilitated by the internal auditors, in terms of which management has assessed the effectiveness of the company’s system of internal control and risk management, including internal financial controls;
- Reviewed the effectiveness of the company’s system of internal financial controls, including receiving assurance from management, internal audit and external audit;
- Reviewed and made recommendations to relevant company policies;
- Satisfied itself that the Chief Financial Officer has the appropriate expertise and experience to act in this capacity;
- The committee has reviewed the quarterly financial and performance reporting, together with findings from the Auditor-General and Internal Audit. These findings have been discussed with management;
- Evaluated the appropriateness of accounting policies and procedures, compliance with Standards of Generally Recognised Accounting Practice (“GRAP”) and overall accounting standards;
- Discussed and resolved any significant or unusual accounting issues;
- Reviewed relevant company procedures for the prevention and detection of fraud;
- Reviewed 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 2020 (continued)

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

Risk management

The committee has, during the year under review:

- Exercised oversight in respect of the enterprise risk management function, which remains management’s responsibility;
- Monitored 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 believes that the combined assurance model is adequate for the entity.

Internal audit

The committee has, during the year under review:

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

The following assurance engagements were completed in the 2019/2020 internal audit plan:

- o HR and payroll review;
- o Enterprise Risk Management Framework development;
- o Combined Assurance Framework development;
- o IT Governance Framework development;
- o Board effectiveness review;
- o Treasury management review.

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 are 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 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.

Internal External audit

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

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

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

The committee concur with the Auditor-General’s opinion on the annual financial statements.

Annual financial statements

The committee reviewed the appropriateness of 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
5 February 2021

REPORT OF THE HUMAN RESOURCES AND REMUNERATION COMMITTEE

for the year ended 30 June 2020

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 2020.

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 is 50% of the members present. The committee was chaired by Mr G Harris until 31 January 2020 when Mr JC Fraser took over as its Chairperson.

Attendance at meetings

The committee met four times during the period under review. Details of the Directors’ attendance at meetings appear on page 170 of this report.

Key responsibilities of the committee

The committee:

- Assists the Board in ensuring that the company remunerates its Non-executive Directors and Executive Directors 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 Audit and Risk Committee members’ remuneration policy;
- Reviewed the remuneration strategy, which included the benchmarking of all remuneration levels in the company;
- Exercised oversight over salary increases;
- Reviewed various company policies;
- Carried out the recruitment and appointment of a new Chief Executive Officer;
- Set, in conjunction with the Chief Executive Officer, her key performance indicators (KPIs) and carried out the necessary review of performance against the set KPIs;
- Had oversight of the company’s employment equity reporting;
- Exercised oversight of matters related to human resource management and succession planning; and
- Performed such additional oversight functions as may be determined by the Board from time to time.

Remuneration strategy and policy

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

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

Despite it being yet another turbulent year for the South African economy, which was further exacerbated by the Covid-19 outbreak resulting in a global pandemic and lockdown of the economy in the second half of the year, the CTICC remained committed to retaining its employees with minimal impact on their livelihoods. The CTICC had performed strongly in the first half of the year and continued to deliver against its strategic short-, medium- and long-term targets.

The committee is satisfied that the company’s remuneration strategy and policy have achieved its desired objectives during the period under review.

Directors' and Audit and Risk Committee members' remuneration

The company’s strategy for the remuneration of Non-executive Directors and 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 Audit and Risk Committee members, recognising the responsibilities borne by our Directors, and ensuring that they are remunerated fairly and responsibly within the constraints of the Municipal Finance Management Act, No. 56 of 2003, and the company’s Memorandum of Incorporation.

During the period under review, the Board reviewed the company’s Non-Executive Directors and 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 25 February 2021) for consideration and approval by the shareholders.

Please refer to page 268 for details of the Directors’ remuneration for the period under review.



JC Fraser
Human Resources and Remuneration Committee Chairperson
29 January 2021

REPORT OF THE NOMINATIONS COMMITTEE

for the year ended 30 June 2020

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 2020.

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 present. 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 170 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;
- Reviews the Board Charter annually;
- Reviews the role of the Chairperson of the Board annually;
- Assists the Board in determining the retirement and succession of Directors;

- Reviews the performance of the Company Secretary and makes recommendations to the Board in this regard; and
- Performs such additional oversight functions as may be determined by the Board from time to time.

Discharge of responsibilities

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

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



DA Cloete
Nominations Committee Chairperson
29 January 2021

REPORT OF THE SOCIAL AND ETHICS COMMITTEE

for the year ended 30 June 2020

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 2020 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 present. The committee is chaired by Ms S Myburgh-De Gois.

Attendance at meetings

The committee met three times during the period under review. Details of the Directors’ attendance at meetings appear on page 170 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.

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

In terms of broader organisational ethics, the committee continues to review and monitor the company’s ethics-related policies to enable the fostering of a good ethical culture in the company, which included the proactive monitoring of the anonymous tip-off line. The company is committed to ensuring best practice in this regard and has commenced with a review of its ethical framework and policies in place.

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

During the year under review, and with the assistance of the Audit and Risk Committee, emphasis was placed on the effectiveness of the company’s systems for monitoring compliance with all applicable laws and regulations. The company has commenced with the development of

REPORT OF THE SOCIAL AND ETHICS COMMITTEE
for the year ended 30 June 2020 (continued)

a thorough compliance and legal framework in this regard. Furthermore, the company also reports to the United Nations Global Compact (UNGC) in respect of its labour, human rights, and environmental policies.

The committee continued to monitor environmental, and health and safety aspects in accordance with the short-, medium- and long-term strategy of the company. Due to the Covid-19 outbreak resulting in a global pandemic in the second half of the financial year, key emphasis was placed on the implementation of and monitoring of 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 communities through its CSR programme. Various initiatives were implemented to assist our Local Community Partners (LCPs) in dealing with the impact of Covid-19 by providing sanitising supplies and masks and the venue sponsorship for the Ladles of Love’s soup, stew, sandwich and food distribution project at CTICC 2.



S Myburgh-De Gois
Social and Ethics Committee Chairperson
29 January 2021

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

Report on the audit of the financial statements

Opinion

- 1. I have audited the financial statements of the Cape Town International Convention Centre Company SOC Limited (RF) set out on pages 229 to 275, which comprise the statement of financial position as at 30 June 2020, 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 the notes to the financial statements, including a summary of significant accounting policies.
- 2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Cape Town International Convention Centre Company SOC Limited (RF) as at 30 June 2020, and its financial performance and cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of 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 this auditor’s report.
- 4. I am independent of the 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 matter below. My opinion is not modified in respect of this matter.

Subsequent event

- 7. South Africa is facing a second wave of the Covid-19 pandemic and restrictions have been imposed on the events. As disclosed in note 30 to the financial statements, under the current restrictions the entity will not be able to host events. At the January 2021 Council meeting, the City of Cape Town, as the majority shareholder, approved an additional investment through the purchase of a new class of shares in the company, to a maximum amount of R200 million.

Material Impairment – Assets

- 8. As disclosed in the note 3 to the financial statements, the entity has recognised an impairment loss of R100 458 094 (2019: R2 548 136) as a result of the impact of the Covid-19 regulations on the future cash flows of the entity.

Responsibilities of the accounting officer for the financial statements

- 9. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the SA Standards of GRAP and the requirements of the MFMA and the 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.
- 10. In preparing the financial statements the accounting officer is responsible for assessing the 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 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

11. 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.
12. 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

13. 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.
14. My procedures address the usefulness and reliability of the reported performance information, which must be based on the 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 entity enabled service delivery. My procedures also do not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
15. 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 entity’s annual performance report for the year ended 30 June 2020.

Key performance indicators	Pages in annual performance report
International events	Page 91
Local events	Page 91
Capital projects	Page 92
Quality offering	Page 92
Graduate programme	Page 92
Student programme	Page 92

16. 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.
17. I did not identify any material findings on the usefulness and reliability of the reported performance information for these key performance indicators:

- International events
- Local events
- Capital projects
- Quality offering
- Graduate programme
- Student programme

Other matter

18. I draw attention to the matter below.

Achievement of planned targets

19. Refer to the annual performance report on pages 91 to 92 for information on the achievement of planned targets for the year.

Report on the audit of compliance with legislation

Introduction and scope

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

Other information

22. 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 indicators presented in the annual performance report that have been specifically reported in this auditor’s report.
23. 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.
24. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected key performance indicators presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
25. I have nothing to report in this regard.

Internal control deficiencies

26. 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
11 February 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 indicators 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 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 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 an 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 confirm to the accounting officer that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and, where applicable, the actions taken to eliminate threats or the safeguards applied.

STATEMENT OF FINANCIAL POSITION

as at 30 June 2020

	NOTES	2020 R	2019 R
ASSETS			
Non-Current assets		819 728 632	880 698 667
Property, plant and equipment	3	477 012 493	573 462 469
Intangible assets	4	5 671 968	8 014 948
Investments in subsidiary	5	100	100
Deferred tax	7	164 117 023	124 170 126
Service-in-kind benefit	6	172 927 048	175 051 024
Current assets		206 214 841	252 294 713
Inventories	9	2 967 950	2 065 465
Receivables from exchange transactions	10	19 351 438	56 463 070
Receivables from non-exchange transactions	11	10 059 462	6 396 498
Current portion of service-in-kind benefit	6	2 123 976	2 123 976
Current tax receivable	24	663 252	3 002 224
Cash and cash equivalents	12	171 048 763	182 243 480
Total assets		1 025 943 473	1 132 993 380
NET ASSETS AND LIABILITIES			
Net financial position		922 228 719	1 034 686 396
Contribution from owners	13	1 277 427 701	1 277 427 701
Accumulated deficit		(355 198 982)	(242 741 305)
Non-current liability			
Operating lease liability	8	136 018	335 155
Current liabilities		103 578 736	97 971 829
Payables from exchange transactions	15	48 330 021	51 009 307
Client deposits	16	50 972 654	41 385 627
Provisions	14	4 276 061	5 576 895
Total net assets and liabilities		1 025 943 473	1 132 993 380

STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 30 June 2020

	NOTES	2020 R	2019 R
REVENUE			
Revenue from exchange transactions		205 302 685	277 425 474
Sales	17	168 989 171	226 067 021
Service fee	17	16 602 492	29 657 507
Parking	17	14 017 427	15 709 792
Other revenue	18	5 693 595	5 991 154
Revenue from non-exchange transactions		15 354 819	14 519 489
Finance income	17	15 296 116	14 482 276
Gain on foreign exchange		58 703	37 213
Total revenue	17	220 657 504	291 944 963
EXPENDITURE			
Total expenditure		(373 062 080)	(274 067 065)
Cost of sales		(23 118 192)	(31 568 292)
Employee-related costs	19	(76 896 567)	(65 509 325)
Depreciation and amortisation	3 & 4	(54 692 844)	(51 574 465)
Impairment of property, plant and equipment	3	(100 458 094)	(2 548 136)
Provision for doubtful debts	10	221 776	(413 864)
Loss on disposal of property, plant and equipment		(49 725)	(692 471)
Operating expenses		(118 068 434)	(121 760 512)
(Deficit) / surplus before taxation		(152 404 576)	17 877 898
Taxation	20	39 946 897	(5 393 865)
(Deficit) / surplus for the year		(112 457 679)	12 484 033

STATEMENT OF CHANGES IN NET ASSETS

for the year ended 30 June 2020

	CONTRIBUTIONS FROM OWNERS	ACCUMULATED DEFICIT	TOTAL NET ASSETS
	R	R	R
Balance at 01 July 2018	1 277 427 701	(255 225 338)	1 022 202 363
Changes in net assets			
Surplus for the year	–	12 484 033	12 484 033
Total changes	–	12 484 033	12 484 033
Balance at 01 July 2019	1 277 427 701	(242 741 303)	1 034 686 398
Changes in net assets			
Surplus for the year	–	(112 457 679)	(112 457 679)
Total changes	–	(112 457 679)	(112 457 679)
Balance at 30 June 2020	1 277 427 701	(355 198 982)	922 228 719

CASH FLOW STATEMENT

for the year ended 30 June 2020

	NOTES	2020 R	2019 R
Cash flow from operating activities	22	45 212 988	20 003 869
Cash receipts from customers		244 400 803	247 577 036
Cash paid to suppliers and employees		(216 857 093)	(237 423 497)
Suppliers		(140 099 687)	(175 574 688)
Employee costs		(76 757 406)	(61 848 810)
Cash generated from operations		27 543 710	10 153 539
Finance income received	23	15 330 306	14 846 029
Taxation paid	24	2 338 972	(4 995 699)
Cash flow from investing activities		(56 407 705)	(61 517 259)
Acquisition of property, plant and equipment	3	(54 722 621)	(63 399 220)
Acquisition of intangible assets	4	(1 799 090)	(2 687 955)
Proceeds on sale of property, plant and equipment	4	114 006	–
Claims received on construction contracts		–	4 569 916
Cash flow from financing activities		–	–
Decrease in cash and cash equivalents		(11 194 717)	(41 513 390)
Cash and cash equivalents at beginning of the year		182 243 480	223 756 870
Cash and cash equivalents at the end of the year	12	171 048 763	182 243 480

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

for the year ended 30 June 2020

	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	31	233 247 986	(67 188 633)	166 059 353	168 989 171	2 929 818
Service fee		25 241 369	(9 415 677)	15 825 692	16 602 492	776 800
Parking		16 729 541	(3 011 422)	13 718 119	14 017 427	299 308
Rental income		–	–	–	–	–
Other income		20 878	2 934 084	2 954 962	3 034 371	79 409
Rental income		3 460 382	(754 582)	2 705 800	2 659 224	(46 576)
Finance income	31	6 900 000	6 960 589	13 860 589	15 296 116	1 435 527
Total revenue		285 600 156	(70 475 641)	215 124 515	220 598 801	5 474 286
Expenditure						
Cost of sales		(35 122 247)	12 569 763	(22 552 484)	(23 118 192)	(565 708)
Personnel costs		(90 404 954)	12 775 698	(77 629 256)	(76 896 567)	732 689
Depreciation and amortisation	31	(50 163 514)	(7 782 612)	(57 946 126)	(54 692 844)	3 253 282
Impairment loss	31	–	(130 975 515)	(130 975 515)	(100 458 094)	30 517 421
Provision for doubtful debts		(300 000)	375 005	75 005	221 776	146 771
Loss on disposal of property, plant and equipment		–	–	–	–	–
Operating expenses		(10 594 005)	(426 693)	(11 020 698)	(10 624 677)	396 021
Utilities		(34 629 409)	2 794 762	(31 834 647)	(31 718 515)	116 132
Building costs		(33 079 856)	6 125 848	(26 954 008)	(26 923 708)	30 300
Repairs and maintenance	31	(17 645 256)	352 290	(17 292 966)	(14 598 933)	2 694 033
Direct personnel	31	(15 746 370)	4 057 780	(11 688 590)	(10 567 023)	1 121 567
Marketing and corporate communications		(12 463 218)	851 482	(11 611 736)	(10 880 882)	730 854
Advisors		(5 732 848)	1 275 680	(4 457 168)	(4 373 965)	83 203
Computer expenses	31	(5 938 084)	672 803	(5 265 281)	(3 990 948)	1 274 333
General operating expenses		(1 891 216)	634 786	(1 256 430)	(1 064 486)	191 944
Travel and entertainment		(2 015 170)	320 762	(1 694 408)	(1 693 868)	540
Catering materials		(2 992 436)	1 273 514	(1 718 922)	(1 631 429)	87 493
Total expenditure		(318 718 583)	(95 104 647)	(413 823 230)	(373 012 355)	40 810 875
Loss on disposal of property, plant and equipment		–	(14 753)	(14 753)	(49 725)	(34 972)
Gain on foreign exchange		–	84 123	84 123	58 703	(25 420)
		–	69 370	69 370	8 978	(60 392)
Deficit before taxation		(33 118 427)	(165 510 918)	(198 629 345)	(152 404 576)	46 224 769
Taxation		–	56 895 951	56 895 951	39 946 897	(16 949 054)
Deficit for the year from continuing operations		(33 118 427)	(108 614 967)	(141 733 394)	(112 457 679)	29 275 715

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

for the year ended 30 June 2020 (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 2020						
Building enhancements		22 450 000	16 620 000	39 070 000	38 255 591	(814 409)
IT and electronic infrastructure	32	17 051 055	(1 432 500)	15 618 555	13 313 896	(2 304 659)
Kitchen enhancements		1 348 100	300 000	1 648 100	1 618 779	(29 321)
Catering, furniture and equipment		1 630 000	1 800 000	3 430 000	3 219 438	(210 562)
Total capital expenditure		42 479 155	17 287 500	59 766 655	56 407 704	(3 358 951)

ACCOUNTING POLICIES
for the year ended 30 June 2020

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. The amendments to GRAP 21 and GRAP 26 relating to the designation of an asset as cash-generating or non-cash-generating had no impact on the initial classification of the cash-generating unit.

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 note 14 & 26. Management’s judgement is also required in the assessment for the provision of doubtful debts as set out in note 10.

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

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

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 equipment	8.33 – 33.33
Furniture and fittings	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 flooring	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
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 upon disposal or when no future economic benefits or service potential are expected from its use.

ACCOUNTING POLICIES
for the year ended 30 June 2020 (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 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 for 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 itsestimated useful life as follows:

Item	Depreciation method	%
Acquired software 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 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 is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm’s length transaction between knowledgeable, willing parties, less 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.

The company assesses at each reporting date whether there is any indication that a cash-generating asset may be impaired. If any such indication exists, the company 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 entity expects to obtain from the disposal of the asset in an arm’s length transaction between knowledgeable, willing parties, after deducting the estimated costs of disposal.

Discount rate

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money, represented by the current risk-free rate of interest and the risks specific to the asset for which the future cash flow estimates have not been adjusted.

Recognition and measurement (individual asset)

If the recoverable amount of a cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. This reduction is an impairment loss. An impairment loss is recognised immediately in surplus or deficit.

When the amount estimated for an impairment loss is greater than the carrying amount of the cash-generating asset to which it relates, the entity recognises a liability only to the extent that is a requirement in the 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 2020 (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 or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a cash-generating asset is recognised at the reporting date in the Statement of Financial Performance.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset’s revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

1.5 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 income or loss. 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 income or loss except to the extent that it relates to a transaction that is recognised in net assets, in which case it is recognised in net assets. The effect on deferred taxation of any changes in tax rates is recognised in income or loss, except to the extent that it relates to items previously charged or credited to net assets.

A deferred taxation asset is recognised to the extent that it is probable that future taxable profits will be available against which the associated unused tax losses and deductible temporary differences can be utilised. Deferred taxation assets are reduced to the extent that it is no longer probable that the tax benefit will be realised.

1.9 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 over 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 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 2020 (continued)

1. Accounting policies (continued)
1.12 Financial instruments

The company classifies financial assets into the following categories: at fair value through the Statement of Financial Performance, amortised cost and historical cost. The classification depends on the purpose for which the financial assets are acquired. Management determines the classification of its financial assets at initial recognition.

Financial assets at fair value

Financial assets at fair value are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term. Assets in this category are classified as current assets.

Financial instruments at amortised cost

Financial instruments at amortised cost are non-derivative financial assets with fixed and determinable payments that are not quoted in an active market. They are included in current assets for maturities less than 12 months after the reporting date. Assets with maturities greater than 12 months are classified as non-current assets.

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:
 - Derecognise the asset; and
 - Recognise 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 original 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.

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.

1.12.3 Financial risk factors

The company’s activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The company’s overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the company’s financial performance.

1.13 Client deposits

Client deposits received in advance for upcoming events are recognised at amortised cost and are derecognised and accounted as revenue when the event occurs.

1.14 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 are reported using the closing rate; and
- Non-monetary items, which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

Exchange differences arising on the settlement of monetary items or on reporting an enterprise’s monetary items at rates different from those at which they are initially recorded during the period, or reported in previous annual financial statements, are recognised in the Statement of Financial Performance in the period in which they arise.

ACCOUNTING POLICIES

for the year ended 30 June 2020 (continued)

1.	Accounting policies (continued)
1.15	Contribution from owners 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.
1.16	Employee benefits Short-term employee benefits The cost of all short-term employee benefits is recognised during the period in which the employee renders the related service. The amounts for employee entitlements to salaries, performance bonus and annual leave represent the amounts which the 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.
1.17	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.
1.18	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 waste 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.
1.19	Investments Investments in subsidiary companies are stated at cost, less impairment losses.
1.20	Capital commitments Commitments are not recognised in the Statement of Financial Position nor the Statement of Financial Performance, but are included in the notes to the annual financial statements.

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 an individual are close relatives of the individual or members of the individual’s immediate family
1.22	Events after the reporting date Events after 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: <ul style="list-style-type: none">• 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 2019 to 30 June 2020. The amounts are scheduled as a separate additional financial statement, called the Statement of Comparison of Budget and Actual Amounts. Explanatory comments on material differences are provided in the notes to the annual financial statements. These 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 financial statements. Budgeted amounts have been included in the annual financial statements for the current financial year only. The comparative amounts presented are reflected differently than the prior year, as a result of the first time application of a new reporting tool, which has caused the aggregation or disaggregation of certain amounts disclosed, however, this does not amount to a restatement of the previous year’s amounts.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2020

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 1 July 2020 or later periods:

STANDARD / INTERPRETATION:	EFFECTIVE DATE: YEARS BEGINNING ON OR AFTER	EXPECTED IMPACT:
IGRAP 20: Accounting for Adjustments to Revenue	01 April 2020	Impact is assessed as low, as the company does not charge administered revenue or tariffs and the likelihood that a client would appeal the revenue charged by the company after the fact is unlikely
GRAP 1 (amended): Presentation of Financial Statements	01 April 2020	Unlikely that there will be a material impact, as the presentation of the financial statements are in compliance with the standard.
GRAP 34: Separate Financial Statements	01 April 2020	The company discloses its investments in controlled entities at cost.
GRAP 35: Consolidated Financial Statements	01 April 2020	The company is not required to present consolidated financial statements.
GRAP 36: Investments in Associates and Joint Ventures	01 April 2020	The company does not hold investments in associates and joint ventures.
GRAP 37: Joint Arrangements	01 April 2020	The company does not have joint arrangements.
GRAP 38: Disclosure of Interests in Other Entities	01 April 2020	The only interest the company has in other entities is an interest in a dormant company. The company discloses its investment at cost.

3. Property, plant and equipment

	2020			2019		
	COST	ACCUMULATED DEPRECIATION AND ACCUMULATED IMPAIRMENT	CARRYING VALUE	COST	ACCUMULATED DEPRECIATION AND ACCUMULATED IMPAIRMENT	CARRYING VALUE
	R	R	R	R	R	R
Buildings	1 230 892 739	(903 536 200)	327 356 539	1 199 072 733	(789 024 926)	410 047 807
Plant and machinery	83 723 579	(45 081 507)	38 642 072	82 261 680	(40 576 590)	41 685 090
Furniture and fixtures	20 543 147	(12 405 572)	8 137 575	20 562 064	(11 177 511)	9 384 553
Motor vehicles	952 371	(871 742)	80 629	952 371	(842 780)	109 591
Office equipment	4 395 812	(1 970 137)	2 425 675	3 159 080	(1 661 703)	1 497 377
IT equipment	74 327 268	(52 106 282)	22 220 986	65 650 128	(41 973 305)	23 676 823
Computer software	3 201 745	(3 184 139)	17 606	8 197 287	(6 692 998)	1 504 289
Curtains / Blinds	6 420 272	(4 139 539)	2 280 733	6 339 600	(3 636 569)	2 703 031
Carpets / Laminated flooring	21 940 266	(12 929 390)	9 010 876	21 035 135	(10 813 688)	10 221 447
Kitchen and catering	30 842 928	(17 698 290)	13 144 638	34 615 068	(16 887 507)	17 727 561
Building Management System	15 020 811	(11 868 729)	3 152 082	14 631 656	(10 980 870)	3 650 786
Air-conditioning system	70 478 652	(49 795 946)	20 682 706	70 368 184	(47 319 486)	23 048 698
Auditorium seating	5 856 145	(1 856 718)	3 999 427	1 744 982	(1 410 499)	334 483
Elevators	25 190 771	(15 505 675)	9 685 096	24 909 229	(14 630 408)	10 278 821
Signage	4 698 985	(2 935 243)	1 763 742	3 929 985	(2 531 689)	1 398 296
Escalators	15 207 204	(9 904 970)	5 302 234	15 077 454	(8 782 704)	6 294 750
Sprinkler system	15 921 545	(10 919 835)	5 001 710	15 678 003	(10 473 190)	5 204 813
Fences and gates	1 385 975	(951 035)	434 940	1 291 407	(841 609)	449 798
Audiovisual	12 066 943	(9 286 332)	2 780 611	11 753 112	(8 619 771)	3 133 341
Cold rooms	5 079 873	(4 187 257)	892 616	5 079 873	(3 968 759)	1 111 114
Total	1 648 147 031	(1 171 134 538)	477 012 493	1 606 309 031	(1 032 846 562)	573 462 469

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 30 June 2020 (continued)

3. Property, plant and equipment (continued)
Reconciliation of property, plant and equipment – 2020

	2020					
	OPENING CARRYING VALUE	ADDITIONS	DISPOSALS	DEPRECIATION	IMPAIRMENT	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
Computer 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

Where assets are assessed to have reached the end of their economic life they are disposed of. The company donates certain assets to various schools and other organs of state in the Cape Metropole area that may still have a net book value at time of disposal.

Reconciliation of property, plant and equipment – 2020

	OPENING CARRYING VALUE	ADDITIONS	ASSETS IN PROGRESS ADDITIONS	DISPOSALS	2019 ASSETS IN PROGRESS RECLASSIFICATION	RECLASSIFICATION	DEPRECIATION	IMPAIRMENT	CLOSING CARRYING VALUE
	R	R	R	R	R	R	R	R	R
	R	R	R	R	R	R	R	R	R
Buildings	403 292 324	15 127 059	10 671 345	(25 120)	1 201 696	(4 334 044)	(13 337 317)	(2 548 136)	410 047 807
Plant and machinery	35 511 839	9 062 694	–	(40 180)	498 197	–	(3 347 460)	–	41 685 090
Furniture and fixtures	10 950 580	776 184	–	(26 728)	–	(34 978)	(2 280 505)	–	9 384 553
Motor vehicles	214 359	–	–	(30 173)	–	–	(74 595)	–	109 591
Office equipment	1 330 643	947 815	–	–	–	(76 008)	(705 073)	–	1 497 377
IT equipment	29 683 019	4 887 920	–	(309 618)	392 602	(45 621)	(10 931 479)	–	23 676 823
Computer software	3 419 447	5 956 435	–	(2)	(6 936 428)	(97 094)	(838 069)	–	1 504 289
Curtains / Blinds	3 111 155	–	–	–	–	–	(408 124)	–	2 703 031
Carpets / Laminated flooring	9 839 990	2 521 949	–	(7 086)	–	–	(2 133 406)	–	10 221 447
Kitchen and catering	18 317 921	6 587 046	–	(25 946)	–	(339 680)	(6 811 780)	–	17 727 561
Building Management System	4 948 537	77 074	–	(213 692)	–	–	(1 161 133)	–	3 650 786
Air-conditioning system	26 544 150	287 283	–	–	(1 531 171)	–	(2 251 564)	–	23 048 698
Auditorium seating	668 991	–	–	–	–	–	(334 508)	–	334 483
Elevators	7 089 610	218 217	3 742 073	–	–	–	(771 079)	–	10 278 821
Signage	1 745 143	184 785	–	(13 924)	–	–	(517 708)	–	1 398 296
Escalators	7 420 194	38 931	–	–	–	–	(1 164 375)	–	6 294 750
Sprinkler systems	7 067 824	–	–	–	(1 497 491)	–	(365 520)	–	5 204 813
Fences and gates	547 015	14 446	–	–	–	–	(111 663)	–	449 798
Audiovisual	1 592 170	2 069 638	–	–	–	(6 251)	(522 216)	–	3 133 341
Cold rooms	1 146 770	228 326	–	–	–	–	(263 982)	–	1 111 114
	574 441 681	48 985 802	14 413 418	(692 469)	(7 872 595)	(4 933 676)	(48 331 556)	(2 548 136)	573 462 469

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 30 June 2020 (continued)

3. Property, plant and equipment (continued)

- i. None of the company’s assets are encumbered at the reporting date.
- ii. 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 licenses are classified as intangible assets. Refer to Note 4.
- iii. In 2019, the assets in progress additions relate to the costs incurred on phase 2 of the expansion project on CTICC 2.

3.1 Assets in progress

Assets in progress relate to the costs incurred on the expansion of the convention centre (CTICC 2).

The portion that remains in assets in progress relates to the portion of the works still to be completed, as well as other projects at CTICC 1.

Impairment

Given the significant impact of the Covid-19 regulations on the company’s operations, the cash-generating unit (CGU) has been assessed for impairment.

Property, plant and equipment that is taking a significantly longer period of time to complete than expected has a cost of R96 305 603 (2019: R79 248 377) and a carrying value of R80 214 259 (2018: R64 157 033).

Assets in progress (AIP) comprise the following significant class:
- Building

	COST	IMPAIRMENT	CARRYING VALUE
	R	R	R
AIP balance at beginning of the year	79 248 377	(16 091 344)	63 157 033
Add: Acquisitions during the year	17 057 226	–	17 057 226
	96 305 603	(16 091 344)	80 214 259

The current year’s assets in progress balance has been included in the related asset class in property, plant and equipment and is not disclosed separately.

Expenditure incurred to repair and maintain property, plant and equipment

	2020	2019
	R	R
Service providers	8 759 360	10 570 504
Materials	5 839 573	4 110 752
Total repairs and maintenance expenses	14 598 933	14 681 256

Cost (Fully depreciated property, plant and equipment)

	2020	2019
	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	58 078
Computer software	163 235	163 235
Office equipment	35	35
Furniture and fittings	4 811 043	5 188 872
Plant and equipment	1 454 309	1 454 309
Kitchen and catering	1 600 694	1 701 378
	15 855 058	16 352 711

3.2 Impairment of the CTICC building and assets in progress

In line with the accounting policy for cash-generating assets, property, plant and equipment were assessed during the period for possible indicators of impairment.

The CTICC is a cash-generating entity established for the purposes of hosting events. The CTICC 2 building was constructed to enhance the capabilities of the CTICC to host additional, as well as larger events to further contribute to the company’s revenue streams. As such, the impairment testing process applicable to cash-generating assets has been applied.

During the review, management considered the impact of the Covid-19 regulations on its operations and the delays in construction of CTICC 2, as well as the consequential delay and reduction in expected cash flows from that asset as indicators of potential impairment. Management views the building and assets in progress as forming part of a single cash-generating unit together with the existing CTICC 1 building and, therefore, it is not possible to estimate the recoverable amount for the CTICC 2 building as an individual asset.

Management estimated the recoverable amount by calculating the value in use of the cash-generating unit (CGU) (being CTICC 1 and 2 combined) of R412 147 827 (2019: R512 866 595) and comparing it to the carrying value of the relevant assets in that cash-generating unit of R512 605 921 (2019: R515 414 731) at the date of impairment testing.

Therefore, the company has recognised an impairment loss of R100 458 094 (2019: R2 548 136) as disclosed in the impairment line item on the Statement of Financial Performance. The impairment loss is significantly higher than the prior year’s amount as a result of the impact of the Covid-19 regulations on the future cash flows of the company,

Consideration, methods and significant assumptions applied in arriving at the value in use as set out below:

- a) Due to the restrictions imposed on the use of the facility and site, no active market exists within which the value of the centre can be determined through an arm’s length transaction between a willing buyer and a willing seller and, as such, the value in use of the centre has been used to determine whether the building’s carrying value may not be recoverable.
- b) Since inception, all initial targets for the region and the operation of the convention centre have consistently been exceeded and are forecast to maintain this level of performance for the foreseeable future, even when considering the impact of the Covid-19 regulations. Despite this, the value in use of the centre can only be attributed to the present value of the future cash flows generated within the centre itself, and excludes any value which is generated by other external entities or business sectors.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 30 June 2020 (continued)

3. Property, plant and equipment (continued)

3.2 Impairment of the CTICC building and assets in progress (continued)

- c) No value could be attached to the centre at the end of its useful life due to its disposal being highly unlikely, with no reliable basis for measuring the disposal value.
- d) The two buildings of the business, as well as the remaining property, plant and equipment, are considered a single cash-generating unit for the following reasons:
- CTICC 2 does not operate independently from CTICC 1;
 - The buildings are managed together as part of the event hosting business; and
 - Large events are hosted in a combination of venues across the two buildings.

Accordingly, they are evaluated as a single cash-generating unit when testing for impairment.

- e) The value in use was estimated using a discounted cash flow model, which incorporated approved budget figures for a 3-year projection period. Cash flows were forecast for an additional 4 years assuming revenue growth of 7% for both CTICC 1 and CTICC 2, as a result of the lower base due to the impact of the pandemic.
- f) A discount rate of 13.23% (2019: 13.41%) was used, which was calculated using the risk-free rate of the R2 030 bond of 9.23% (2019: 8.10%) adjusted by 4.00 (2019: 5.31) percentage points to take into account the company's long-term borrowing cost of 6.50% (2019: 9.30%), a beta of 0.76, as well as a market risk premium of 6.10% (2019: 6.10%) for uncertainty regarding timing and extent of future cash flows.

Based on the value in use calculation, an amount of R412.1 million (2019: R512.9 million) was determined. The current carrying value of R512.6 million (2019: R515.4 million) was established for the relevant assets in that cash-generating unit.

This has resulted in the recognition of an impairment loss of R100.5 million in the year (2019: R2.5 million).

3.3 Revision of useful lives of property, plant and equipment

During the year, the company revised the estimated useful lives of certain items of property, plant and equipment. The change in estimate was necessary, as these items were approaching the end of its assessed useful lives and management determined that the assets were still going to be in use for an extended period beyond the reporting date, as a result of the good condition and maintenance of the assets. The net effect of the changes in the current year was a reduction in the depreciation charge of R4 528 178 (2019: R1 282 730). The effect on future years will be an overall increase of the same amount over the subsequent financial years.

4. Intangible assets

	2020			2019		
	COST	ACCUMULATED AMORTISATION	CARRYING VALUE	COST	ACCUMULATED AMORTISATION	CARRYING VALUE
	R	R	R	R	R	R
Software licences	12 912 201	(7 240 233)	5 671 968	11 429 615	(3 414 667)	8 014 948
	12 912 201	(7 240 233)	5 671 968	11 429 615	(3 414 667)	8 014 948

Reconciliation of intangible assets – 2020

	OPENING CARRYING VALUE	ADDITIONS	AMORTISATION	CLOSING CARRYING VALUE
	R	R	R	R
2020				
Software licences	8 014 948	1 799 090	(4 142 070)	5 671 968
	8 014 948	1 799 090	(4 142 070)	5 671 968

Reconciliation of intangible assets – 2019

	OPENING CARRYING VALUE	ADDITIONS	AIP RECLASSIFICATION	AMORTISATION	CLOSING CARRYING VALUE
	R	R	R	R	R
2019					
Software licences	697 307	2 687 955	7 872 595	(3 242 909)	8 014 948
	697 307	2 687 955	7 872 595	(3 242 909)	8 014 948

All software licences are acquired from external suppliers and are not internally generated.

The reclassification of R7 872 595 in 2019 relates to software and licence costs for CTICC 2 assets previously disclosed as assets in progress and capitalised during the year.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2020 (continued)

5. Investments in subsidiary

NAME OF COMPANY	LISTED / UNLISTED	2020			2019		
		% HOLDING 2020	CARRYING AMOUNT 2020	FAIR VALUE 2020	% HOLDING 2019	CARRYING AMOUNT 2019	FAIR VALUE 2019
		R	R	R	R	R	R
Cape Town International Convention Centre Operating Company (Pty) Limited (OPCO)	Unlisted	100.00 %	100	100	100.00 %	100	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.

6. Service-in-kind benefit

	2020	2019
	R	R
The service-in-kind balance is made up as follows:		
Balance at beginning of year	177 175 000	179 298 976
Service-in-kind charge for the year	(2 123 976)	(2 123 976)
Service-in-kind benefit at end of year	175 051 024	177 175 000

The non-cash service-in-kind benefit arose as a result of the long-term land lease entered into between the company and the City of Cape Town in 2001 for a period of 99 years at a rental of R100 per annum, which is below the market value. The company has valued the service-in-kind benefit to the value of the land. The service-in-kind benefit is recognised as a non-current asset and will be charged to the Statement of Financial Performance over the remaining period of the lease, which is 80 years and 5 months.

An amount of R2 123 976 will be charged to the Statement of Financial Performance each year to reflect the annual benefit utilised.

	2020	2019
	R	R
Service-in-kind benefit allocation:		
- Long-term portion	172 927 048	175 051 024
- Short-term portion	2 123 976	2 123 976
Service-in-kind benefit	175 051 024	177 175 000

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%.

	2020	2019
	R	R
Deferred tax asset		
Property, plant and equipment	129 274 440	116 833 063
Trade receivables and other receivables	657 251	353 462
Client deposits	5 708 937	4 635 190
Trade payables and other payables	981 829	786 880
Provisions	1 197 297	1 561 531
Unused tax losses (available for set off against future profits)	26 297 269	–
Total deferred tax asset	164 117 023	124 170 126
Reconciliation of deferred tax asset		
At beginning of year	124 170 126	129 563 991
Taxable / (deductible) temporary difference movement	39 946 897	(5 393 865)
	164 117 023	124 170 126

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 30 June 2020 (continued)

8. Operating lease liability

	2020 R	2019 R
The operating lease liability balance is made up as follows:		
Balance at beginning of the year	335 155	244 280
Straight-lining of lease payments	2 727 676	2 614 827
Lease payments for the year	(2 926 813)	(2 523 952)
Balance at end of the year	136 018	335 155
Non-current liabilities	136 018	335 155
Current liabilities	–	–
	136 018	335 155

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 5 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 in 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 parking costs.

9. Inventories

	2020 R	2019 R
Consumables	1 682 928	621 419
Food	432 693	402 313
Beverage	797 286	980 155
Chemicals	55 043	61 578
Total	2 967 950	2 065 465

The increased stockholding in consumables at the reporting date is due to the disposable containers and utensils required to provide meals to the patients in the temporary hospital managed by the WCPG. The stock will be used over the duration of the contract and is not expected to be written-off.

The company has not written-down any inventory during the financial year (2019: RNil).

10. Receivables from exchange transactions

	2020 R	2019 R
Trade receivables – net	400 847	3 838 165
Prepayments	4 482 183	10 116 330
Other receivables	14 468 408	42 508 575
	19 351 438	56 463 070

Other receivables include an amount of R8.7 million due from the City of Cape Town (City), which is the final settlement of the costs incurred on behalf of the City on the basement parking expansion. The provision for bad debts of R1 067 989 raised in previous years has now been reversed, as the City has settled the debt in full subsequent to the year-end.

The construction claims owing by the principal building contractor of CTICC 2 of R34.6 million, which was reflected last year under “Other receivables”, has been settled in full during the year. At the year of this financial year, the company and the principal building contractor finalised the last claim and the settlement amount of R4.7 million was agreed. This was fully settled after the reporting date.

Trade and other receivables past due but not impaired

Trade and other receivables, which are less than 120 days past due, are not considered to be impaired. At 30 June 2020, R 203 167 (2019: R 943 290) were 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:

	2020 R	2019 R
61 - 90 days	–	198 229
91 - 120 days	203 167	745 061
	203 167	943 290

Trade and other receivables impaired

At 30 June 2020, trade and other receivables of R 1 286 238 (2019: R 1 683 152) were impaired. The reason for the current provision was due to the debtor entering into business rescue as a result of the impact of the Covid-19 regulations on their operations.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 30 June 2020 (continued)

10. Receivables from exchange transactions (continued)

	2020 R	2019 R
Reconciliation of provision for impairment of trade and other receivables		
Opening balance	1 683 152	1 078 052
Provision for impairment	671 075	605 100
Unused amounts reversed	(1 067 989)	–
Closing balance	1 286 238	1 683 152

The other classes within trade and other receivables do not contain impaired assets.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivables mentioned above. The company does not hold any collateral as security.

11. Receivables from non-exchange transactions

	2020 R	2019 R
South African Revenue Service – VAT	9 254 521	5 557 367
Interest receivable	804 941	839 131
	10 059 462	6 396 498

The VAT receivable from 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 operate its normal trading activities. All these amounts relate to refunds due in the last six months of the current financial year. SARS has not finalised the outstanding assessments at the reporting date.

12. Cash and cash equivalents

	2020 R	2019 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	1 844 879	11 857 864
Call and investment accounts	168 968 750	170 220 958
Other cash and cash equivalents	235 134	164 658
	171 048 763	182 243 480

The following bank and investment accounts were held by the company:

Nedbank – CTICC Main Current – 1151569623	1 613 343	–
Nedbank – CTICC Daily Call Deposit Account – 03723	228 781	–
Nedbank – CTICC Payroll – 1151569666	128 937	–
Nedbank – CTICC East – 1151569674	35 179	–
Nedbank – CTICC Merchant Services – 11515696658	12 294	–
Nedbank – CTICC E-Commerce – 1151569682	725	–
Nedbank – Call Deposit – 03/7881544007/000105	73	20 099
ABSA Bank – Convenco Account – 40-7373-3701	1 400	2 607 359
ABSA Bank – Treasury Account – 40-7373-1246	600	74 759
ABSA Bank – Current – 4072900553	30 944	8 309 320
ABSA Bank – CTICC East – Current – 4072900228	608	206 598
ABSA Bank – Exh Serv – Current – 4072900731	20 849	659 828
ABSA Bank – Call Deposit – 4074708347	–	385 741
ABSA Bank – CTICC East – Call Deposit – 4083941322	10	2 582
ABSA Bank – CTICC East – Call Account – 6241084-ZA	162 444	48 938 077
Investec Bank – (462097) – 1008645	37 011 507	14 262 836
ABSA Bank – CTICC Money Market – 9316676360	33 915 375	14 623 086
Stanlib – Bank 000-402-184 (1199539) Ref No. 55143	30 462 254	24 501 318
Nedgroup Money Market – (800167964) – 8319631	34 914 751	30 728 629
Nedgroup Corp Money Market – (1452-027-900) (82927)	32 273 555	36 758 590
	170 813 629	182 078 822

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 30 June 2020 (continued)

13. Contribution from owners

	2020 R	2019 R
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
Number of shares issued:		
“A” ordinary shares of no par value	245 966	245 966
“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 1 vote for each share held. “B” ordinary shares entitles the holder to 1 vote for the first share held and an additional vote for every 13 999 shares held, subject to the maximum of 2 votes regardless of the number of “B” ordinary shares held.

The unissued ordinary shares are not under the control of the Directors.

	2020 R	2019 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
	1 277 427 701	1 277 427 701

14. Provisions

	OPENING BALANCE R	ADDITIONS R	UTILISED DURING THE YEAR R	TOTAL R
Reconciliation of provisions – 2020				
Performance bonus provision	5 576 895	4 276 061	(5 576 895)	4 276 061
Reconciliation of provisions – 2019				
Performance bonus provision	4 723 383	5 576 895	(4 723 383)	5 576 895

Performance bonuses accrue to staff on an annual basis based on the achievement of predetermined performance. The provision is an estimate of the amount due to staff in the service of the company at the reporting date.

15. Payables from exchange transactions

	2020 R	2019 R
Payables	10 829 841	31 501 824
Accruals	37 500 180	19 507 483
	48 330 021	51 009 307

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. The carrying value of these trade payables is denominated in the South African Rand.

16. Client deposits

	2020 R	2019 R
Events to be held in the next 12 months	44 486 452	37 895 757
Events to be held after 12 months	6 486 202	3 489 870
Total	50 972 654	41 385 627

Client deposits are received in advance for upcoming events. Client deposits are paid back 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 are disclosed as current liabilities.

After the promulgation of the Covid-19 regulations, the company communicated with all clients who had future events booked to negotiate the postponements of their events rather than cancelling. The approach was successful, with minimal cancellations being received.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 30 June 2020 (continued)

17. Revenue

	2020 R	2019 R
Sales	168 989 171	226 067 021
Service fee	16 602 492	29 657 507
Parking	14 017 427	15 709 792
Other revenue	5 693 595	5 991 154
Finance income	15 296 116	14 482 276
Gain on foreign exchange	58 703	37 213
Total	220 657 504	291 944 963

18. Other revenue

	2020 R	2019 R
Sundry income	3 034 371	1 395 198
Rental income	2 659 224	4 595 956
Total	5 693 595	5 991 154

Other income includes cancellation fees charged.

19. Employee-related costs

	2020 R	2019 R
Basic salaries	59 905 976	49 222 266
Performance bonus	4 675 000	5 495 640
Provident fund contributions	5 400 347	4 554 371
Overtime payments	822 884	779 097
Company contributions	5 192 961	4 390 074
Other – staff transport and health & safety costs	899 399	1 067 877
	76 896 567	65 509 325

The Executive Management's remuneration disclosure is included in Note 27.

20. Taxation

	2020 R	2019 R
Current tax		
Current year	–	–
Deferred tax		
Originating and reversing temporary differences	(39 946 897)	5 393 865
Reconciliation of the tax expense		
Reconciliation between accounting (deficit) / surplus and tax expense:		
Accounting (deficit) / surplus	(152 404 576)	17 877 898
Tax at the applicable tax rate of 28% (2019: 28%)	(42 673 281)	5 005 812
Tax effect of adjustments on taxable income		
Permanent differences – Property, plant and equipment	1 327 278	1 424 035
Temporary differences	1 399 106	(1 035 982)
	(39 946 897)	5 393 865

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 company tax has been accounted for the year, as the company is in a taxable loss position of R93.9 million (2019: R17.6 million) for the current financial year. The assessed loss relates to the capital tax allowances claimed on the CTICC 2 building. Management is comfortable that there will be sufficient taxable surpluses against which the assessed loss can be utilised.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 30 June 2020 (continued)

21. Operating surplus / (deficit)

Operating surplus / (deficit) for the year is stated after accounting for the following items not disclosed separately in the financial statements:

	2020 R	2019 R
Impairment on property, plant and equipment	100 458 094	2 548 136
Auditors remuneration – Audit fee	1 146 025	1 071 925
Amortisation on intangible assets	4 784 957	3 242 909
Depreciation on property, plant and equipment	49 907 887	48 331 556
Consulting and professional fees	4 016 593	3 378 356
Repairs and maintenance on property, plant and equipment	14 598 933	14 681 257

22. Cash flow from operating activities

	2020 R	2019 R
(Deficit) / surplus for the year	(112 457 679)	12 484 033
Adjustments for:		
Depreciation and amortisation	54 692 844	51 574 465
Loss on disposal of property, plant and equipment	49 725	692 471
Finance income	(15 296 116)	(14 482 276)
Finance income received	15 330 306	14 846 029
Impairment of property, plant and equipment	100 458 094	2 548 136
Provision for impairment of receivables	(221 776)	413 864
Movements in operating lease liability	(199 137)	90 875
Movements in provisions	(1 300 834)	853 512
Movement in tax receivable and payable	2 338 972	(4 995 699)
Annual charge for deferred tax	(34 395 642)	5 393 865
Service-in-kind charge	2 123 976	2 123 976
Changes in working capital:		
Inventories	(902 485)	(474 028)
Receivables from exchange transactions	37 111 630	(45 628 793)
Provision for impairment of receivables	221 776	(413 864)
Receivables from non-exchange transactions	(3 697 154)	493 318
Payables from exchange transactions	6 907 743	(5 516 015)
	45 212 988	20 003 869

23. Finance income received

	2020 R	2019 R
Interest receivable at the beginning of the year	839 131	1 202 884
Finance income (earned in respect of cash and cash equivalent)	15 296 116	14 482 276
Interest receivable at the end of the year	(804 941)	(839 131)
Net finance income	15 330 306	14 846 029

24. Taxation refunded / (paid)

	2020 R	2019 R
Balance at beginning of the year	3 002 224	(1 993 475)
Balance at end of the year	(663 252)	(3 002 224)
	2 338 972	(4 995 699)

25. Commitments

Authorised capital expenditure

	2020 R	2019 R
Already contracted for but not provided for		
• Property, plant and equipment – CTICC 2	2 137 655	15 277 429
• Property, plant and equipment – other	184 594	3 030 242
	2 322 249	18 307 671

This committed expenditure relates to plant and equipment and will be financed from existing cash resources and funds internally generated.

Operating leases – as lessee

	2020 R	2019 R
Minimum lease payments due		
- Within one year	3 678 777	3 134 749
- In second to fifth year inclusive	17 058 768	15 255 574
- Later than five years	296 578 417	402 343 260
	317 315 962	420 733 583

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2020 (continued)

25. 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 the future minimum lease payment using the historical trend of increase percentages. Therefore, this estimate may change significantly from year to year.

Future minimum lease payments for the operating leases relates to the following leases:

- City of Cape Town – 99 year lease of land, remaining term: 80 years and 5 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: 31 years and 3 months.
- City of Cape Town – 30 year lease for the land for CTICC 2, option to renew, remaining term: 22 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 R2 659 224 (2019: R4 595 956).

26. Contingent liabilities

The CTICC has received various claims which have arisen from the expansion project brought about by the principal building contractor and other professional services consultants. The company is also expecting to incur legal fees in the process of responding to these claims. These 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, these claims have not materialised.

The significant claims have been dealt with in the 2019 financial year (refer Note 10). The CTICC was successful in overturning previous adjudications, which had been in favour of the principal building contractor and is now seeking to recover monies previously paid to the principal building contractor.

27. Related parties

The controlling interest is held by the City of Cape Town, which owns 71.4% (2019: 71.4%) of the company's shares. The remaining shares are held by the Western Cape Government 23.2% (2019: 23.2%) and SunWest International (Pty) Ltd 5.4% (2019: 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.

In terms of an agreement dated April 2001, Convenco has sub-leased a portion of land to Vexicure Proprietary Limited t/a Westin for an initial period of 30 years, extendable to 50 years. The hotel erected on this site reverts to the City of Cape Town, should the lease not be renewed.

In terms of an agreement dated September 2005, the company has sub-leased a portion of land to Redefine Properties Limited for an initial period of 50 years, extendable by 20 years. The office tower (Convention Towers) erected on this site reverts to the City of Cape Town, should the lease not be renewed.

As the Cape Town Stadium (RF) SOC Limited is a City of Cape Town municipal entity, it is considered a related party.

Related party balances

	2020 R	2019 R
Balance of accounts - Owing (to) / by related parties		
Utility debts owing to City of Cape Town	(2 244 520)	(2 487 040)
Construction debt owing by City of Cape Town	8 863 887	6 404 715

The amount of R8.7 million due from the City of Cape Town (City) is the final settlement of the costs incurred on behalf of the City on the basement parking expansion. The provision for bad debts of R1 067 989 raised in previous years has now been reversed, as the City has settled the debt in full subsequent to the year-end.

Related party transactions

	2020 R	2019 R
City of Cape Town		
Rates and taxes	5 344 192	3 017 393
Electricity	19 635 837	18 089 195
Water	960 367	2 479 674
Lease P1 parking (including refuse, sewerage, rates and water)	3 576 437	5 155 186
Service-in-kind charge – lease CTICC 1	2 123 976	2 123 976

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 30 June 2020 (continued)

27. Related parties (continued)

Remuneration of management

	2020			
	BASIC SALARY	BONUSES AND PERFORMANCE RELATED PAYMENTS	OTHER BENEFITS RECEIVED	TOTAL
	R	R	R	R
Executive management				
Name				
Chief Executive Officer	2 312 185	335 522	471 637	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	471 637	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 commenced on 20 January 2020. The other benefits received includes the accrued leave paid out at the end of the previous CEO's contract.

	2019		
	BASIC SALARY	BONUSES AND PERFORMANCE RELATED PAYMENTS	TOTAL
	R	R	R
Name			
Chief Executive Officer	2 307 921	310 768	2 618 689
Chief Financial Officer	1 382 714	–	1 382 714
General Manager: Facilities and Operations	1 613 204	217 149	1 830 353
General Manager: Operations – Food and Beverage	1 490 049	189 630	1 679 679
General Manager: Commercial and Business Development	1 560 160	204 120	1 764 280
	8 354 048	921 667	9 275 715

28. Directors' remuneration

Non-Executive Directors' remuneration only includes fees for attendance of Board and sub-committee meetings. Executive Directors do not receive any Directors' fees.

	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

	2019 R
Non-executive	Directors' fees
A Cilliers	30 668
CK Zama (i)	40 325
DA Cloete	44 712
El Hamman	59 028
G Harris	33 806
HV Ntoi	46 812
JC Fraser	19 604
N Pangarker	18 862
S Myburgh	65 346
	359 163

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2020 (continued)

28. Directors’ remuneration (continued)

Audit and Risk Committee members remuneration		2020	2019
		R	R
		Emoluments	
D Singh		19 269	
MR Burton		25 462	
L Ndaba (ii)		–	
		44 731	
			2019
			R
		Emoluments	
D Singh		34 170	
MR Burton		21 394	
L Ndaba (ii)		–	
		55 564	

- i. Ms CK Zama was paid Directors’ remuneration up to 31 March 2019 and no further remuneration payments will be made by the company, as she is employed by a provincial entity.
- ii. Ms L Ndaba is employed at the City of Cape Town and is not paid any remuneration as a member of the committee.

29. 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.

	2020	2019
	R	R
Cash and cash equivalents	171 048 763	182 243 480
Effect on net surplus or deficit for 1% movement in interest rates	1 231 551	1 312 153

Foreign exchange risk

The company operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US Dollar, Euro and British Pound. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities.

The company has no exposure to foreign exchange risk on its revenues as all its invoicing, including invoicing to foreign clients, is denominated in South African Rands.

Limited foreign exchange risk exposure arises from payments to third parties denominated in foreign currency, which includes membership fees, advertising and marketing spend, and conference attendance costs.

Payments denominated in foreign currency are limited and, therefore, the company’s risk exposure is minimal.

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 2020 (continued)

29. Financial risk management (continued)

Credit quality of trade receivables and other receivables

	2020 R	2019 R
Key account customers	260 261	2 799 012
Other account customers	148 032	993 240
High-risk customers	1 278 792	661 075
Other receivables	5 784 521	37 171 849
Related party recoverable	8 683 887	6 404 715
	16 155 493	48 029 891

The company 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 regular cash flow forecasts.

The company ensures that adequate funds are available to meet its expected and unexpected financial commitments, through effective working capital management.

The following table provides details of the company’s remaining contractual liability for its financial liabilities.

	LESS THAN 1 MONTH R	2 - 6 MONTHS R	GREATER THAN 6 MONTHS R	TOTAL R
2020				
Client deposits	972 610	30 547 564	19 452 480	50 972 654
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
2019				
Client deposits	18 034 920	21 582 455	1 768 252	41 385 627
Payables from exchange transactions	28 307 517	22 639 409	62 381	51 009 307
	46 342 437	44 221 864	1 830 633	92 394 934

The company is in receipt of client deposits for event booked up to the 2024 financial year, which is disclosed in the “greater than 6 months’ column.

30. Events after the reporting date

In August 2020, the WCPG informed the company that they will not be exercising the option to extend the contract for the temporary intermediate care hospital at CTICC 1 due to the changes expected in the region’s peak Covid-19 infections. Their projections reflected that the peak will be longer, with less patients requiring hospitalisation. The current contract runs to 17 September 2020 when the facilities will be handed back to the CTICC, whereupon the areas will be decontaminated.

After the reporting date, the country moved to the Lockdown Level 2 regulations, which allowed the majority of businesses to commence operations, including those in the tourism sector, where leisure and business travel and accommodation is allowed. This, however, has no bearing on the company, as the restriction on conferences and events are still limited to 50 people. The company has only 2 events booked where less than 50 people would be in attendance.

At the January 2021 council meeting, the City of Cape Town, as the majority shareholder, has approved an additional investment through the purchase of a new class of shares in the company, to a maximum amount of R200 million.

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

- The impact on revenue of the inability to host events above 50 people;
- The company will be able to return to reduced operations towards the end of the 2021 financial year;
- Reductions in all costs where possible, e.g. critical maintenance only to be conducted, freeze on non-critical vacancies, locking down areas of the building not in use, etc.;
- Deciding on which costs are not to be reduced during this period, e.g. advertising and marketing to ensure that the company remains top of mind;
- Forecast capital expenditure for 2021 reduced and only critical items are approved;
- No reductions in the fixed costs possible;
- Additional costs related to staff working remotely requiring equipment and support.

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 2020 (continued)

31. 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 2019 to 30 June 2020. 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 impact of the Covid-19 regulations on the company’s operations. The final budget takes into account the savings in operating costs since March 2020, as well as the contracts entered into with the WCPG to use the facilities for a temporary intermediate care hospital and medical storage facility, where the company was able to recover certain operational costs.

As a result of the above, the revenues have declined significantly, with only variable costs able to be reduced significantly.

Explanations of variances greater than 5% and greater than R1 million between the final budget and actual amounts

Statement of Financial Performance

- a.

Sales (R2 929 818 – favourable)

The increase in revenue relates mainly to cancellation fees charged to clients who had cancelled their events.
- b.

Finance income (R1 435 527 – favourable)

Due to favourable cash balances during the year, as well as interest earned on the outstanding balance from the principal contractor, higher finance income has been earned.
- c.

Depreciation and amortisation (R3 253 282 – favourable)

The lower depreciation is due to the reassessment of useful lives exercise conducted on various assets where its economic lives were extended between 12 and 24 months. This resulted in the depreciation being spread over the next 2 years.
- d.

Impairment loss (R30 517 421 – favourable)

The impairment charge is lower than budget as a result of the improvement in the forecast expectations, relative to the information available at the budgeting stage.
- e.

Repairs and maintenance (R2 694 033 – favourable)

The favourable variance is as a result of cost containment, as well as the impact of the Covid-19 regulations during the last quarter, as repairs were deferred and contract costs were not incurred due to the lockdown restrictions.
- f.

Direct personnel (R1 121 567 – favourable)

The favourable variance in the cost is related to the lower than expected use of contract labour during the year, as the company was able to utilise its own staff complement.
- g.

Computer expenses (R1 274 333 – favourable)

The favourable variance in the cost is due to the impact of the Covid-19 regulations where certain contract costs were not incurred due to services not being delivered during the lockdown period, as well as cost containment.

32. Actual capital expenditure versus budgeted capital expenditure

Explanation of variances greater than 10% and greater than R2 million: Final budget and actual amounts

- a.

IT and electronic infrastructure (R2 304 659 – favourable)

Due to the Covid-19 restrictions, equipment required to be purchased was not available from suppliers due to the worldwide impact on the supply chain. As a result, a portion of the capital expenditure underspent was rolled over to the 2020/21 financial period.

33. Deviation from supply chain management regulations

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.

Total deviations for the year amounted to R18 129 730 (2019: R20 320 812).

Listed below are material deviations:

	2020	2019
	R	R
i. Exceptional / Impractical cases	5 419 186	3 299 911
ii. Sole / Single provider	4 418 509	9 678 822
iii. Emergency situation	1 524 696	2 937 956
iv. Minor breaches	1 664 178	4 187 862
v. Works of art	172 970	216 261
vi. Advertising	4 432 582	–
vii. Legal services	497 608	–
	18 129 729	20 320 812

- i.

These cases relate mainly to maintenance of CTICC 2 lifts and escalators of R1.0 million, membership and subscription fees to local and international organisations, and training costs.
- ii.

The items in this category include the parking management system maintenance agreement of R0.9 million, the maintenance of the operable walls of R2.5 million and purchase of floor tiles required for CTICC 1 that were the same as CTICC 2, costing R0.8 million.
- iii.

The significant items included are related to security services after the existing contract was cancelled by the company.
- iv.

The significant component of the cost relates to the architectural services contract for CTICC 2. The remainder relates to speciality foods for events.
- v.

This was for the purchase of a painting.
- vi.

These costs were for advertising in specific international and local media, newspapers and magazines.
- vii.

These costs were for general legal services, including debt collection, required during the year.

According to section 45 of the Municipal Supply Chain Management Policy, disclosure needs to be given of awards to close family members of persons in the service of the state, in compliance with the provisions of CTICC’s Supply Chain Management Policy.

The contracts issued below were issued following our normal procurement procedures and were not issued through any deviations.

- 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 the award during the year was: R1 213 554 (2019: R1 262 988).
- 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 R51 721 (2019: R174 844).

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2020 (continued)

33. Deviation from supply chain management regulations (continued)

- 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. The amount of the award during the year was R138 537 (2019: R472 022).
- 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 662 095 (2019: R2 265 168).
- 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 R243 364 (2019: RNil).

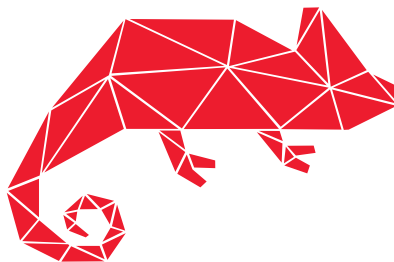
GENERAL INFORMATION
as at 30 June 2020

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 TM Motlhabane W De Wet
Registered and business address	Convention Square 1 Lower Long Street Cape Town 8001 Western Cape
Postal address	P O Box 8120 Roggebaai Cape Town 8012 Western Cape
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) Proprietary 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 United Nations Global Compact (UNGC).

No	Principle	Met	Page reference
1	Principle 1 – Businesses should support and respect the protection of internationally proclaimed human rights.	✓	5-6, 13, 23, 28-29, 37-40, 86-92, 94-95, 104-125, 150, 156
2	Principle 2 – Businesses should make sure that they are not complicit in human rights abuses.	✓	150, 156
3	Principle 3 – Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	✓	150, 156
4	Principle 4 – Businesses should uphold the elimination of all forms of forced and compulsory labour.	✓	28, 150, 156, 172
5	Principle 5 – Businesses should uphold the effective abolition of child labour.	✓	150, 156
6	Principle 6 – Businesses should uphold the elimination of discrimination in respect of employment and occupation.	✓	5, 23, 28-29, 92, 94-95, 150, 156, 172
7	Principle 7 – Businesses should support a precautionary approach to environmental challenges.	✓	6, 13, 16, 19, 34, 153-154, 156, 172
8	Principle 8 – Businesses should undertake initiatives to promote greater environmental responsibility.	✓	6, 13, 16, 32, 34, 153-164
9	Principle 9 – Businesses should encourage the development and diffusion of environmentally friendly technologies.	✓	153, 161-164
10	Principle 10 – Businesses should work against corruption in all its forms, including extortion and bribery.	✓	150, 156, 168, 172



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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