

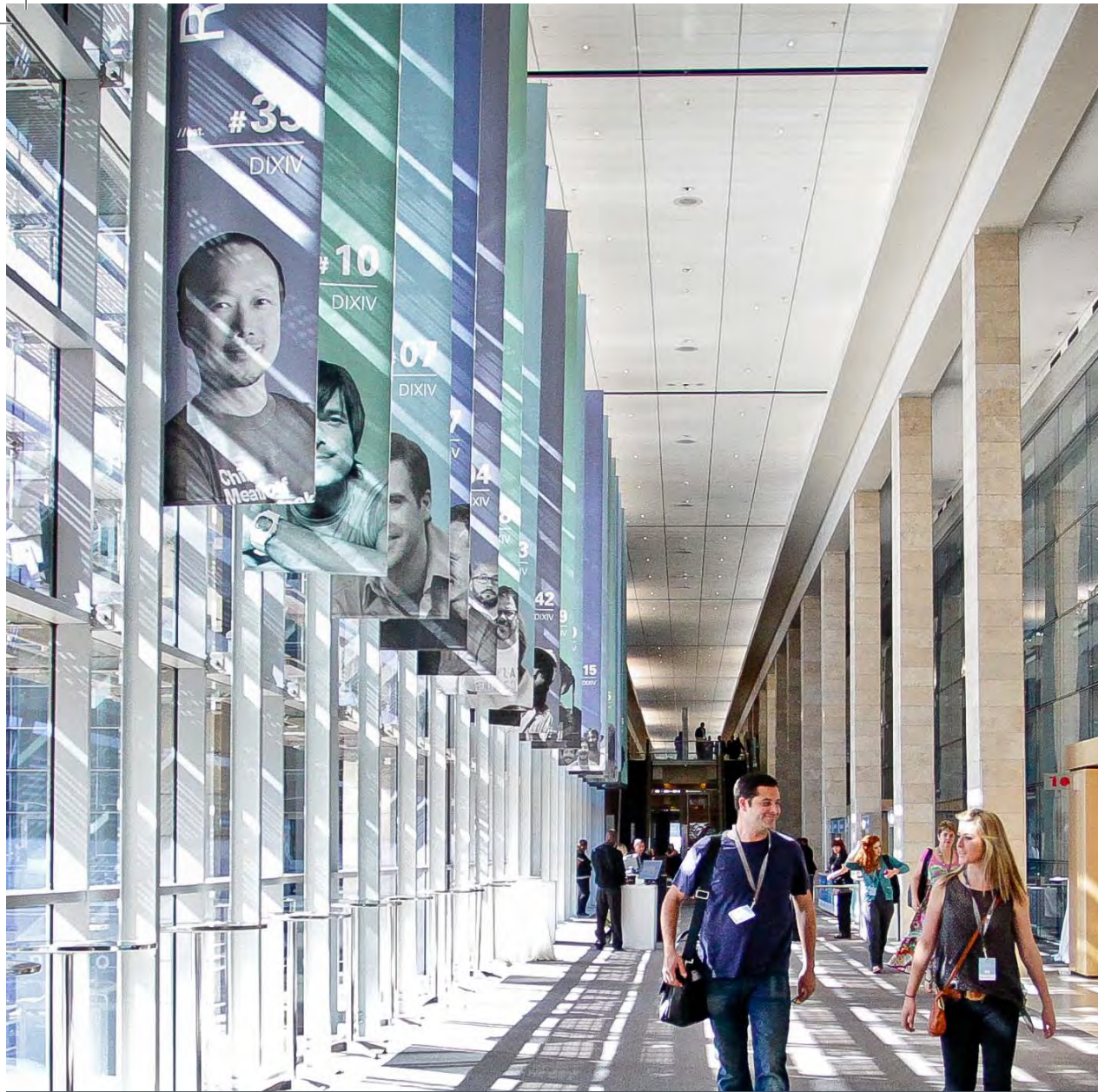


CTICC

2011  
Annual Report

Unforgettable  
Experiences

Cape Town International Convention Centre



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“It is vital that our centre moves beyond service excellence to truly unforgettable experience creation.”



we are a green conscious convention centre

Cape Town International Convention Centre

## FROM OPPORTUNITY TO EXPERIENCE

The success of the CTICC is, and has always been, founded on its absolute commitment to delivering exceptional experiences for its clients and guests. This commitment extends far beyond mere service excellence, which is really considered to be an experience delivery vehicle, or a means to achieve brilliant experiences, rather than an end in itself.

This commitment begins with the creation of opportunities. However, the CTICC takes this one step further by harnessing the global shift towards an experience economy, and presenting its clients, employees and other stakeholders with the opportunities and means to forge lasting memories, create connections, foster relationships, achieve aspirations and build brands.



“The CTICC’s philosophy has always been one of creating memorable experiences, rather than merely offering space to host events.”

The CTICC recognises that clients and guests of convention centres the world over are increasingly expecting memorable events or excellent and unforgettable experiences, rather than just good products or reliable service.

While many businesses see this shift in customer needs as a challenge, the CTICC recognises it as an opportunity and, as this report shows, has responded by offering experiences that have the potential to transform its clients and their guests by adding significant value to their lives, rather than just meeting their needs or requirements.

The CTICC’s philosophy has always been one of creating experiences, rather than merely offering space to host events. Now, the wider global acceptance and understanding of the experience economy is presenting the centre with the opportunity to further extend its brand promise – for the benefit of its clients, staff and other stakeholders.

## ABOUT THE CTICC

The Cape Town International Convention Centre Company (Convenco) was established in 1999 as a collaborative effort between the City of Cape Town, the Provincial Government of the Western Cape and the business sector.

Convenco was formed as the holding company of the CTICC. The convention centre serves both local and international guests through the provision of services and facilities for events, exhibitions, conferences and meetings. Convenco is jointly owned by the City of Cape Town (50.2% shareholding), the Provincial Government of the Western Cape (25.1% shareholding), and SunWest International (Pty) Ltd (24.7% shareholding).

The primary rationale for the establishment of the CTICC was to have a positive impact on the community by 'bringing meetings to Cape Town

in a world-class facility and to generate jobs and economic development'.

Over time, this objective has grown and evolved and, while the CTICC is still committed to delivering jobs and contributing to economic development, the centre's vision is now:

**"to become the best long-haul international convention centre by 2020."**

This vision is underpinned by the organisation's key objectives, which are:

- to maximise economic spin-off and job creation;
- to focus on innovation and exceeding expectations;
- to achieve service excellence by building capable and quality staff; and
- to become a world leader in sustainability initiatives.

In the past year, a fifth objective has been added by the CTICC's primary shareholders and the centre is now also contractually committed to ensuring that it remains a fully self-sufficient city asset.

The CTICC continues to raise the profile of Cape Town as a sought-after international leisure and business tourism destination, and is maintaining and growing the economic and social contributions it makes to Cape Town, the Western Cape Province, and the country as a whole.

## FOREWORDS

### FOREWORD BY THE MAYOR OF CAPE TOWN

As an asset of the City of Cape Town, it is incumbent upon the Cape Town International Convention Centre (CTICC) not only to realise a profit for the City as its primary shareholder, but also to deliver on the mandate it has been set to benefit the city and its people by contributing to economic development and job creation, and raising the profile of Cape Town as a first-choice national and international tourist destination.

I am pleased to be able to confidently say that, over the past financial year, the CTICC has more than achieved these objectives and comfortably exceeded the targets agreed between the Convenco board and all the centre's shareholders.

Despite a difficult economic background, exacerbated by the post-2010 reconciliation period and the lingering effects of the international financial crisis, the CTICC has resolutely stuck to its guns and got on with the business of creating exceptional events, conferences, exhibitions and conventions.



Having had the pleasure of attending many of these events, I speak from experience when I say that the CTICC's commitment to service excellence and immaculately maintained facilities shines through, in every respect, regardless of the type of function it plays host to.

This excellence, combined with the obvious passion and commitment of its people, is undoubtedly at the heart of the centre's continued success year after year. The CTICC truly is an asset of the city of Cape Town; one that is delivering a consistently solid return on investment and numerous sustainable benefits for residents of, and visitors to our city.

I look forward to watching these benefits multiply exponentially as the CTICC expands in the coming years and moves closer to realising its vision.

Alderman Patricia de Lille  
Executive Mayor of Cape Town

“The passion of its people is at the heart of the centre's success, year after year.”



**FOREWORD BY  
THE PREMIER OF THE WESTERN CAPE**

The Western Cape has rapidly built a reputation as a leading international destination for business and leisure tourists. The many first-class facilities and attractions the city and the rest of the province has to offer, such as the Cape Town International Convention Centre (CTICC), are a key contributing factor for this.

Since the CTICC opened its doors in June 2003, it has been Cape Town's premier conference and events venue. Over the last eight years it has provided a platform for great minds, products and brands to come together, ideas to be shared, important issues to be debated and audiences to be entertained.

This Annual Report presents the CTICC's achievements over the past twelve months and demonstrates how the CTICC has entrenched itself as a vibrant and dynamic part of Cape Town's landscape since 2003.

“My congratulations to the management and employees of the CTICC on another excellent year.”

I am therefore pleased that the CTICC, the City of Cape Town and the Western Cape Provincial Government have joined forces to expand the convention centre further. This expansion is part of a series of regeneration projects planned for the Cape Town Business District over the next few years.

I would like to congratulate the management and employees of the CTICC on the excellent work they have done in establishing the convention centre as a world-class events venue. May you and the centre keep growing from strength to strength.

**Helen Zille**  
Premier of the Western Cape



**FOREWORD BY  
THE CTICC CHAIRPERSON**

While South Africa's hosting of the 2010 FIFA World Cup™ helped to shield our country from the full effects of the global economic crisis and resulting recession, the past year has been something of a reality check for business in this country, with many organisations seeing the delayed negative effects of the financial crisis beginning to filter through and impacting on their bottom line.

“The centre has succeeded in significantly enhancing its global brand awareness.”

Despite this challenging economic environment, the CTICC has managed to deliver another exceptional set of results for the 2010/2011 financial period. Just as importantly, the centre has succeeded in significantly enhancing its global brand awareness over the past year, illustrated by the receipt of a number of national and international awards.

This excellent overall performance is especially noteworthy given that 2010/2011 was also the first full year in which the CTICC operated independently of Amsterdam RAI's direct management support. The success achieved over this period is a credit to the foundations that RAI helped lay, as well as the dedication of our CEO, Rashid Toefy, the CTICC management team, and all the CTICC staff members.

On behalf of the Convenco board, I would like to commend the CTICC on another solid year. My grateful appreciation, also, to my fellow board members for the valuable support and encouragement they have offered throughout the year. Finally, I would like to thank our main shareholders, the City of Cape Town and the Provincial Government of the Western Cape, for their ongoing support. I look forward to the exciting period to come in which the expansion of the centre will enable it to build on its success and extend the positive impact it has on Cape Town, the Western Cape and South Africa.

**Andrew Boraine**  
CTICC Chairperson



# Experience

Creating the Exceptional.

CTICC

“In the coming years,  
the CTICC  
will focus on ensuring  
that it always delivers  
truly  
**fantastic**  
experiences.”

Rashid Toefy: CEO

R2.68<sub>bn</sub>  
Contribution to  
National GDP

R945<sub>mil</sub>  
Contribution to  
Provincial GGP

## INTRODUCTION BY THE CEO

As CEO of the Cape Town International Convention Centre I consider it a great privilege to be a part of the success story that is the CTICC. The 2010/2011 financial year was the next chapter in this unfolding story and, despite being another challenging period in the life of the CTICC, it was, once again, a highly satisfying and rewarding year.

The CTICC remains a valuable contributor to the South African economy with R2.68 billion added to national Gross Domestic Product (GDP) and R945 million to Western Cape Gross Geographic Product (GGP) during 2010/2011 as a result of the centre's operations. The steady growth in revenue year on year also means that the CTICC is meeting its mandate to be a self-sustaining and profitable business operation.

The centre's success is measured in far more than financial figures. The past year saw us moving even closer to achieving our vision of becoming the best long-haul international convention centre by 2020.

This vision encompasses every aspect of our business, and is underpinned by a dedicated focus on integrating environmental, social and economic sustainability into everything we do and a passion for creating exceptional client and guest experiences.

### TAKING SUSTAINABILITY TO THE NEXT LEVEL

This year, for the first time, the CTICC has published a dedicated Sustainability Report, which can be accessed on our website and should be read in conjunction with this annual report. More than merely an overview of our sustainability achievements, this report demonstrates our commitment to ensuring that our success going forward is built on a foundation of sustainability in all its facets.

At the CTICC we recognise that sustainability is a key strategic priority rather than a secondary business consideration. Without an absolute commitment to ensuring our sustainability, and that of our communities and environment, we cannot expect to achieve our vision. For this reason, the past financial year saw us striving, in every area of our business, to put economic, social and environmental sustainability considerations at the core of our operations while embedding even more of a sustainability mind-set and culture across our organisation.

### CTICC EXPANSION

The CTICC's vision for increasing its space, reach and effectiveness, is being realised as the plans to create an expanded 'convention precinct' gained significant traction over the past year. Not only will this expansion serve to boost Cape Town's reputation as a globally competitive business destination, it will also contribute to the creation of more than 2 380 jobs annually by 2018 and unlock construction and development opportunities to the value of over R4.5 billion. What's more, a recent feasibility report by economists from the University of Cape Town's Graduate School of Business stated that the expansion could result in the CTICC's contribution to national GDP increasing from its current R2.7 billion to over R5.1 billion per annum by 2018. Details of the proposed expansion and its potential impacts are included later in this report.

In conclusion, I would like to convey my appreciation to the Convenco board, the City of Cape Town, the Provincial Government of the Western Cape, our valued suppliers and loyal clients for their continued support and encouragement. My sincere thanks, also, to the CTICC management team and all staff members for their dedication and hard work. The CTICC is more than just a building, but rather a space that the talented staff bring alive.



Rashid Toefy  
Chief Executive Officer

“The CTICC's **SUCCESS** is measured in far more than financial figures.”

### DRIVING THE EXPERIENCE ECONOMY

The integration of the so-called 'experience economy' into the way the CTICC operates has been a key strategic focus over the past 12 months. It represents a significant paradigm shift from the delivery-based concept of 'service' to a more holistic approach that goes beyond mere service to create exceptional and unparalleled experiences. We see this experience ethos as a central component of the sustainability of our business and are committed to continuing to build it into every area of the CTICC.





# EVENT HIGHLIGHTS July 2010 to June 2011

 International Conference	Attn:
International Union of Food Science & Technology (IUFOST) Conference August 2010	1 500
The UBUNTU Wound Healing Conference C/O African Conferences & Incentives September 2010	600
13th World Congress on Medical Informatics September 2010	3 000
10th World Congress of Nuclear Medicine 2010 September 2010	3 000
3rd Lausanne Congress on World Evangelization October 2010	6 000
Africa Com 2010 November 2010	800
21st Annual International Association of Operative Millers (IAOM) Middle East & Africa District Conference & Expo November 2010	600
World Social Security Forum November 2010	1 500
Site International Conference 2010 December 2010	250
The NEPAD ICT Africa Summit December 2010	300
Investing in Africa Mining Indaba 2011 February 2011	3 000
The 14th International Design Indaba Conference February 2011	2 000
The 2010 Joint Conference of the African Society for Human Genetics, and the Southern African Society for Human Genetics March 2011	300
4th Pan African Pain Congress March 2011	500
European Hepato-Pancreato-Biliary Association 2011 April 2011	1 500
Annual Conference of International Organisation of Securities Commission April 2011	1 000
Wind Power 2011 May 2011	320
15th International Conference on Near Infrared Spectroscopy 2011 May 2011	350
Mobile Health Summit 2011 June 2011	400

 National Conference	Attn:
South African Principals Association National Conference September 2010	1 000
The Green Building Council of South Africa National Convention 2010 September 2010	1 500
South African Clothing and Textile Workers' Union Congress September 2010	500
South African Council of Shopping Centres National Congress 2010 October 2010	1 500
Hedge Funds 2010 November 2010	400
Municipal Water Quality Conference June 2011	600
G20 Development Working Group June 2011	150

 Exhibition	Attn:
Baba Indaba 2010 July 2010	15 000
RMB Winex 2010 August 2010	10 000
Cape Homemakers Expo 2010 September 2010	27 301
Fab Bridal Spring Show 2010 October 2010	6 000
Cape Town International Boat Show 2010 October 2010	15 000
The Baby Expo Cape Town 2010 October 2010	15 000
FNB Whisky Live Festival November 2010	10 000
Western Cape Property Expo 2011 February 2011	1 000
14th Design Indaba Expo February 2011	13 000
Indian Expo 2011 March 2011	500
Decorex Cape 2011 April 2011	45 000
Good Food and Wine 2011 May 2011	40 000

 Special Event	Attn:
Bryan Adams July 2010	1 500
Cape Winemakers Guild, Formal Tutored tasting and Showcase August 2010	640
Maties Kleinsêr Finals August 2010	1 500
SA's Got Talent Auditions September 2010	500
Blacks Only! Comedy Show November 2010	1 500
Kinky Afro November 2010	8 000
Rick Ross Live in SA December 2010	5 500
One night only, Abdullah Ibrahim & Ekhaya February 2011	1 500
Idols Cape Town February 2011	3 500
MK Music Awards February 2011	3 000
Cape Town International Jazz Festival March 2011	15 000
Dancers don't Cry March 2011	1 500
Trevor Noah's Goodbye... For now April 2011	1 500
Pitbull Concert April 2011	8 000
Planetshakers City Church June 2011	600
Old Mutual Trophy Wine Show June 2011	700

 Banquet	Attn:
The Association for the Advancement of Black Accountants of Southern Africa Dinner June 2010	500
Veritas Wine Awards October 2010	800
SAMSA Seafarers Awards October 2010	300
The 1000 Women United against Domestic Violence Luncheon May 2011	1 000

 Trade Fair	Attn:
Mauritian Trade Fair 2010 July 2010	200
Destinations Expo 2010 August 2010	1 700
Africa Energy Week 2010 September 2010	150
Apparel, Textile, Footwear and Machinery Trade Fair (ATF) 2010 November 2010	2 000
The Cape Premier Yearling Sale 2011 January 2011	3 000
India Clothing & Textile Trade Show 2011 March 2011	500
Professional Beauty 2011 March 2011	4 000
African Utility Week 2011 March 2011	350
Sign Africa 2011 May 2011	1 500
Marketing Indaba 2011 May 2011	280
Apps World Africa Expo 2011 June 2011	1 000

 Other Event	Attn:
Hyundai Motor Co-operation (HMC)/RSA: United Touring Company July 2010	20
SAICA Medical Schemes for Trustees Seminar October 2010	70
Media24 Magazines Editors' Forum November 2010	80
Telkom Road Show November 2010	1 500
Expo Summit Africa 2011 January 2011	175
Sainsbury's Supermarkets Conference 2011 March 2011	150
Microsoft Developer Days May 2011	800
Allan Gray Road Show May 2011	450

R143.3 mil  
Revenue generated  
during the last year

7870  
new jobs  
were created

# EXCELLENCE

*Flexibility Efficiency Innovation*

“We want to entrench innovation & idea generation as key requirements of every person in every position.”

Joey Pather: COO



## BUSINESS OVERVIEW BY COO

Despite being a challenging period in the life of the CTICC, the 2010/2011 financial year was once again a resounding success. While the aftershocks of the global recession contributed to a slight decline in the total number of events hosted by the CTICC, the centre delivered revenue of R143.3 million for the period under review, which translates into an operating profit of R 33.2 million. In the process of generating this financial return for its shareholders, the CTICC has also remained a significant contributor to regional and national economic development and employment creation.

### IMPROVING EFFICIENCIES

The CTICC remains committed to improving efficiency, enhancing customer centricity and aligning its operations with international best practices. The centre underwent some organisational restructuring during the year under review.

The Operations, and Food and Beverage Divisions were streamlined into a single division under the direct management of Aage Hansen. This has allowed the CTICC to unlock greater synergy between these two areas. By putting a single executive manager in charge of operational and catering requirements, service delivery has been

streamlined and there is an even greater sense of accountability amongst all staff members for the achievement of personal and divisional targets. The restructuring has already begun to bear fruit, with positive feedback received from clients.

As part of this realignment, Megan Arendse, who previously headed up the Operations Division has taken over the position of General Manager of Commercial and Business Development. Megan's previous experience heading up the operational aspects of the CTICC is invaluable in her new role and has ensured greater understanding and co-operation between the divisions.



“We place a strong emphasis on the relationships that the CTICC has with its clients.”

Megan Arendse: GM,  
Commercial and Business Development



“The CTICC’s vision is to become the **best** long-haul international convention centre by 2020.”

She replaces Joey Pather, who previously headed the Commercial and Business Development Division before being promoted to Chief Operating Officer.

In this position, Joey's vast experience across many areas of the CTICC has proven highly beneficial to the organisation. His understanding of the challenges facing the managers and staff, particularly within the Operations, Catering and Commercial Divisions has allowed him to drive improvements in performance and service delivery over the past year.

### DRIVING PEAK PERFORMANCE

The performance measurement of the CTICC by its shareholders is based on more than mere financial returns. It also includes a particular focus on the achievement of specific sustainability criteria. To drive this focus and ensure accurate performance measurements, the following key performance indicators, as contained in the centre's five-year business plan, have been agreed upon, between the Cape Town International Convention Centre Company (Pty) Ltd and its parent municipality – the City of Cape Town. These indicators are aligned with the City of Cape Town's Integrated Development Plan.

They have also been cascaded through the organisation to serve as a measure of the individual performance of each employee and manager. The ability of each person to deliver on these personal targets is now a key consideration in their performance assessment and informs their annual remuneration and bonus payments.

The organisational KPIs are listed below, along with an indication of the actual performance against these targets by both the 2009/2010 and 2010/2011 financial years.

By measuring organisational performance against this broad set of assessment criteria, the CTICC is not only able to accurately gauge its progress in terms of its commitment to being a self-sustaining organisation, it is also succeeding in embedding a high performance culture and driving sustainability, transformation and growth – both of the centre and its employees.

### Key Performance Indicators

Category	Measurement	2010/11		2009/10	
		Target	Actual	Target	Actual
1 Economic impact (spin-off)	Contribution to GDP compared to budgeted target	R2.3 billion	R2.6 billion	R2.7 billion	R2.3 billion
International delegate days	Number of days attended by international delegates at international conferences compared to budgeted target	200 000	225 657	200 000	206 847
Jobs created	Number of direct and indirect jobs created compared to budgeted target	9 000	7 870	9 000	7 080
Events	Number of events hosted compared to budgeted target	500	501	500	553
2 Human capital development	Actual cost of training of permanent and temporary staff as a percentage of total salary cost compared to budgeted target	5%	9%	5%	7%
3 Customer centricity and service excellence	Rating achieved in independent customer satisfaction survey (out of a hundred)	75%	77%	75%	76%
4 Sustainability	Actual savings on electricity consumption compared to budgeted target	5%	7%	5%	6%
5 Procurement	Percentage procurement from BBBEE-compliant suppliers (in terms of BBBEE Act 53 of 2003) (minimum of 50%)	50%	58%	50%	54%
6 Budget					
Revenue	Actual revenue generated compared to budgeted target	98%	106%	98%	100%
Expenditure (cost control)	Actual direct and indirect expenditure compared to budgeted target	98%	96%	98%	98%
Capital expenditure budget	Percentage of projects (budgeted for) that have been commenced and/or completed compared to budgeted target	80%	83%	80%	86%

For 2010/2011 the actual performance per category has exceeded the agreed targets in all categories except in the number of jobs created, which was below the budgeted target as a result of the effect of the global economic recession.



### EVENTS AND OCCUPANCY

During the period under review, the CTICC hosted a total of 501 events, which is broken down as follows:

Event type	2011	2010
International conferences	40	39
National conferences	31	37
Exhibitions	18	18
Trade fairs	14	12
Banquets	42	51
Other events	297	296
Special events	59	100
<b>All events</b>	<b>501</b>	<b>553</b>

While the total number of events has declined marginally year on year, the agreed target for the 2010/2011 financial period was met, despite the very challenging economic circumstances and the natural decline in events in the period following the 2010 FIFA World Cup™.

Exhibition hall occupancy was down from 60% in 2010 to 53% in 2011. Nonetheless, this remains an excellent occupancy figure by international standards.

Of particular relevance is the number of large national and international conferences and special events secured and hosted by the CTICC. Some of the highlights include:

- the Design Indaba Conference and Exhibition, which attracted 32 000 visitors to the CTICC;

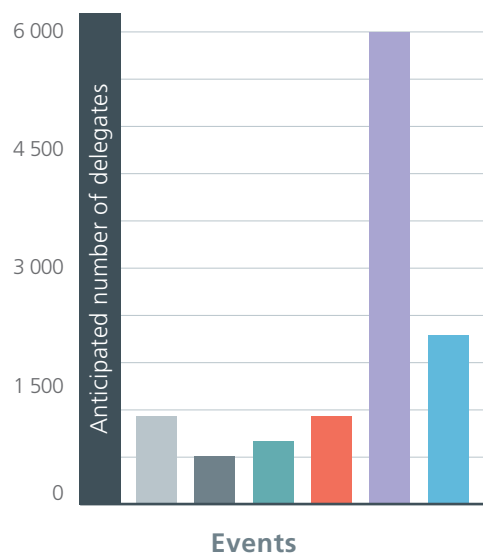
- the Cape Town International Jazz Festival, that attracted an audience of over 33 000 people; and
- the Cape Premier Yearling Sale, which was the first indoor horse sale in the world and saw the CTICC's main exhibition space converted into stables.

The CTICC also hosted numerous professional association gatherings and industry conventions, such as the 3rd Lausanne Congress on World Evangelization that attracted more than 6 000 delegates over 10 days and the Investing in Africa Mining Indaba, which saw 6 500 delegates in attendance.

The hosting of 40 international conferences (39: 2009/2010) generated a total of 225 657 delegate days, which represents a significant boost to the economy and tourism industry of Cape Town and the Western Cape.

Despite a decline in the number of special events, the financial contribution of these events to the CTICC's bottom line has increased. Special events remain a key focus of the CTICC's business model, as does increasing the centre's attractiveness to organisers of linked exhibitions and conventions.

This focus, as well as the CTICC's popularity as a world-class, accessible and flexible special events facilitator, is evidenced in the number of special events bookings confirmed for the coming financial year. Many of these will raise the profile of the CTICC locally and internationally and serve as a valuable precursor to the opportunities that will become available to events organisers through the expansion of the centre in the coming years. Some upcoming event highlights for 2011/2012 are:



- The Osteology Conference 2012 – 1 000
- South African Dental Association Conference – 800
- Congress of World Association for Infant Mental Health – 600
- The 29th IPA Publishers Congress – 1 000
- 30th International Congress of Psychology – 6 000
- International Academy of Pathology – 2 000

# 501

Total number of events hosted over the 12-month period under review



“The Cape Premier Yearling Sale was the first indoor horse sale in the world.”

### CATERING TO TASTE

As part of its commitment to innovation, the CTICC introduced a new food concept for public catering at events hosted in the centre. The concept, which was inspired by the need to create a more client-friendly environment and holistic catering experience, allows guests to select from an array of items – from international cuisine to traditional favourites – all with a strong emphasis on quality and value for money.

The new menu includes a wide range of fresh products, from sandwiches and wraps to themed 'hot stations' that offer Asian, Indian and Italian food. A selection of individual desserts is also available, as well as a special children's catering outlet.

This new catering approach has eased congestion at shows and events, enhanced service delivery and improved the overall guest experience at the CTICC.

### REINVESTING IN EXCELLENCE

The Food and Beverage Division and Operations Division remain key contributors to the CTICC's bottom line, contributing R59 million and R16 million respectively.

The continued success of these business units is ensured through high levels of personal accountability that are instilled in all staff and managers. A decision was taken to ensure that the heads of department would be involved in all pre-convention meetings held between the CTICC and its clients. This has proved valuable for all parties as attendance of these meetings allows the department heads to offer recommendations to clients at the vital planning stage of their events.

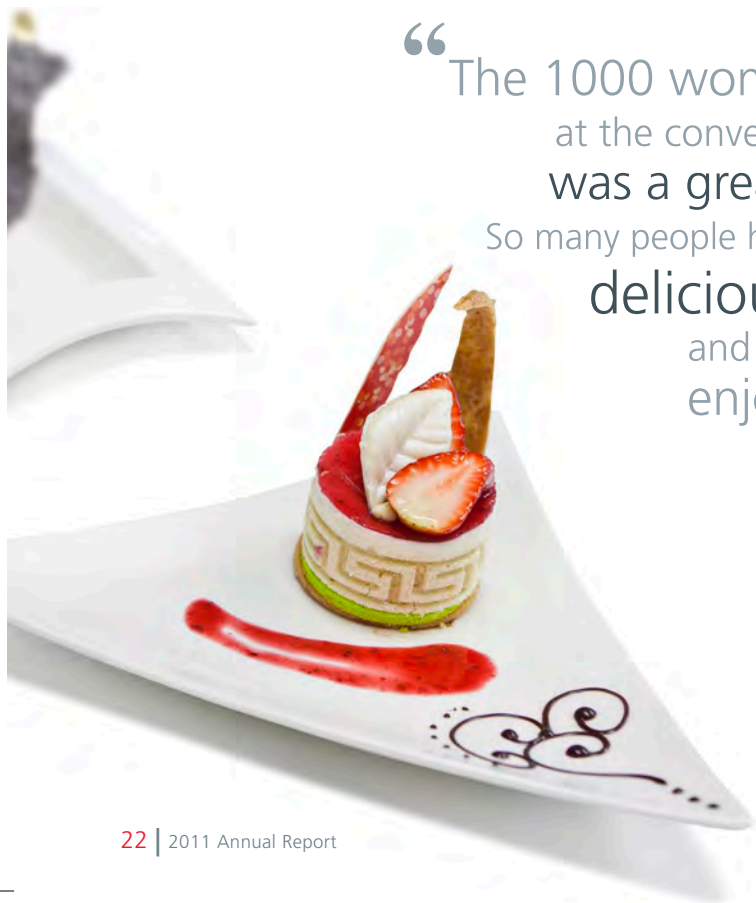
The 2010/2011 financial year was a period of significant reinvestment by the CTICC into the



“The 1000 women lunch at the convention centre was a great success.

So many people have commented on how delicious the food was and how much they enjoyed the event.”

Wendy Ackerman:  
Pick n Pay



maintenance and improvement of its buildings and facilities. Noteworthy projects included:

- the upgrading of all restrooms, including the installation of motion sensor taps and urinals and dual flush toilets to limit water usage;
- the upgrade of the ballroom carpet, raising the stature and appeal of this venue;
- energy-efficient LED lighting upgrade to all external building signage to improve the aesthetic appeal of the centre, allow for greater control of signage changes, and deliver long-term electricity savings;
- a comprehensive IT infrastructure upgrade for the benefit of centre visitors and staff;
- an upgrade of the Business Management Service system to deliver greater efficiencies and co-operation between divisions;
- the installation of single mode fibre for enhanced multi-media streaming; and
- the inclusion of electronic locks on all venues for enhanced client convenience and security.

### ENTERPRISE DEVELOPMENT

The CTICC places a priority on contributing to enterprise development in South Africa, particularly in the employment-creating Small-, Micro and Medium Enterprise (SMME) sector. Through long-term business partnerships with suppliers and service providers – many of whom have grown with the organisation since its inception – the CTICC affords SMMEs the opportunity to develop into profitable and sustainable businesses.

In line with this enterprise development commitment, BEE supply chain procurement practices form part of the CTICC's key performance indicators and govern the centre's efforts to drive the continued growth and development of its industry and all related businesses.

As at end-June 2011 58% of all CTICC procurement spend was placed with BEE businesses and suppliers. Between July 2010 and June 2011, 32 tenders to the value of R54 million were awarded to qualifying product and service suppliers by the CTICC.

## ISO CERTIFICATIONS

In early 2009 the CTICC became the first convention centre in Africa, and the second convention centre in the world, to obtain four management system certifications simultaneously in the form of:

- ISO 9001 – Quality Management
- ISO 14001 – Environmental Management
- OHSAS 18001 – Occupational Health and Safety
- HACCP (Hazard Analysis and Critical Control Points) – Food Safety

The certifications were achieved as a result of efforts to transform the CTICC's work processes to international systems standards. Two years after the achievement of these ISOs, the standards they define remain key guidelines for the CTICC's operational practices. Rather than being targets, however, these ISO certification requirements serve as minimum benchmarks and every effort is made to exceed them where possible.

## PARTNERS AND LEADERS

During the past year the CTICC has focused on strengthening the valuable, collaborative relationships it enjoys with local, national and international partners and stakeholders.

The expansion project, in particular, has forged an even closer bond between the City of Cape Town and the Provincial Government of the Western Cape. The centre's value-add offering to clients and delegates was strengthened through a collaboration with South African Airways to offer discounted flights to delegates attending conferences at the centre.

Much effort has gone into positioning the CTICC at the forefront of the national and international events and conferencing industries. Rashid Toefy continues to act as the Chairperson of the International Congress and Convention Association (ICCA) African Chapter and, during the year under review, successfully campaigned for

the first ICCA African Chapter workshop to be held outside of South Africa. The event was held in Kenya in August 2011. He also convened and moderated a workshop at the Global Association of the Exhibition Industry (UFI) Middle East/Africa Open Seminar in Sharjah early in 2011, which investigated opportunities for business development in Africa and the Middle East.

By ensuring that the CEO and executive managers are profiled through membership of local and international bodies and various speaking engagements, the centre's intellectual capital is highlighted within the global meetings and events arena.

## ACHIEVING RECOGNITION

During the past year, the CTICC won the prestigious Meetings Professional International (MPI) Rise Award 2011 for organisational achievement, the African Access National Business Award, and the Most Memorable Event for 2010 award from the Exhibition Association of Southern Africa

(EXSA). The centre was also awarded third place in the Europcar Green Office 2010 competition and was a finalist in a number of other prestigious awards, including:

- The Global Association of the Exhibition Industry (UFI) ICT Awards
- The International Association of Congress Centre (AIPC) Innovation Award
- The South African Tourism Welcome Awards
- The Climate Change Award
- Exhibition News Best International Venue

In addition to being an opportunity to validate the CTICC's approach to delivering excellent experiences for its clients and guests, entering these awards raises the profile of the centre and positions Cape Town as a venue and destination of choice.

“By entrenching a desire for excellence, we will help to drive the achievement of the CTICC's 2020 vision.”

Aage Hansen: GM, Operations



# ECONOMIC CONTRIBUTION OF THE CTICC

## The CTICC's economic contribution at a glance

	2010/11	2009/10	2008/9	Cumulative
Contribution to national Gross Domestic Product (GDP)	R2.68 billion	R2.3 billion	R2.3 billion	R16.8 billion
Contribution to Western Cape Gross Geographic Product (GGP)	R945 million	R835.7 million	R828 million	R5.9 billion
Direct jobs created and maintained	3 422	3 076	3 242	–
Indirect jobs created and maintained	4 448	4 004	4 168	–
Visitor days (excl. induced tourism)	1 243 910	1 119 852	1 213 590	–
Foreign exchange earnings (net)	R615 million	R531.7 million	R492.4 million	R3.4 billion

In each of the macroeconomic contributions outlined above, delegate expenditure accounts for between 52% and 64% of the impact and induced tourism a further 30%.

Rather than merely coping with the economic fallout of the global economic crisis, the CTICC achieved new heights in terms of its contributions to both regional and national tourism and economic growth during the 2010/2011 financial year.



## THE MACROECONOMIC CONTRIBUTION OF THE CTICC

During the 2010/2011 financial period the CTICC contributed R2.68 billion to South African Gross Domestic Product (GDP) and R945 million to the Gross Geographic Product (GGP) of the Western Cape.

On a comparative basis, this means that the CTICC's economic contribution to the national GDP increased by 16% (11.5% in real terms) year on year, while it added some 13% to its Western Cape GGP contribution over the same period.



## Macroeconomic contribution for the 2011 financial year

(Rand million, 2011 prices)	GDP	GGP	Direct WC jobs	Indirect SA jobs	Indirect taxes	Indirect h-hold income	Net forex earnings	Delegate & visitor days
CTICC capital expenditure	50.1	14.9	65	83	5.4	27.3		
CTICC operational expenditure	59.3	39.2	70	91	11.7	29.1		
Host/Organiser expenditure	65.8	13.9	36	109	7.1	35.8		
Exhibitor expenditure	2 04.4	69.4	112	291	19.6	102.7		
Delegate expenditure	1 475.2	547.0	2 189	2 557	130.5	747.0		
Subtotal	1 854.9	6 84.4	2 471	3 131	174.3	942		
Induced tourism	822.6	260.4	951	1 317	76.1	414		
<b>Total contribution 2011</b>	<b>2 677.5</b>	<b>944.8</b>	<b>3 422</b>	<b>4 448</b>	<b>250.4</b>	<b>1 355.9</b>	<b>615</b>	<b>1 243 910</b>
<b>Total contribution 2010</b>	<b>2 309.2</b>	<b>835.7</b>	<b>3 076</b>	<b>4 004</b>	<b>216.9</b>	<b>1 169.8</b>	<b>531.7</b>	<b>1 119 852</b>

The contribution to GDP is expected to increase to R3.2 billion in the next financial year and then to R4.2 billion by 2016. The contribution to GGP is expected to increase to about R1.5 billion by 2016.

## TOURISM AND VISITOR DAYS

A large part of the economic contribution of the CTICC is attributed to visitor, delegate and tourist days. Some of these delegates and visitors return to Cape Town as occasional tourists and others may return on a regular basis.

At 1 243 910, the total number of tourism days generated by all events hosted at the CTICC increased by around 11% compared to 2010 and is the highest figure recorded by the centre since opening. The figure is largely attributable to higher visitor attendance at exhibitions and trade fairs and comprises 35% international delegates and visitors to the CTICC. The figures show that the decline in

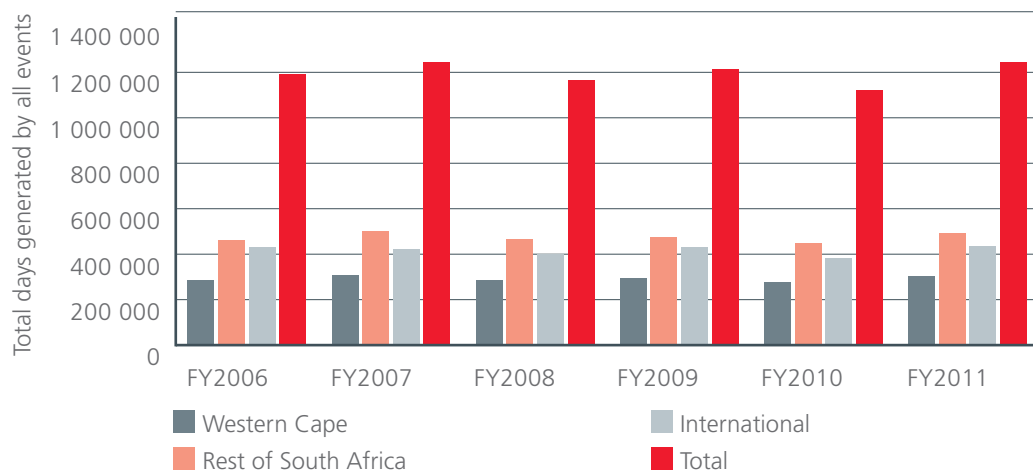
visitor days experienced during the 2009/2010 financial year has been reversed and, during 2010/2011 the CTICC's induced tourism contribution reverted to the steadily rising trend seen between 2004 and 2009. While the number of people attending congresses declined slightly from 2010, attendance of exhibitions and other events increased in 2011.

Based on advanced bookings and projections, the CTICC is expecting a significant increase in exhibitions, trade fairs and special events in 2012. It is anticipated that this will take the number of days attributed to exhibitions and other events to around 1 280 000 in the coming year.

### Total days generated by:

	FY2006	FY2007	Known			
			FY2008	FY2009	FY2010	FY2011
<b>Congresses</b>						
Western Cape	41 005	92 159	69 835	53 712	70 943	65 671
Rest of South Africa	64 209	145 073	109 997	84 432	111 386	103 090
International	34 314	66 658	45 566	39 820	49 483	45 081
<b>Total days</b>	<b>139 528</b>	<b>303 890</b>	<b>225 398</b>	<b>177 965</b>	<b>231 811</b>	<b>213 841</b>

<b>Exhibitions and other events</b>						
Western Cape	248 276	221 693	222 161	244 567	209 715	243 255
Rest of South Africa	402 464	359 372	360 129	396 451	339 954	394 325
International	400 591	357 700	358 454	394 606	338 372	392 490
<b>Total days</b>	<b>1 051 330</b>	<b>938 765</b>	<b>940 744</b>	<b>1 035 625</b>	<b>888 041</b>	<b>1 030 070</b>



“Thanks for helping to make the 2011 Mining Indaba our best ever. The show was a fantastic success and we could not have done it without your outstanding team.”

Jonathan Moore: Senior Vice-president and Managing Director, Mining Indaba LLC

## JOB CREATION

The CTICC continues to make a significant contribution to both direct and indirect job creation in the Western Cape. During the period under review the number of direct jobs sustained by the CTICC increased to 3 422 from the 3 076 of 2010. This figure is expected to continue increasing every year, with the total number of people directly employed due to the CTICC projected to reach 4 123 by 2016.



### Contribution to provincial direct jobs – Western Cape

Financial year	Known		Projected				
	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016
CTICC capital expenditure	36	65	45	67	27	26	30
CTICC operational expenditure	52	70	71	71	71	71	72
Host/Organiser expenditure	42	36	40	45	45	42	45
Exhibitor expenditure	138	112	134	110	107	88	101
Delegate expenditure	1 956	2 189	2 588	2 567	2 362	2 309	2 450
Induced tourism	854	951	1 013	1 059	1 154	1 424	1 426
<b>Total direct jobs</b>	<b>3 076</b>	<b>3 422</b>	<b>3 891</b>	<b>3 918</b>	<b>3 765</b>	<b>3 961</b>	<b>4 123</b>

The CTICC also remains a key contributor to indirect job creation across South Africa, with the total number of indirect jobs generated in 2011 being 4 448, which is also up from the 4 004 of 2010. This figure is projected to rise to over 5 300 by 2016.

### Contribution to national indirect jobs – South Africa

Financial year	Known		Projected				
	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016
CTICC capital expenditure	41	83	51	105	27	26	29
CTICC operational expenditure	98	91	96	98	99	99	99
Host/Organiser expenditure	129	109	123	136	137	127	135
Exhibitor expenditure	348	291	357	287	280	230	265
Delegate expenditure	2 319	2 557	3 067	3 049	2 755	2 680	2 826
Induced tourism	1 069	1 317	1 402	1 461	1 592	1 970	1 960
<b>Total indirect jobs</b>	<b>4 004</b>	<b>4 448</b>	<b>5 095</b>	<b>5 137</b>	<b>4 891</b>	<b>5 131</b>	<b>5 315</b>

### Other economic contributions

- Foreign exchange**  
 One of the key macroeconomic benefits of the CTICC is that while it draws in visitors and creates jobs, it also makes an important contribution to foreign exchange earnings. In 2010/2011 the CTICC was a net generator of R615 million in foreign exchange earnings for the country.
- Tax revenue**  
 It is estimated that R250 million in tax revenue was generated by the CTICC in 2011. This brings the cumulative contribution to tax revenue by the CTICC to R2.2 billion since 2003.
- Indirect household income**  
 Over the 2010/2011 period the CTICC contributed R1.4 billion to indirect household income.

### IN CONCLUSION

The economic contribution of the CTICC remains significant. The steady increase in the number of visitor days it generates is particularly encouraging as this is a key indicator of its potential to continue adding such economic value in the future. The positive growth figures outlined in this section also support the planned expansion of the centre, and point to the likelihood that this will enable the CTICC to deliver even more economic and social benefits in the years to come.

### About this economic impact study:

In December 2000 prior to the building of the CTICC, Conenco commissioned the UCT Graduate School of Business to conduct a study to determine the economic impact of the convention centre. This annual study has been continued every year and the information on the economic contribution of the CTICC is based on the ninth annual economic impact study as conducted by the independent research organisation, Strategic Economic Solutions.



# Performance

Building  
Tomorrow's  
Success

# SUSTAINABLE PERFORMANCE

The CTICC's commitment to sustainability is entrenched in its operating model and embodied in its triple bottom line approach. This economic, environmental and social sustainability commitment is evidenced in the objectives that underpin the centre's vision and is actively pursued across every area and operation of the business from facilities design, management and maintenance, to performance-driven economic contribution, employee development, social upliftment and even sustainable event offerings.

The sustainability of the CTICC is further reinforced through its membership of the United Nations Global Compact (UNGC). As the first convention centre in the world to achieve full membership status of the UNGC, the CTICC remains dedicated to the values and principles of the agreement and recommitted itself to these by renewing its membership in the year under review. The principles of the Global Compact inform the CTICC's strategy, culture and day-to-day operations.

## A CULTURE OF EXCELLENCE

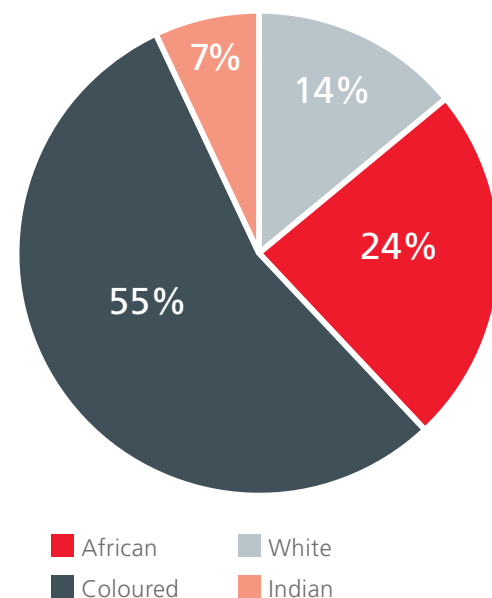
While the CTICC's permanent staff component only numbers 96, at any given time the centre can be employing the services of hundreds of temporary staff. Regardless of their positions at the CTICC, or the duration of their employment, these staff members remain key to the success of the centre. The CTICC is therefore committed to continuously developing its people and ensuring that

they enjoy every opportunity to make the most of their careers and contribute to the enhancement of the events and hospitality industries as a whole.

## Embracing diversity

The CTICC makes every effort to contribute to the transformation of the South African hospitality industry and follows stringent employment equity policies. As illustrated below, by end-June 2011 some 86% of the 96 staff members employed by the CTICC were from historically disadvantaged population groups.

## Staff demographics by race



**86%**

of the staff are from historically disadvantaged population groups



## Training and education

The 2010/2011 financial year saw the continuation of the CTICC's comprehensive talent management and skills development programme, which is aimed at furthering the knowledge, enhancing the skills and raising the employability of all its staff members.

A minimum of 5% of the CTICC's annual budget is earmarked for staff education, training and development. During the 2010/2011 period a target of 9% was achieved. The benefits of this investment are reaping rewards with the quality of staff improving year on year and a steadily growing culture of learning and performance optimisation emerging throughout the organisation.

The specific training and education offerings of the CTICC include:

- opportunities for employees to attend short courses, and study towards relevant diplomas and degrees;
- internal and on-the-job training in customer care and service, performance management and sustainability;
- attendance by select staff of national and international hospitality industry conferences; and
- a job rotation system and job shadowing scheme that allows employees to gain experience in other positions within the organisation.

## Creating futures

The CTICC's internship programme, which is run in collaboration with the City of Cape Town,

offers educated, but unemployed individuals from local communities the opportunity to obtain skills and experience in the hospitality industry by working at the CTICC for a period of six months to one year. A specific focus area is the kitchen, where previously disadvantaged interns are received from institutions such as School of Skill, Jobstart, False Bay Khayelitsha Campus, Eziko Cooking School and Walter Sisulu University. During the year under review, a number of these interns were offered permanent employment at the CTICC, while many others went on to be employed elsewhere in the industry.

## Developing managers

In 2010, in partnership with the University of Cape Town's Graduate School of Business, the CTICC developed and implemented a Postgraduate Diploma in Event Management. This honours level course is designed to equip hospitality and events managers with specific skills, thereby helping to raise the standard of the South African events management and conferencing sector. In 2011, in addition to registering all its own senior managers on this postgraduate course, the CTICC agreed to open it to the entire events and hospitality industry as part of the centre's commitment to creating a highly robust and effective industry with vast depth of talent and knowledge. Already 24 'students' from across the hospitality sector have registered for the next course, which began in August 2011.

## Rewarding performance

During the past year the CTICC developed and implemented a rewards and recognition

policy, which includes an annual staff rewards programme aimed at recognising the outstanding performance of individual employees based on various performance criteria. The programme includes an Employee of the Month Award, a Manager of the Year Award and a CEO's Award for the most outstanding staff member over the course of the year.

These awards have proven popular and highly effective in terms of their ability to motivate and incentivise staff to exceed their personal performance targets and deliver consistently excellent service in the course of their daily duties.



### Building capacity

The CTICC has adopted the Thomas Personal Profiling Analysis recruitment methodology, which analyses human behaviour across various internal and external dimensions in order to ensure the best possible employee fit and alignment of personal and organisational cultures and values. The approach, which is also known as DiSC (Dominance, Influence, Steadiness, Conscientiousness) profiling, is used in over 60 countries and has proven effective in providing a more structured candidate interview process.

### NURTURING OUR WORLD

The CTICC's environmental sustainability efforts are not only aimed at limiting any negative impact its operations may have on the environment, the centre is also committed to actively contributing to the conservation and preservation of its natural heritage. Environmental sustainability efforts are therefore guided by a comprehensive environmental management policy and executed via a range of sustainable initiatives. These are supported by determined and ongoing efforts to embed a green consciousness as a mind-set across the organisation and influence clients, suppliers and all stakeholders to make their own contributions towards environmental sustainability.

The CTICC's business strategy places a priority on progressively and innovatively implementing best practice environmental sustainable initiatives particularly (but not exclusively) in terms of:

### Energy and climate change

The centre's policy is to firstly find ways to reduce its energy requirements and then to consider alternative energy sources. Some of



we are a green conscious convention centre

the CTICC's energy efficiency initiatives during the period under review include:

- continuous maintenance and improvement of all electrical fittings and equipment to enhance efficiencies and reduce energy consumption. This includes the retrofitting of light bulbs with energy-efficient alternatives;
- the fitting of variable speed drives on HVAC pumps and fan motor to enable control over settings and associated electricity usage during periods of lower occupancy;
- setting lighting to 50% with only ventilation instead of air-conditioning during build-up and strike periods, thereby reducing the overall energy consumption of events and conferences;
- proximity sensors on all escalators to limit unnecessary electrical draw-off as a result of these devices running when they are not being used; and
- the use of remote controlled blinds to promote the use of natural light wherever possible.

Year on year, the CTICC has shown constant improvement in, and reduction of, electricity consumption as efficiency measures have been implemented and refined.

### Water efficiency

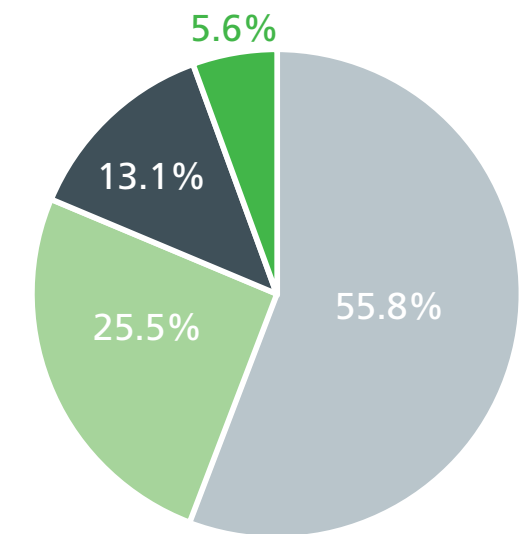
Water consumption has been significantly reduced through the installation and use of dual flush systems on all toilets in the centre. The upgrade to the centre's public restrooms includes waterless urinals and the retrofitting of taps with proximity sensors. Dishes are washed using two high-capacity, highly efficient conveyor-driven dishwashers, which saves time, energy and water.

Indoor landscaping utilises indigenous and water-wise plants, which are watered by means of a drip irrigation system. The CTICC also takes responsibility for the maintenance and irrigation of the City of Cape Town islands and traffic circle outside the venue.

### Waste minimisation

Waste is sorted on site before collection for recovery and recycling purposes. Waste is generally separated at source to reduce contamination. During the period under review a total of 391 366 kg of waste was generated at the CTICC, 291 639 kg of which was sent to landfill, while 99 613 kg was recycled (25%). The type and amount (measured by weight in kg) is indicated in the table below.

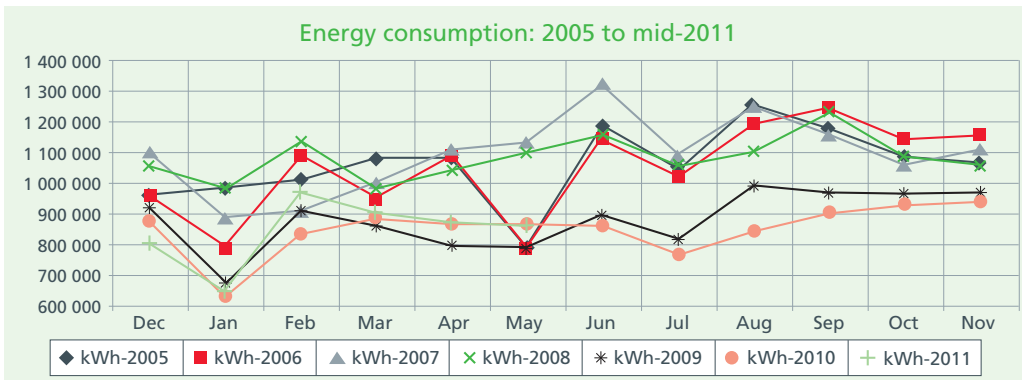
**Total recycled waste: 99 613 kg**  
(Over the period under review)



- Metals – 5 527 kg
- Plastics – 13 078 kg
- Paper and board – 55 584 kg
- Glass – 25 425 kg

**55.8%**

The percentage of paper and board waste that gets recycled



Year-on-year comparison (total kWh per month as illustrated in the graph above) shows constant improvement in and reduction of electricity consumption as efficiency measures have been implemented and refined.

### Eco-procurement

To encourage effective resource management and reduce waste the CTICC supports eco-procurement principles. By engaging with suppliers, and through service-level agreements, the CTICC is able to request locally-sourced goods and services, which supports the local economy and reduces food miles and the associated energy usage. When procuring new equipment, energy efficiency is an important characteristic and appropriate specifications are incorporated in tender requests.

### Taking NOW into tomorrow

In 2008 the CTICC established an environmental task team – the Nurture our World (NOW) team – that is made up of representatives of each of the divisions of the organisation, as well as key partner service providers, in order to focus on achievements and progress.

The NOW initiative has met with immensely positive response from all stakeholders and the past year saw the CTICC investigating ways in which to advance the programme and extend its environmental benefits. Through the NOW initiative the CTICC ultimately aims to achieve and maintain excellence in environmental responsibility in all facets of its business. For this reason NOW has been extended to include NOW supplier accreditation, which is aimed at encouraging suppliers of the CTICC to align themselves with the centre’s sustainability objectives.



we are a green conscious convention centre



### CONTRIBUTING TO SOCIETY

Apart from its continued contribution to economic and employment development in South Africa, the CTICC remains committed to uplifting and empowering individuals and communities within Cape Town and the Western Cape.

A big part of this commitment is providing staff, clients and guests with as many opportunities as possible to become involved in helping those less fortunate than themselves. During the 2010/2011 period, initiatives in this regard included:

#### The 'Bring back your bag' initiative

Event organisers were encouraged to prompt delegates to donate unwanted congress bags, pens, note pads and lanyards for distribution to schools in Cape Town's disadvantaged communities.

### Food redistribution

The CTICC donated all excess food from functions it hosted during the year to a registered non-profit organisation that delivers food to 66 beneficiary organisations. On a daily basis each of these charities feeds an average of 120 people, many of whom are vulnerable children in care homes and pre-school facilities, as well as terminally ill patients, the disabled and the elderly.



### Charity support

The CTICC directly supports a number of charities that have been nominated by its staff members. Apart from contributing food, finances and equipment to these charities, the centre encourages its staff members to support these and other charitable organisations via volunteerism or personal financial contributions. While such involvement is not compulsory, it can have

a positive impact on the achievement of individual KPIs, thereby ensuring better overall performance scores for employees.

Full details of the CTICC's environmental, social and economic sustainability efforts and initiatives over the past financial year are contained in the 2011 CTICC Sustainability Report, which is available at [www.cticc.co.za](http://www.cticc.co.za)

“The CTICC environmental sustainability efforts are guided by a comprehensive environmental management policy and executed via a range of sustainable initiatives.”



## EXPANDING OUR HORIZONS

Since inception, the core mandate of the CTICC has been to contribute to economic growth and job creation, through attracting international meetings and events to Cape Town. In the eight years since it opened its doors, the centre has consistently realised this objective and demonstrated what can be achieved through the power of partnership between public and private enterprises.

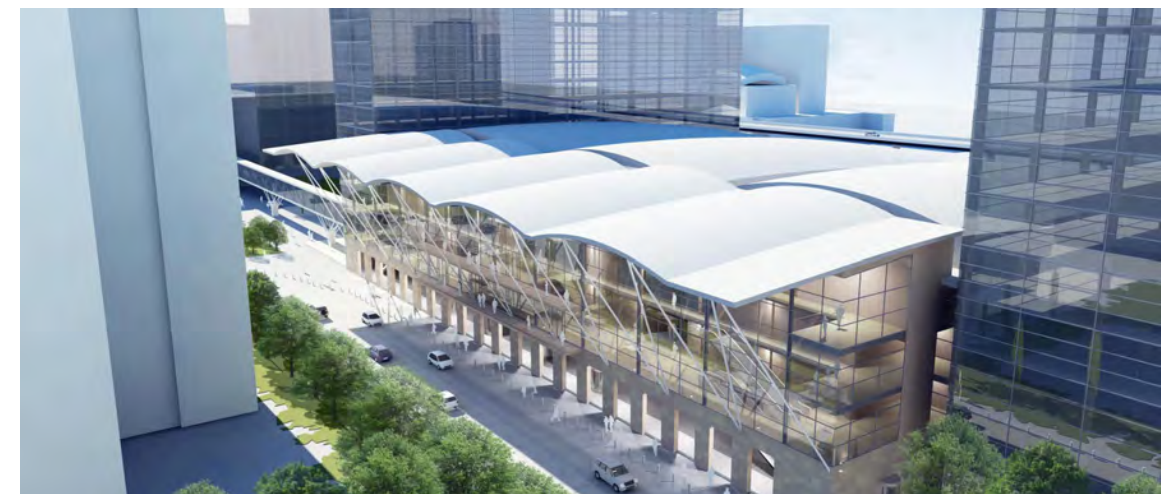
However, changing global markets and client demands require that the CTICC responds dynamically if it is to remain at the cutting edge of the international events industry and move up the rankings towards achieving its vision of being the world's leading long-haul convention centre.

After many years of planning and discussion, this response to growing global demand will now come in the form of a significant expansion of the CTICC over the next five years and the creation of an innovative and attractive convention precinct on the Cape Town foreshore which, it is envisaged, will include convention, exhibition, office, retail, entertainment and medical facilities. The new development will not only expand CTICC facilities but will also create a new development node linking it with Artscape and the Civic Centre, making it more accessible to the city's integrated transport system.

### THE EXPANSION IMPERATIVE

Apart from the need to respond to growing global demand for top-quality convention and exhibition space, the expansion of the CTICC will bring many benefits to the city, some of which are:

- far greater economic spin-off;
- job creation and indirect financial benefits for residents;
- a greater share of international conventions on African shores;
- profiling and positioning of Cape Town as a preferred business tourism destination;
- increased support for many other commercial activities and industries;
- a large increase in induced tourism;
- increased hotel occupancy;
- an extended tourism season for the city; and
- increased revenue and return on investment for shareholders.



## MEETING GROWING DEMAND

At present the CTICC boasts high venue occupancy levels of around 60% on average. During high-demand conference months, such as September, October and November, the centre operates at almost a 100% capacity. Internationally these occupancies are regarded as very high and the current occupancy level, especially of the exhibition halls, has now become a threat to the development of potential new business. The expansion will allow the CTICC to mitigate this risk and accommodate the increasing number of

global event planners that seek venues that allow them to add an exhibition component to their annual meetings and conferences.

## DRIVING CAPE TOWN'S ECONOMIC DEVELOPMENT

The City of Cape Town has identified the hosting of events as a key component of its economic development strategy. The expansion of the centre will serve to drive this strategy, ensuring that Cape Town competes successfully in the global meetings and events market, and achieves its vision of being the best long-haul international convention centre.

## LOOKING FORWARD

As businesses and communication continue to become increasingly electronic, the role of the convention centre is steadily evolving. Conferences, trade shows and events are fast becoming the only physical contact that many businesses and brands have with their customers, partners and other stakeholders.

This places a massive responsibility on the shoulders of the world's convention centres to be more than just venues, but facilitators of relationship building. Trade shows, events and conferences are now the community integrators of the world. They are the means by which people come into physical contact with one another, share knowledge, discuss issues and build tangible social networks.

This role as the primary space for live interaction is not one to be taken lightly. Not least because it is creating a highly competitive environment in which convention centres across the globe need to vie for their share of a potentially lucrative, but always challenging market.

If the CTICC is to compete successfully in this environment, it is imperative that our business model is dynamic, our people are knowledgeable and passionate, and our facilities are the best in the world.

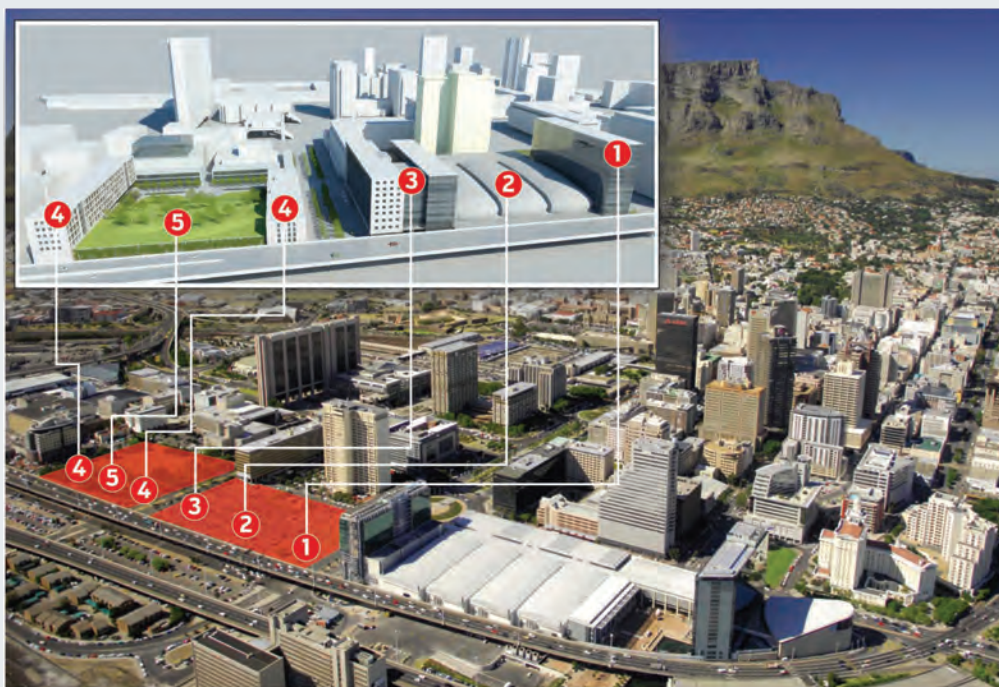
More importantly, it is vital that our centre moves beyond mere service excellence to experience creation.

Unlike many other convention centres around the world, the CTICC does not believe the appropriate response to the competitive events environment is to offer low-cost or free convention space. It is our sincere belief that the vast majority of clients and their guests place far greater value on a brilliant experience than they do on a cheap, but ultimately forgettable, one.

In line with this belief, our response to the changing meeting needs of the business world will be to stick to our vision of becoming the best long-haul international convention centre in the world. We will achieve this by giving our clients and their guests the kind of experience that they are more than willing to pay for.

Yes we will be innovative and flexible in our approach – adjusting prices according to demand and occupancy periods – but ultimately, our commitment to capitalising on the experience economy lies at the heart of our growth and success strategy.

Our focus, in the coming years, will therefore be on building stronger, more personal relationships – with our clients, guests, communities, suppliers and stakeholders. We will strive to ensure that every experience of the CTICC is always authentic, emotive and highly memorable for all the right reasons.



Graphic: Sake24 Photo: Bruce Sutherland

1. Convention Tower 2 on Heerengracht opposite existing tower
2. Expansion of exhibition space

3. Hospital area
- 4 & 5. Artscape/Founders Garden Precinct



# GOVERNANCE, COMPLIANCE AND RISK MANAGEMENT

## GOVERNANCE COMMITMENT

The Conenco board subscribes to the best practice principles set out in the King Report on Corporate Governance for South Africa 2009 (King III). During the past financial year, the board has identified and set in motion the required protocols to ensure the adoption and implementation of the new governance standards. It places strong emphasis on maintaining high standards of financial management, accounting and reporting to ensure that the company's affairs are managed in an ethical, transparent and responsible manner, while also taking into consideration appropriate risk parameters.

## BOARD STRUCTURE AND RESPONSIBILITIES

The company is governed by an experienced and stable board of directors, which directs, governs and is in effective control of its business. The board is ultimately responsible for determining the strategic direction of the company through the establishment of strategic objectives and policies.

The company has a unitary board structure, which currently comprises twelve non-executive directors and two executive directors being the Chief Executive Officer and Chief Operating Officer. Mr Joey Pather, the Chief Operating Officer, was appointed to the Board on 26 August 2011. The roles of Chairperson and Chief Executive Officer are separated.

There are currently three vacancies on the board. Board meetings are held at least quarterly to review the company's performance against set targets and more frequently if necessary. Board meetings are scheduled well in advance and board

members are provided with all relevant information and agendas to enable them to make informed decisions. A record is kept of each director's attendance at board meetings. The directors may seek professional advice on matters concerning the affairs of the company.

## CHANGES TO THE BOARD

Mr David Jack resigned as a board member on 5 May 2011 and Mr Joey Pather was appointed as a board member on 26 August 2011.

## BOARD COMMITTEES

The Conenco board committees operate in accordance with terms of reference defined in their respective charters. Regular reports on the committees' activities are provided to the board. The members of the committees are listed on page 93.

### Audit committee

The audit committee reviews the adequacy and effectiveness of: the financial reporting processes; accounting practices; management information systems; the system of internal controls; the management of financial, investment and operational risks; the internal and external audit processes; and compliance with laws and regulations. The committee makes submissions to the board regarding accounting policies, financial control, records and reporting.

As the company does not have a separate risk committee, the audit committee also oversees the risk management process and monitors the implementation of the CTICC's risk management plan, which is reviewed by the board quarterly and approved annually.



“At the CTICC we recognise that sustainability is a key strategic priority rather than a secondary business consideration.”



The committee meets at least quarterly. Both the internal and external auditors have access to the committee and are invited to attend audit committee meetings.

#### Remuneration committee

The remuneration committee comprises four directors and meets at least once a year for the purpose of reviewing annual salary increases, bonus incentives and the company's remuneration strategy.

#### Nominations committee

The nominations committee consists of three non-executive directors and is tasked with overseeing and making recommendations to the board to ensure that:

- the board has the appropriate composition to execute its duties effectively;
- directors are appointed through a formal and transparent process;

- ongoing induction, training, development and evaluation of directors takes place; and
- formal succession plans for the board, Chief Executive Officer and senior management positions are in place.

#### Expansion committee

The expansion committee has been mandated by the board to oversee all aspects of the CTICC's planned expansion. The committee comprises the chairperson of the board, two non-executive directors and the Chief Executive Officer. It meets monthly or more frequently if necessary.

#### Social and ethics committee

The company is in the process of constituting a social and ethics committee. It will comprise three non-executive directors and the Chief Executive Officer. The committee will fulfil a role previously fulfilled by the audit committee and the Board as a whole. It will monitor the

company's activities, having regard to relevant legislation, other legal requirements and/or prevailing codes of best practice, with regard to matters relating to: social and economic development; good corporate citizenship; the environment, health and public safety, including the impact of the company's activities, products or services; consumer relationships, including the company's advertising, public relations and compliance with consumer protection laws and labour and employment; to draw matters within its mandate to the attention of the board as and when necessary and to report, through one of its members, to the shareholders at the company's annual general meeting on the matters within its mandate. The committee will also be tasked with monitoring the ethical conduct of the company, its executives and senior officials.

#### COMPANY SECRETARY

The company secretary ensures that, in accordance with pertinent laws, the proceedings and affairs of the directorate and, where appropriate, members of the company, are properly administered. The directors have access to the secretary and can seek the advice of the secretary on board and governance matters. The company secretary also acts as secretary to all committees of the board.

#### INTERNAL CONTROL

The directors are responsible for ensuring that the company has internal control systems in place aimed at providing reasonable assurances regarding the safeguarding of assets and the prevention of their unauthorised use or disposal. They are also responsible for ensuring the maintenance of proper accounting records and the reliability of financial and operational information utilised in the business.

For the period under review, nothing has come to the attention of the directors or external auditors to indicate any material breakdown in the functioning of controls, procedures or systems.

#### RISK MANAGEMENT

The board is responsible for the governance of risk in the organisation (including information technology governance) and is committed to complying with the risk management requirements set out in King III. To this end, a risk identification and management process has been put in place. Management is responsible for the implementation of the risk management plan and for providing assurance to the board in this regard. The severity of risks is measured, and appropriate risk mitigating interventions are prioritised accordingly.

#### SUSTAINABILITY

The board is committed to the sustainability of the organisation and has put in place the relevant procedures to enable the company to meet its commitments to its various stakeholders in an ethical, socially responsible, and environmentally friendly manner.

The board has affirmed its ongoing commitment to procurement from black economically empowered companies and to the development of intellectual and human capital within the company with a particular focus on historically disadvantaged individuals.



R33.2 mil

Operating  
profit for  
the year

16.2%

The increase in  
contribution to  
national GDP

**BALANCE**

Funding tomorrow's experience

**CTICC**

**CTICC**

**CTICC**

# ANNUAL FINANCIAL STATEMENTS

## for the year ended 30 June 2011

The reports and statements set out below comprise the annual financial statements presented to members:

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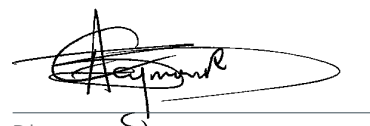
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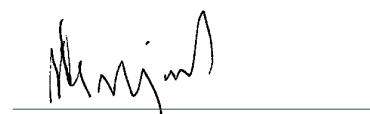
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### Approval of the annual financial statements

The financial statements which appear on pages 56 – 92 were approved by the board of directors on 26 August 2011 and are signed on their behalf by:



Director  
21 September 2011



Director  
21 September 2011



Director  
21 September 2011

# REPORT FROM THE AUDITOR-GENERAL

Report of the auditor-general to the provincial parliament and council on the financial statements of cape town international convention centre company (pty) ltd

### REPORT ON THE FINANCIAL STATEMENTS

#### Introduction

1. I have audited the accompanying financial statements of the Cape Town International Convention Centre Company (Pty) Ltd (the CTICC) which comprise the appropriation statement, the statement of financial position as at 30 June 2011, and the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information as set out on pages 56 to 92.

#### Accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation of these financial statements in accordance with Statements of Generally Recognised Accounting Practice (Standards of GRAP) and in the manner required by the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA) and the Companies Act of South Africa, 2008 (Act No. 71 of 2008) and for such internal control as management determines necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditor-General's responsibility

3. As required by section 188 of the Constitution of the Republic of South Africa, 1996 read with section 4 of the Public Audit Act, 2004 (Act No. 25 of 2004) (PAA), my responsibility is to express an opinion on these financial statements based on my audit.
4. I conducted my audit in accordance with International Standards on Auditing and General Notice 1111 of 2010 issued in Government Gazette 33872 of 15 December 2010. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

6. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

#### Opinion

7. In my opinion the annual financial statements present fairly, in all material respects, the financial position of the Cape Town International Convention Centre Company (Pty) Ltd as at 30 June 2011, and its financial performance and its cash flows for the year then ended, in accordance with Generally Recognised Accounting Practice and in the manner required by the MFMA and the Companies Act.

#### Emphasis of matter

8. I draw attention to the matters below. My opinion is not modified in respect of these matters:

#### Restatement of corresponding figures

9. As disclosed in note 23 to the financial statements the corresponding figures for property, plant and equipment for 30 June 2011 have been restated by R1 584 092 as a result of the reassessment of useful lives in the current year.

#### Material impairments

10. As per note 2 to the financial statements, assets with a cost of R16 091 344 were impaired in the current year as the recoverable amount was less than the carrying value. The cost relate to the expansion project to increase the capacity of the convention centre.

#### Additional matters

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

#### Unaudited supplementary schedules

12. The supplementary information set out on pages 93 to 94 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and accordingly I do not express an opinion thereon.

#### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

13. In accordance with the PAA and in terms of General Notice 1111 of 2010, issued in Government Gazette 33872 of 15 December 2010, I include below my findings on the annual performance report as set out on pages 16 to 40 and material non-compliance with laws and regulations applicable to the municipal entity.

#### Predetermined objectives

14. There are no material findings on the annual performance report.

#### Compliance with laws and regulations

##### Procurement and contract management

15. Goods and services with a transaction value of over R200 000 were not procured by means of a competitive bidding process as per the requirements of the Municipal Supply Chain Management Regulations, section 19.

#### INTERNAL CONTROL

16. In accordance with the PAA and in terms of General notice 1111 of 2010, issued in Government Gazette 33872 of 15 December 2010, I considered internal control relevant to my audit, but not for the purpose of expressing an opinion on the effectiveness of internal control. The matters reported below are limited to the significant deficiencies that resulted in the findings on compliance with laws and regulations included in this report.

#### Leadership

17. The procurement and contract management audit established that the Supply Chain Management (SCM) requirements outlined in paragraph 15 should have been complied with. This oversight resulted in the reported non-compliance. The accounting officer decided to dispense with a competitive bidding process based on advice received and with the approval of the Board of Directors. It is further noted that the municipal entity should improve the SCM skills within the organisation to avoid future instances of non-compliance.

#### OTHER REPORTS

##### Investigations

18. Three investigations were performed relating to three separate instances of fraud. The outcome of the investigations has led to the dismissal or resignation of employees implicated in the fraudulent activities.

*Auditor General*

Cape Town

14 September 2011



# REPORT OF THE DIRECTORS

## for year the ended 30 June 2011

The directors have pleasure in presenting their report for the year ended 30 June 2011. This report forms part of the audited financial statements.

### 1. General review

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

### 2. Statements of responsibility

The directors have responsibility for the maintenance of adequate accounting records and the preparation, integrity and fair presentation of the financial statements of the Cape Town International Convention Centre Company (Pty) Ltd. The financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations of such Statements issued by the Accounting Practices Board. The financial statements are based on appropriate accounting policies, consistently applied.

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

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

The financial statements have been audited by the Auditor-General of South Africa, who was given unrestricted access to all financial records and related data, including minutes of all meetings of shareholders, the board of directors and committees of the board. The directors are of the opinion that all representations made to the independent auditors during the audit are valid and appropriate.

### 3. Dividends

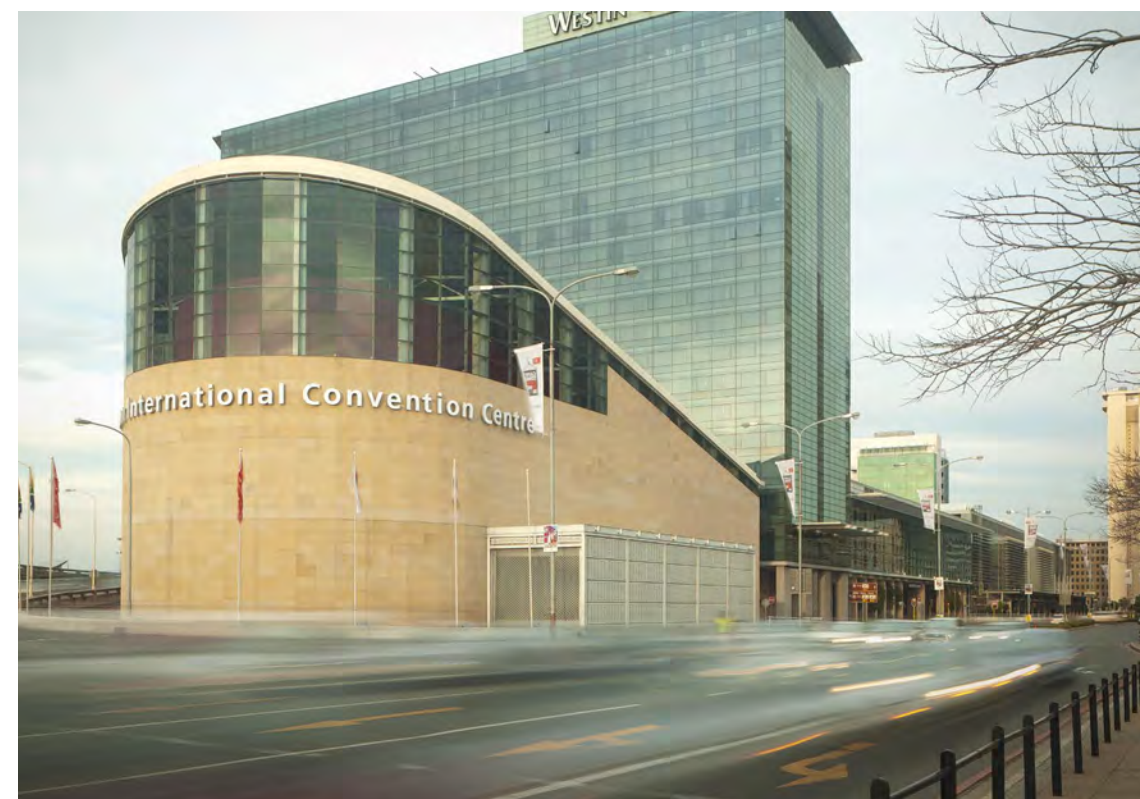
No dividends were declared or recommended during the year.

### 4. Share capital

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

### 5. Events subsequent to year-end

Negotiations on the potential expansion of the convention centre have taken place after year-end.



### 6. Directors

The directors of the company during the year under review and at the date of this report were:

R Toefy (CEO)  
AM Boraine (Chairman)  
DC Skeate  
SA Fisher (Dr)  
DS Jack (Resigned – 5 May 2011)  
TM Pasiwe  
LF Platzky (Dr)  
S Montsi  
MA Gierdien  
AC Seymour (CA(SA))  
HJ Taljaard  
BN Roberts

### 7. Auditors

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

### 8. Holding company

The company is controlled by the City of Cape Town, which owns 50.3% of the company's shares. The remaining shares are held by the Provincial Government of the Western Cape (25.1%) and SunWest International (Pty) Ltd (24.7%).

### 9. Subsidiary

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

# STATEMENT OF FINANCIAL POSITION

as at 30 June 2011

	Notes	2011 R	2010 R
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	2	180 416 732	182 290 433
Investment in subsidiary	3	100	100
<b>Current assets</b>			
Inventories	5	1 384 850	2 478 677
Trade and other receivables	6	9 283 260	8 084 327
Cash and cash equivalents	13.2	134 424 543	124 154 382
<b>Total assets</b>		<b>325 509 385</b>	<b>317 007 819</b>
<b>NET ASSETS AND LIABILITIES</b>			
<b>Net assets</b>			
Contribution from owners	7	565 639 701	565 639 701
Accumulated deficit		(299 468 701)	(297 142 111)
<b>Non-current liabilities</b>			
Deferred taxation	4	8 317 610	9 240 059
<b>Current liabilities</b>			
Client deposits		11 202 798	13 432 946
Trade and other payables	8	36 811 995	20 326 215
Provisions	9	2 467 728	2 319 813
Receiver of revenue		538 254	3 191 196
<b>Total net assets and liabilities</b>		<b>325 509 385</b>	<b>317 007 819</b>

# STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 30 June 2011

	Notes	2011 R	2010 R
<b>Revenue</b>			
Cost of sales		(19 590 390)	(16 194 229)
Gross profit		123 707 112	121 750 399
Other operating income		11 865 355	13 594 174
Finance income	11	7 660 146	8 843 567
Other		4 205 209	4 750 607
Operating expenses		(131 412 263)	(115 648 207)
Operating profit	10	4 160 204	19 696 366
Finance costs	11	(61 176)	(6 459)
Profit before taxation		4 099 028	19 689 907
Taxation	12	(6 425 618)	(5 545 748)
<b>Net (loss)/profit for the year</b>		<b>(2 326 590)</b>	<b>14 144 159</b>

# STATEMENT OF CHANGES IN NET ASSETS

for the year ended 30 June 2011

	Issued capital	Share premium	Contributions from owners	Accumulated deficit	Total
	R	R	R	R	R
Balance at 1 July 2009	566	565 639 135	565 639 701	(310 252 052)	255 387 649
Prior year error				(1 034 218)	(1 034 218)
Profit for the year	—	—	—	14 144 159	14 144 159
Balance at 30 June 2010	566	565 639 135	565 639 701	(297 142 111)	268 497 590
Loss for the year	—	—	—	(2 326 590)	(2 326 590)
Balance at 30 June 2011	566	565 639 135	565 639 701	(299 468 701)	266 171 000

# CASH FLOW STATEMENT

for the year ended 30 June 2011

	Notes	2011 R	2010 R
<b>Cash flow from operating activities</b>		37 616 930	18 541 733
Cash receipts from customers		145 574 157	138 599 827
Cash paid to suppliers and employees		(97 895 042)	(113 127 344)
Cash generated from operations	13.1	47 679 115	25 472 483
Finance costs	11	(61 176)	(6 459)
Taxation paid		(10 001 009)	(6 924 291)
<b>Cash flow from investing activities</b>		(27 346 769)	(3 522 217)
Acquisition of property, plant and equipment		(35 332 081)	(12 365 784)
Proceeds on disposal of property, plant and equipment		325 166	—
Finance income	11	7 660 146	8 843 567
<b>Cash flow from financing activities</b>		—	—
Loans repaid		—	—
Decrease in share capital		—	—
Increase/(decrease) in cash and cash equivalents		10 270 161	15 019 516
Cash and cash equivalents at the beginning of the year	13.2	124 154 382	109 134 866
Cash and cash equivalents at the end of the year	13.2	134 424 543	124 154 382

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2011

## 1. Accounting policies

### 1.1 Basis of preparation

The financial statements have been prepared in accordance with the Standards of Generally Recognised

Accounting Practice (GRAP) prescribed by the Minister of Finance in terms of Notices 991 and 992 in Government Gazette No. 28095 and Notice 516 in Government Gazette No. 31021.

GRAP 1	Presentation of Financial Statements
GRAP 2	Cash Flow Statements
GRAP 3	Accounting Policies, Changes in Accounting Estimates and Errors
GRAP 4	The Effects of Changes in Foreign Exchange Rates
GRAP 5	Borrowing Costs
GRAP 6	Consolidated and Separate Financial Statements
GRAP 7	Investment in Associates
GRAP 8	Investment in Joint Ventures
GRAP 9	Revenue from Exchange Transactions
GRAP 10	Financial Reporting in Hyperinflationary Economies
GRAP 11	Construction Contracts
GRAP 12	Inventories
GRAP 13	Leases
GRAP 14	Events after the Reporting Date
GRAP 16	Inventory Property
GRAP 17	Property, Plant and Equipment
GRAP 19	Provisions, Contingent Liabilities and Contingent Assets
GRAP 20	Related Party Disclosure
GRAP 100	Non-current Asset Held for Sale and Discontinued Operations
GRAP 101	Agriculture
GRAP 102	Intangible Assets
GRAP 104	Financial Instruments

Accounting policies for material transactions, events or conditions not covered by the above GRAP standards have been developed in accordance with Paragraphs 7, 11 and 12 of GRAP 3.

Where a standard of GRAP that has been issued by the Accounting Standards Board exists, but for which an effective

date has not yet been determined by the Minister of Finance, accounting policies were developed based on the relevant GRAP standard.

The significant accounting policies are set out above and are consistent with those applied in the previous financial year.

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

#### Standards and interpretations issued, but not yet effective

The entity has not applied the following standards and interpretations, which have been published and are mandatory for the entity's accounting periods beginning on or after 01 April 2012 or later periods:

#### GRAP 23: Revenue from non-exchange transactions

The objective of GRAP 23 is to prescribe requirements for the financial reporting of revenue arising from non-exchange transactions, other than non-exchange transactions that give rise to an entity combination. The Standard deals with issues that need to be considered in recognising and measuring revenue from non-exchange transactions, including the identification of contributions from owners.

Revenue from non-exchange transactions arises when an entity receives value from another entity without directly giving approximately equal value in exchange.

Revenue from non-exchange transactions are accounted for using the 'assets and liabilities' approach rather

than using an 'earnings' approach which is followed for exchange revenue.

An entity is required to determine and recognise the fair value of goods received in-kind. An entity is only required to determine and disclose the fair values of services received in-kind.

It is unlikely that the standard will have a material impact on the entity's annual financial statements.

#### GRAP 24: Presentation of budget information in annual financial statements

This standard requires a comparison of budget amounts and the actual amounts arising from execution of the budget to be included in the financial statements of entities that are required to, or elect to, make publicly available their approved budget(s) and for which they are, therefore, held publicly accountable. The standard also requires disclosure of an explanation of the reasons for material differences between the budget and actual amounts. Compliance with the requirements of this standard will ensure that entities discharge their accountability obligations and enhance the transparency of their financial statements by demonstrating compliance with the approved budget(s) for which they are held publicly accountable and, where the budget(s) and the financial statements are prepared on the same basis, their financial performance in achieving the budgeted results.

Entities are appropriated resources through the annual budget process. These resources are granted to entities by Parliament, the legislatures or municipal councils so that entities can execute their mandate. Budgets effectively provide entities with the authority to incur expenditure in order to fulfil the various programmes operated by government. It is often necessary to revise the original budgets during the year for a number of reasons. Entities themselves are also allowed to make certain amendments within the budgetary limits set by Parliament, the various legislatures or municipal councils.

It is important for financial reporting purposes that users of the financial statements understand the link between the budget and financial statements, hold entities accountable for their actual activities against what was planned, and how allocated resources were utilised. Entities that make their budgets publicly available are thus required to present a comparison between:

- the budget and actual amounts;
- between the last budget approved by Parliament, the legislatures or municipal councils, and the final budget (which includes those changes made by management within the prescribed limits); and
- include an explanation of the material differences between the budget and actual amounts in the notes to the financial statements (unless these explanations are included in another

document published at the same time as the financial statements).

Where an entity prepares its budget and financial statements on a comparable basis, it includes the comparison as an additional column in the primary financial statements. Where the budget and financial statements are not prepared on a comparable basis, a separate statement is prepared, called the 'Statement of Comparison of Budget and Actual Amounts'. This statement compares the budget amounts with the amounts in the financial statements adjusted to be comparable to the budget.

A comparable basis means that the budget and financial statements:

- are prepared using the same basis of accounting i.e. either cash or accrual;
- include the same activities and entities;
- use the same classification system; and
- are prepared for the same period.

Entities must disclose on what basis the budget is prepared, including information about the accounting and classification basis, the period of the approved budget, and the entities it covers.

Entities should prepare and disclose a reconciliation between the actual amounts presented on a comparable basis and the actual amounts presented in the financial statements. It is unlikely that the amendment will have a material impact on the entity's annual financial statements.

### Impairment of trade 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 based on their creditworthiness. This was performed per service-identifiable categories across all classes of debtors.

### Property, plant and equipment

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

### Provisions and contingent liabilities

Management's judgement is required when recognising and measuring provisions, and when measuring contingent liabilities. Provisions are discounted where the effect of discounting is material using actual valuations.

## 1.2 Property, plant and equipment

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

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

	2011 %
Fixtures and equipment	8.33 – 33.33
Motor vehicles	16.67 – 25.00
Furniture and fittings	8.33 – 20.00
Kitchen and catering equipment	11.11 – 50.00
Office equipment	10.00 – 50.00
Computer equipment	33.33
Computer software	33.33 – 50.00
Escalators and elevators	5.56 – 10.00
Carpets and laminated flooring	12.50 – 16.67
Curtains and blinds	10.00 – 20.00
Signage	8.33 – 33.33
Audiovisual equipment	7.69 – 16.67
Fences and gates	6.67 – 20.00
Cold rooms	5.88 – 8.33
Air-conditioning equipment	5.56 – 20.00
Sprinkler system	16.67 – 20.00
Auditorium seating	8.33 – 16.67
Building management system	5.88 – 16.67
Building	3.00 – 16.67

## 1. Accounting policies (continued)

### 1.2 Property, plant and equipment (continued)

The assets' estimated useful lives and residual value is reviewed on an annual basis.

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

Gains and losses on disposals are determined by comparing proceeds with carrying amounts and are included in operating profit.

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

### 1.3 Impairment of assets

Non-current assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of an asset's net

selling price and value in use. For the purpose of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows.

### 1.4 Leases

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the income statement on a straight-line basis over the period of the lease.

### 1.5 Inventories

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 price is determined using a weighted average price 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.

### 1.6 Deferred taxation

Deferred taxation assets and liabilities are determined, using the liability method, for all temporary differences arising between the tax base of assets and liabilities and their carrying value for financial reporting purposes. Currently enacted tax rates are used in the determination of deferred income tax. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

### 1.7 Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount of the obligation can be made.

### 1.8 Revenue recognition

Revenue comprises the invoiced value of sales of goods and services net of value added tax, rebates and all discounts. Revenue from the sale of goods are 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.

### 1.9 Financial instruments

The company classifies financial assets in the following categories: at fair value through profit or loss, loans and receivables, and available for sale. 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 through profit and loss

Financial assets at fair value through profit and loss 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. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

#### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed and determinable payments that are not quoted in an active market. They are included in current assets except for maturities greater than 12 months after the reporting date. These are classified as non-current assets. Loans and receivables are classified as trade and other receivables in the statement of financial position.

#### Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in the category or not classified in any of the other categories. They are included in the non-current assets unless management intends to dispose of the investment within 12 months of the reporting date.

Regular purchases and sales of financial assets are not recognised on the trade date on which the company commits to purchase or sell the assets. Investments are initially recognised at a fair value plus transaction costs for all financial assets not carried at fair value through profit and loss. Financial assets carried at fair value through profit and loss are initially recognised at fair value, and transaction costs are expensed in the income statement.

## 1. Accounting policies (continued)

### 1.9 Financial instruments (continued)

#### Available-for-sale financial assets (continued)

Financial assets are derecognised when the right to receive cash flows from the investments have expired or have been transferred and the company has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets at fair value through profit and loss are subsequently carried at fair value. Loans and receivables are carried at amortised cost using effective interest rates.

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit and loss' category are presented in the income statement within 'other (losses)/gains – net' in the period in which they arise. Dividend income from financial assets at fair value through profit and loss is recognised in the income statement as part of other income when the company's right to receive payment is established.

Changes in the fair value of the monetary securities denominated in a foreign currency and classified as available for sale are analysed between translation differences resulting from trading changes in amortised cost of the security and other changes in the carrying amount

of the security. The translation differences on the monetary securities are recognised in profit and loss; translation differences on non-monetary securities are recognised in equity. Changes in the fair value of the monetary and non-monetary securities are classified as available for sale and are recognised in equity.

When securities classified as available for sale are impaired the accumulated fair value adjustments recognised in equity are included in the income statement as gains and losses from investment securities. Interest on available-for-sale securities calculated using the effective interest rate method is recognised in the income statement as part of 'other income'. Dividends on available-for-sale equity instruments are recognised in the income statement as part of other income when the company's right to receive the payments is established.

The fair values of the quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted shares), the company establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analyses and option pricing models, making maximum use of the market inputs and relying as little as possible on entity-specific inputs.

The company assesses at each reporting date whether there is objective evidence that a financial asset is impaired. In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered as an indicator that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss, measured as the difference between the acquisition cost and the current fair value less any impairment loss on those financial assets previously recognised in the profit and loss, is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement.

#### 1.9.1 Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the group will 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. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the income statement within selling and marketing costs. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recovery of amounts previously written off is credited against selling and marketing costs in the income statement.

#### 1.9.2 Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowing in current liabilities on the statement of financial position.

#### Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

## 1. Accounting policies (continued)

### 1.9 Financial instruments (continued)

#### 1.9.2 Cash and cash equivalents (continued)

Where any company purchases the company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity attributable to the company's equity holders until the shares are cancelled or reissued.

#### 1.9.3 Trade payables

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method.

##### 1.9.3.1 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. The company uses derivative financial instruments to hedge certain risk exposures.

##### *i) Interest rate risk*

The company's income and operating cash flows are substantially independent of changes in market interest rates.

##### *ii) Credit risk*

Concentrations of credit risk with respect to trade receivables are limited due to the company's large number of customers, who are both internationally and nationally dispersed.

The company has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. The company has policies that limit the amount of credit exposure to any one financial institution, and cash transactions are limited to creditworthy institutions.

##### *iii) Liquidity risk*

Prudent liquidity risk management implies maintaining sufficient

cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

##### *iv) Capital risk management*

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

##### 1.9.3.2 Fair value estimation

In assessing the fair value of financial instruments, the company uses a variety of methods and makes assumptions that are based on market conditions existing at

each reporting date. The fair value of financial assets and liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate available to the company for similar financial instruments.

## 1. Accounting policies (continued)

### 1.10 Translation of foreign currencies

#### Transactions

Foreign currency transactions are recorded on initial recognition in Rands, by applying to the foreign currency amount the exchange rate between the Rand and the foreign currency at the date of the transaction.

At each reporting date:

- (a) foreign currency monetary items are reported using the closing rate; and
- (b) non-monetary items, which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

Exchange differences arising on the settlement of monetary items or on reporting an enterprise's monetary items at rates different from those at which they are initially recorded during the period, or reported in previous financial statements, are recognised as income or expenses in the period in which they arise.

### 1.11 Employee benefits

The company operates a defined contribution plan. A defined contribution plan is a pension plan where the company pays fixed contributions into a separate entity. The company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay

all employees the benefits relating to employee service in the current and prior periods. The company has no payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

### 1.12 Unauthorised expenditure

Unauthorised expenditure is expenditure that has not been budgeted, expenditure that is not in terms of the conditions of an allocation received from another sphere of government, municipality or organ of State and expenditure in the form of a grant that is not permitted in terms of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003). Unauthorised expenditure is accounted for as an expense in the statement of financial performance and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

### 1.13 Irregular expenditure

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act, 2003 (Act No. 56 of 2003), the Municipal Systems Act, 2000 (Act No. 32 of 2000), and the Public Office-bearers Act, 1998 (Act No. 20 of 1998) or is in contravention of the municipality's supply chain management policy. Irregular expenditure excludes unauthorised expenditure. Irregular 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.

### 1.14 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised. Fruitless and wasteful expenditure is accounted for as expenditure in the statement of financial performance and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

### 1.15 Comparative information

Comparative figures are reclassified or restated as necessary to afford a proper and more meaningful comparison of results, as set out in the affected notes to the financial statements. Budgeted amounts have been included in the annual financial statements for the current financial year only.

### 1.16 Critical accounting estimates and judgements

The company makes estimates and assumptions concerning the future. The resulting accounting estimate 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 below.

#### 1.16.1 Asset useful lives and residual values

Plant and equipment is depreciated over its useful life taking into account residual values where appropriate. The actual useful lives of the assets and residual values are assessed annually and vary depending on the number of factors. In reassessing asset useful lives, factors such as technological innovation and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2011

## 2. Property, plant and equipment

2011	Cost	Accumulated depreciation and impairment	Carrying value
	R	R	R
Escalators	3 417 720	919 067	2 498 653
Elevators	9 967 151	5 670 201	4 296 950
Carpets/Laminated flooring	6 799 612	4 671 112	2 128 500
Curtains/Blinds	2 742 081	1 554 071	1 188 010
Signage	5 172 815	2 804 614	2 368 201
Audiovisual	12 160 136	8 766 409	3 393 727
Fences and gates	1 094 650	521 275	573 375
Cold rooms	2 572 402	1 385 234	1 187 168
Air-conditioning system	33 209 052	14 495 000	18 714 052
Sprinkler system	4 861 226	4 689 430	171 796
Auditorium seating	5 053 452	3 374 820	1 678 632
Building management system	29 920 550	21 435 253	8 485 297
Building	442 900 220	339 170 469	103 729 751
Plant and equipment	7 361 808	5 535 528	1 826 280
Motor vehicles	1 129 453	1 018 218	111 235
Furniture and fittings	12 705 862	8 609 541	4 096 321
Kitchen and catering	17 049 951	12 443 226	4 606 725
Office equipment	4 187 775	2 500 209	1 687 566
Computer equipment	11 094 217	7 546 423	3 547 794
Computer software	2 327 574	1 821 881	505 693
Assets in progress*	29 712 250	16 091 344	13 620 906
	645 439 957	465 023 325	180 416 632

\* Assets in progress relate to the capitalised costs incurred on the expansion of the convention centre.

2010	Cost	Accumulated depreciation	Carrying value
	R	R	R
Escalators	3 417 720	640 796	2 776 924
Elevators	9 967 151	4 961 426	5 005 725
Carpets/Laminated flooring	6 043 961	4 497 924	1 546 037
Curtains/Blinds	1 450 499	1 428 148	22 351
Signage	2 904 185	1 979 098	925 087
Audiovisual	12 004 933	7 577 230	4 427 703
Fences and gates	947 923	355 387	592 536
Cold rooms	2 572 402	1 212 079	1 360 323
Air-conditioning system	32 974 894	12 704 288	20 270 606
Sprinkler system	4 821 657	4 654 677	166 980
Auditorium seating	4 983 346	2 880 676	2 102 670
Building management system	25 446 465	19 012 041	6 434 424
Building	435 851 330	333 725 096	102 126 234
Plant and equipment	8 754 768	6 194 052	2 560 716
Motor vehicles	1 487 008	1 174 769	312 239
Furniture and fittings	13 740 636	9 087 636	4 653 000
Kitchen and catering	18 294 649	13 070 738	5 223 911
Office equipment	4 095 862	2 385 355	1 710 507
Computer equipment	8 524 448	5 603 015	2 921 433
Computer software	2 024 919	1 375 749	649 170
Assets in progress*	16 501 757	—	16 501 757
	616 810 513	434 520 180	182 290 333

\* Assets in progress relate to the capitalised costs incurred on the expansion of the convention centre.

## 2. Property, plant and equipment (continued)

The carrying amounts of property, plant and equipment can be reconciled as follows:

2011	Carrying value at beginning of year R	Re-classification	Additions R	Disposals R	Depreciation and impairment R	Carrying value at end of year R
Escalators	2 776 924	—	—	—	278 271	2 498 653
Elevators	5 005 725	—	—	—	708 775	4 296 950
Carpets/Laminated flooring	1 546 037	24 692	1 513 990	41 667	914 552	2 128 500
Curtains/Blinds	22 351	219 897	1 221 862	—	276 100	1 188 010
Signage	925 087	682 885	1 303 785	—	543 556	2 368 201
Audiovisual	4 427 703	477	148 992	—	1 183 445	3 393 727
Fences and gates	592 536	15 716	95 388	—	130 265	573 375
Cold rooms	1 360 323	—	—	—	173 155	1 187 168
Air-conditioning system	20 270 606	—	404 158	99 237	1 861 475	18 714 052
Sprinkler system	166 980	—	39 570	—	34 754	171 796
Auditorium seating	2 102 670	9 727	—	—	433 765	1 678 632
Building management system	6 434 424	15 282	4 358 767	—	2 323 176	8 485 297
Building	102 126 234	560 345	5 819 526	13 293	4 763 061	103 729 751
Plant and equipment	2 560 716	(912 903)	858 455	3 534	676 454	1 826 280
Motor vehicles	312 239	—	—	173 811	27 193	111 235
Furniture and fittings	4 653 000	(52 515)	1 046 045	—	1 550 209	4 096 321
Kitchen and catering	5 223 911	(478 706)	2 033 825	27 487	2 144 818	4 606 725
Office equipment	1 710 507	(280 625)	688 161	7 967	422 510	1 687 566
Computer equipment	2 921 433	195 728	2 286 409	96 057	1 759 719	3 547 794
Computer software	649 170	—	302 655	—	446 132	505 693
Assets in progress*	16 501 757	—	13 210 493	—	16 091 344	13 620 906
	182 290 333	—	35 332 081	463 053	36 742 729	180 416 632

\* Assets in progress relate to the capitalised costs incurred on the expansion of the convention centre.

2010	Carrying value at beginning of year R	Re-classification	Additions R	Disposals R	Depreciation R	Carrying value at end of year R
Escalators	938 449	—	2 240 748	356 045	46 228	2 776 924
Elevators	5 714 500	—	—	—	708 775	5 005 725
Carpets/Laminated flooring	2 071 995	—	267 911	—	793 869	1 546 037
Curtains/Blinds	18 396	—	7 755	—	3 800	22 351
Signage	1 134 011	—	109 303	—	318 227	925 087
Audiovisual	5 658 953	—	—	—	1 231 250	4 427 703
Fences and gates	613 317	—	86 826	—	107 607	592 536
Cold rooms	1 533 477	—	—	—	173 154	1 360 323
Air-conditioning system	22 027 013	—	69 058	—	1 825 465	20 270 606
Sprinkler system	75 110	—	114 856	—	22 986	166 980
Auditorium seating	2 526 709	—	—	—	424 039	2 102 670
Building management system	9 195 290	—	—	—	2 760 866	6 434 424
Building	104 515 809	—	1 833 166	—	4 222 741	102 126 234
Plant and equipment	3 366 088	—	151 081	—	956 453	2 560 716
Motor vehicles	432 586	—	58 406	—	178 753	312 239
Furniture and fittings	4 422 150	—	1 746 097	—	1 515 247	4 653 000
Kitchen and catering	6 267 490	—	1 452 355	—	2 495 934	5 223 911
Office equipment	1 580 090	—	756 278	—	625 861	1 710 507
Computer equipment	1 742 612	—	2 377 154	—	1 198 333	2 921 433
Computer software	428 990	—	414 446	—	194 266	649 170
Assets in progress*	15 821 413	—	680 344	—	—	16 501 757
	190 084 448	—	12 365 784	356 045	19 803 854	182 290 333

\* Assets in progress relate to the capitalised costs incurred on the expansion of the convention centre.

## 2. Property, plant and equipment (continued)

Gross carrying amount (fully depreciated property, plant and equipment):

	2011 R	2010 R
Audiovisual	358 652	—
Auditorium seating	70 106	—
Building	381 932	—
Building management system	8 519 840	—
Carpets	34 003	—
Curtains/Blinds	587 053	1 423 034
Fences & gates	24 830	—
Signage	1 083 194	—
Sprinkler system	4 626 326	4 626 326
Vehicles	934 684	367 884
Computer software	1 221 496	1 043 421
Computer equipment	3 474 269	3 115 571
Office equipment	1 168 743	21 332
Furniture & fittings	352 769	1 673 695
Artwork	1 321 095	1 321 095
Plant & equipment	451 447	289 731
Kitchen & catering	8 439 860	2 595 068
	33 050 299	16 477 157

### Impairment consideration

In line with our accounting policy for property, plant and equipment and GRAP for the impairment of assets, non-current assets were assessed during the period for possible indicators of impairment.

During the review management has confirmed the following:

#### \* Assets in progress

Assets with a cost R16 091 344 were impaired in the current year as the recoverable amount was less than carrying value. This was mainly due to the fact that the initial Customs House expansion project was assessed as unlikely to continue and most of the cost incurred was irrecoverable and could not be used on the new expansion project.

#### Building

- (a) The main purpose of establishing the centre was to generate spin-off returns for the region.
- (b) 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.

- (c) Since inception, all initial targets for the region (spin-offs) and the operation of the convention centre have consistently been exceeded and is forecast to maintain this level of performance for the foreseeable future.
- (d) Despite this, the value in use of the centre can only be attributed to the present value of the future cash flows generated within the centre itself, and excludes any value which it generates for other entities or business sectors.
- (e) No value could be attached to the centre at the end of its useful life due to its disposal being highly unlikely and no reliable basis for measuring the disposal value existing.
- (f) A discount rate of 11% (2010:13%) was used which was calculated using the risk-free rate R207 of 8.4% adjusted by 2.6% for uncertainty regarding timing and extent of certain of the cash flows.

Based on this valuation method, a value almost equal to current carrying value of R102 869 253 was established for the building at date of valuation, which has resulted in a nil reversal of impairment. The carrying amount at cost before impairment reversal is R392 660 158 (2010: R358 910 365).

	2011 R	2010 R
<b>3. Investment in subsidiary</b>		
The company has an investment in the following company:		
<b>Unlisted</b>		
Cape Town International Convention Centre Operating Company (Pty) Ltd (OPCO)	100	100
The results of the subsidiary company is reflected in these financial statements, however the agency agreement between Cape Town International Convention Centre Company (Pty) Ltd (Convenco) and Cape Town International Convention Centre Operating Company (Pty) Ltd (OPCO) terminated on 30 June 2010. OPCO does not reflect any trading activities in its financial results and will be deregistered.		
<b>4. Deferred taxation</b>		
Deferred income taxes are calculated on all temporary differences under the balance sheet liability method using a tax rate of 28%.		
<b>The deferred tax liability is made up as follows:</b>		
At the beginning of the year	9 240 059	11 049 624
Prior period error adjustments	—	(402 196)
Correction of deferred tax asset for previous year	—	(41 350)
Tax rate adjustment	—	—
Utilisation of previously recognised deferred tax asset	—	—
Temporary differences	(922 449)	(1 366 019)
<b>At the end of the year</b>	<b>8 317 610</b>	<b>9 240 059</b>
<b>The balance comprises:</b>		
Capital allowance (non-deductible temporary differences)	8 317 610	9 240 059
	<b>8 317 610</b>	<b>9 240 059</b>
<b>5. Inventories</b>		
Food	699 264	1 448 295
Beverage	539 033	874 200
Consumables	128 650	134 560
Chemicals	17 903	21 622
	<b>1 384 850</b>	<b>2 478 677</b>

	2011 R	2010 R
<b>6. Trade and other receivables</b>		
Trade receivables	6 072 556	8 349 211
Less: provision for impairment of trade receivables	(602 782)	(3 561 688)
Trade receivables – net	5 469 774	4 787 523
Prepayments	903 766	889 019
Receiver of revenue: VAT	—	1 882 550
Other receivables	2 909 720	525 235
	<b>9 283 260</b>	<b>8 084 327</b>
<b>Trade receivables ageing</b>		
Current (0 – 30 days)	2 149 973	7 921
31 – 60 days	(42 958)	3 767 531
61 – 90 days	(32 154)	59 306
91 – 120 days	604 118	1 717 944
+ 120 days	3 393 577	2 796 509
<b>Total</b>	<b>6 072 556</b>	<b>8 349 211</b>
Trade receivables past and impaired	602 782	3 561 688
Trade receivables past due	5 469 774	4 787 523
The carrying amount of trade and other receivables approximates their fair value due to their short-term maturity.		
Trade receivables in 120 days are not impaired as there is no history of default from these clients.		
The carrying value of these trade receivables is denominated in the following currency: South African Rand.		
<b>Provision for impairment of trade receivables</b>		
Opening balance	3 561 688	703 036
Additional provision	602 782	3 561 688
Unused amounts reversed	(3 561 688)	(703 036)
<b>Closing balance</b>	<b>602 782</b>	<b>3 561 688</b>
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.		

	2011	2010
	R	R
<b>7. Contribution from owners</b>		
<b>Authorised</b>		
300 ordinary shares of R1 each	300	300
56 000 A ordinary of 1cent each	560	560
14 000 B ordinary shares of 1cent each	140	140
<b>Issued</b>		
42 599 A ordinary shares of 1cent each	426	426
14 000 B ordinary shares of 1cent each	140	140
Share premium	565 639 135	565 639 135
	<b>565 639 701</b>	<b>565 639 701</b>
<b>8. Trade and other payables</b>		
Trade payables	18 506 968	9 747 947
Accruals	17 568 789	10 493 468
Receiver of revenue: VAT	449 450	—
Sundry payables	286 788	84 800
	<b>36 811 995</b>	<b>20 326 215</b>
The carrying amount of trade and other payables approximates their fair value due to short-term maturity.		
The carrying value of these trade payables is denominated in the following currency: South African Rand	18 506 968	9 747 947
<b>9. Provisions</b>		
Performance bonus provision		
Opening balance	2 319 813	2 300 419
Additional provisions	2 467 728	2 319 813
Prior year provision utilised	(2 319 813)	(2 300 419)
Closing balance	<b>2 467 728</b>	<b>2 319 813</b>
Performance bonuses accrue to staff on an annual basis based on the achievement of predetermined performance. The provision is an estimate of the amount due to staff in the service of the company at reporting date.		

	2011	2010
	R	R
<b>10. Operating profit/(deficit)</b>		
Operating profit is stated after:		
<b>Income</b>		
Profit/(Loss) on foreign exchange	32 186	(160 334)
<b>Rental income</b>		
Vexicure (Pty) Ltd t/a Westin Grand	2 148 450	2 756 607
<b>Expenditure</b>		
<b>Auditors' remuneration</b> – Audit fee	637 503	517 155
Provision for impairment of trade receivables	299 062	3 065 283
<b>Directors' remuneration</b>		
Non-executive directors' remuneration	236 589	226 295
CEO – basic salary	1 167 024	1 012 514
– bonus	147 203	101 251
<b>Key management remuneration</b>		
COO – basic salary	1 197 696	1 021 842
– bonus	159 692	178 724
Operations – basic salary	823 704	715 248
– bonus	109 181	106 536
Commercial – basic salary	801 882	715 248
– bonus	109 181	106 536
Finance – basic salary	904 236	817 134
– bonus	145 082	111 384
Human resources – basic salary	595 452	529 302
– bonus	80 866	78 765
<b>Depreciation</b>		
– Property, plant and equipment	20 651 385	19 803 854
<b>Impairment</b>		
– Property, plant and equipment	16 091 344	—
Management fees – Amsterdam RAI (refer to note 16)	972 994	9 305 510
Repairs and maintenance on property, plant and equipment	7 621 363	7 185 481
<b>Revenue</b>		
Commissions	8 514 574	8 479 759
Parking	8 058 787	7 821 359
Sales	123 765 064	120 195 171
Subcontractor service income	42 083 315	29 984 236
Subcontractor service expense	(39 124 238)	(28 535 897)
	<b>143 297 502</b>	<b>137 944 628</b>

	2011	2010
	R	R
<b>11. Finance income and costs</b>		
Finance income		
– cash and cash equivalents	7 660 146	8 843 567
Finance cost		
– Finance costs – South African Revenue Service	(61 176)	(6 459)
<b>Net finance income</b>	<b>7 598 970</b>	<b>8 837 108</b>
<b>12. Taxation</b>		
South African normal taxation		
Current year	7 348 067	8 245 224
Underprovision prior year	—	41 118
Tax credit on prior years' assessments made by South African Revenue Service	—	(1 333 226)
Prior year error – deferred tax	—	(41 350)
Deferred taxation (refer note 4)	(922 449)	(1 366 018)
<b>Taxation</b>	<b>6 425 618</b>	<b>5 545 748</b>
Profit before taxation	4 099 028	19 689 907
Tax calculated at 28%	1 147 728	5 513 174
Underprovision prior year	—	41 118
Deferred tax asset recognised	(922 449)	(1 366 019)
Expenses not deductible for tax purposes	6 200 340	1 357 475
	<b>6 425 618</b>	<b>5 545 748</b>
<b>13.1 Cash generated from/(utilised in) operations</b>		
Profit before taxation	4 099 028	19 689 907
Adjustment for:		
Depreciation	20 651 385	19 803 854
Impairment	16 091 344	—
Finance income	(7 660 146)	(8 843 567)
Asset write-off	169 076	356 045
Finance costs	61 176	6 459
Profit on disposal of property, plant and equipment	(31 189)	—
Increase in provision for bonuses	147 915	19 394
Increase in provision for impairment of trade receivables	(2 958 906)	(2 858 652)
	<b>30 569 683</b>	<b>28 173 440</b>

	2011	2010
	R	R
<b>13.1 Cash generated from/(utilised in) operations (continued)</b>		
Movements in working capital		
Decrease/(Increase) in inventories	1 093 827	(1 418 739)
(Increase)/Decrease in receivables	1 759 973	5 818 626
Increase/(Decrease) in payables	14 255 632	(7 100 844)
	<b>47 679 115</b>	<b>25 472 483</b>
<b>13.2 Cash and cash equivalents</b>		
Cash and cash equivalents consist of cash on hand and balance with banks. Cash and cash equivalents included in the cash flow statement comprise the following balance sheet amounts:		
Current accounts	13 479 026	6 628 992
Call and investment accounts	120 857 570	117 457 091
Petty cash	5 500	5 500
Cash float	64 800	62 800
Cash on hand	17 647	—
<b>Cash and cash equivalents</b>	<b>134 424 543</b>	<b>124 154 383</b>
The following bank and investment accounts were held by the entity:		
Nedbank Current Account (Acc Number: 1232043850)	5 957 860	1 570 083
Nedbank Call Account (Acc Number: 03/78815440.77/46)	3 551 155	3 058 087
Nedbank Investment Account (Acc Number: 78811544007/75)	11 462 915	10 819 955
Standard Bank Investment Account (Acc Number: 407144)	—	5 733 282
Standard Bank – 32 Deposit (Acc Number: 407819)	—	16 622 633
Investec Bank (Acc Number: 40002681309)	—	12 007 421
Investec Bank (Acc Number: 8485/000)	—	17 125 362
ABSA Bank Current (Acc Number: 4072900553)	4 271 501	1 754 247
ABSA Bank – Hotel Serv – Current (Acc Number: 4072900228)	424 819	985 824
ABSA Bank – Exh Serv – Current (Acc Number: 4072900731)	1 098 109	792 545
Stanlib – Bank (Acc Number: 000402184)	—	20 460 709
ABSA Bank Treasury (Acc Number: 4073731246)	52 214	1 476 706
ABSA Bank Treasury (Acc Number : 4073733701)	1 674 523	49 588
Nedbank Deposit CT (Acc Number: 03/7232511442/018)	—	75 383
Nedbank – Three-month Deposit (Acc Number: 03/7232511442/033)	—	11 699 367
Nedbank Current Account (Acc Number: 1232015385)	—	161 992

	2011	2010
	R	R
<b>13.2 Cash and cash equivalents (continued)</b>		
The following bank and investment accounts were held by the entity (continued):		
Absa Bank – Call Deposit (Acc Number: 4074708347)	9 764 093	4 467 776
Absa Bank – Fixed Deposit (Acc Number: 2070519504)	11 000 744	15 225 123
Stanlib – Bank (Acc Number: 551436367)	5 336 872	—
Standard Bank Investment Account (Acc Number: 433189)	18 237 722	—
Standard Bank Investment Account (Acc Number: 432621)	15 604 883	—
Absa Bank – Investment New 2 (Acc Number: 2070549024)	17 637 329	—
Absa Bank – Investment New 1 (Acc Number: 2070535742)	15 853 974	—
Nedbank – Three-month Deposit (Acc Number: 7232511442/73)	12 407 884	—
<b>14. Expenses by nature</b>		
Depreciation	20 651 385	19 803 854
Employee-related costs (note 17)	30 640 127	27 643 062
Changes in inventories	(1 093 827)	(1 418 739)
Raw materials and consumables used	18 496 563	17 612 698
Advertising cost	3 154 419	2 896 831
Other expenses	79 215 162	65 310 889
<b>Total cost of sales and operating expenses</b>	<b>151 063 829</b>	<b>131 848 595</b>
<b>15. Related parties</b>		
<b>City of Cape Town</b>		
The City of Cape Town is the controlling shareholder of Convensco. The City of Cape Town has leased the land, on which the convention centre is built, to the company for a period of 99 years at a cost of R100 per annum.		
In terms of an agreement dated April 2001, Convensco has sub-leased a portion of land to Vexicure (Pty) Ltd t/a Westin Grand 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.		

	2011	2010
	R	R
<b>Related party transactions</b>		
Rates and taxes	5 569 502	3 393 724
Electricity	7 225 910	5 859 807
Water	847 587	534 938
Lease P1 Parking (including refuse, sewerage, rates and water)	2 354 124	2 006 389
Key management remuneration	4 322 970	3 798 774
<b>Related party balances</b>		
Amounts owing to City of Cape Town	2 765 631	447 943
<b>16. Management contract</b>		
Convensco has outsourced the management of its convention centre operating division previously to Amsterdam RAI which had terminated on 30 June 2010. RAI Amsterdam currently provides the services of international management and marketing support.		
Fixed management fees	972 994	2 642 299
Basic management fees	—	694 824
Incentive fee	—	5 968 387
	<b>972 994</b>	<b>9 305 510</b>
<b>17. Employee-related costs</b>		
Salaries and wages	23 777 152	21 578 735
Contributions for UIF, WCA, medical aid, etc	1 548 410	1 380 164
Provident fund	1 764 364	1 612 418
Overtime	483 928	320 245
Performance bonus	1 879 405	1 684 745
Other: staff transport and health and safety costs	1 186 868	1 066 755
<b>Total employee-related costs</b>	<b>30 640 127</b>	<b>27 643 062</b>

	2011 R	2010 R
<b>18. Irregular and fruitless and wasteful expenditure</b>		
Opening balance	1 397 708	132 333
Fruitless and wasteful expenditure current year – penalties	—	1 229
– interest expense	—	6 459
Irregular expenditure – misappropriation of funds	730 688	—
Irregular expenditure – supply chain regulations	9 961 975	1 390 020
Reported to parent municipality	(1 397 708)	(132 333)
<b>Closing balance</b>	<b>10 692 663</b>	<b>1 397 708</b>

Incident	Disciplinary steps/criminal proceedings/Resolution		
Theft of cash and misappropriation of funds	Matter was reported to South African Police Service and R321 708 was recovered from the employees and they have resigned.	321 708	—
Fraudulent supplier payment	Matter was reported to South African Police Service and still under investigation (A claim has been submitted to the insurers).	408 980	—
South African Revenue Service	Late payment interest paid to South African Revenue Services for income tax/VAT/PAYE	—	7 688
Irregular expenditure in a few instances occurred due to the nature and industry of our business which did not allow us to adhere to the supply chain regulations		9 961 975	1 390 020
		<b>10 692 663</b>	<b>1 397 708</b>

### 19. Operating leases

The company has entered into operating lease agreements on premises utilised. Lease agreements on these premises have been entered into for a period ranging from two years to 99 years. Rental comprises minimum monthly payments.

Future commitments under the operating leases are summarised as follows:

	1 year	2 – 5 years	5 years+
<b>2011</b>			
Future minimum lease payments (ZAR)	2 367 334	9 384 683	489 498 135
<b>2010</b>			
Future minimum lease payments (ZAR)	2 184 032	9 173 868	492 076 292

	2011 Actual R	2011 Budget R
<b>20. Actual versus budget (revenue and expenditure for the year ended 30 June 2011)</b>		
<b>Revenue</b>	143 297 502	132 288 004
<b>Other Income</b>	4 137 087	2 632 948
<b>Less direct costs:</b>	(30 499 984)	(26 118 719)
Cost of sales	(19 424 745)	(16 177 099)
Direct personnel	(8 244 970)	(6 810 664)
Parking costs	(2 354 124)	(2 458 080)
Equipment hire	(476 145)	(672 876)
<b>Add: finance income</b>	7 660 146	8 417 881
<b>Less: indirect expenditure</b>	(120 495 723)	(109 824 741)
Personnel costs	(32 759 683)	(31 681 311)
Operations – general	(1 846 508)	(2 029 396)
Utility services	(13 378 745)	(15 256 536)
Maintenance	(7 368 052)	(7 466 901)
Building costs	(9 899 101)	(10 048 103)
Office costs	(4 018 938)	(4 080 627)
Computer expenses	(3 358 337)	(3 193 488)
Advisers	(2 765 729)	(2 963 076)
Travel and entertainment	(1 398 931)	(2 003 984)
Marketing and corporate communications	(3 314 195)	(4 595 827)
Catering materials	(2 311 543)	(2 183 828)
Bad debts	(299 062)	(241 776)
Management fees (note 17)	(972 994)	(1 561 000)
Impairment	(16 091 344)	—
Depreciation	(20 651 385)	(22 518 888)
Finance costs	(61 176)	—
<b>Net profit for the period</b>	<b>4 099 028</b>	<b>7 195 373</b>

## 21. Financial instruments

### 21.1 Risk management

#### Foreign exchange risk

The company operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar, Euro and UK pound. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities, and net investments in foreign operations.

#### Market risk

The company's activities expose it primarily to risks of fluctuations in interest rates.

#### Interest rate risk

The company's interest rate profile consists of fixed and floating rate bank balances which expose the company to fair value interest rate risk and cash flow interest.

#### Interest rate sensitivity risk

The sensitivity analysis below has been determined based on the financial instruments' exposure to interest rates at reporting date.

A sensitivity analysis shows reasonable expected change in the interest rate, either an increase or decrease in the interest rate percentage. The equal but opposite 1% adjustment to the interest rate would result in an equal but opposite effect on surplus and therefore has not been disclosed separately.

	2011	2010
Increase/Decrease in interest rates	1%	1%
Net surplus (post-tax)	R967 857	R893 911

#### Foreign currency risk management

Management accepts the risk as a result of changes in the rate of exchange and therefore has not hedged foreign currency risk.

The only foreign currency risk that the entity is exposed to is the management fee due to RAI outstanding at year-end which is included in trade and other payables.

The company is exposed to the currency mentioned below in the table. The table details the company's sensitivity to the below-mentioned percentage strengthening and weakening in the functional currency against the relevant foreign currencies. This percentage is the sensitivity rate and represents management's assessment of the reasonable possible change in foreign exchange rates.

The sensitivity analysis includes only outstanding Rand-denominated management fees at year-end of R299 919 (29 750 Euros) (2010: R5 968 387 (624 216 Euros)).

	2011	2010
Percentage weakening/strengthening in functional currency	5%	5%
Effect on surplus (post-tax)	R10 797	R214 861

#### Credit risk management

Credit risks refer to the risk that the counterparty will default on its contractual obligation resulting in financial loss to the company. The company has adopted a policy of only dealing with creditworthy parties.

Financial assets, which potentially subject the entity to credit risk, consist principally of cash and cash equivalent and trade and other receivables.

The company's cash and cash equivalents are placed with high credit quality financial institutions.

Credit risk with respect to trade receivables is limited due to the credit approval processes.

#### Credit quality of trade receivables.

The following represents the credit quality of the trade receivables:

	2011 R	2010 R
Key accounts customers	4 983 127	4 079 494
Other accounts customers	486 647	708 029
High-risk customers	602 782	3 561 688
	6 072 556	8 349 211

The company believes that no further impairment is necessary on trade receivables.

#### Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they become due. The company ensures that adequate funds are available to meet its expected and unexpected financial commitments.

The following table provides details of the company's remaining contractual liability for its financial liabilities.

	Less than 1 month R	Between 1 and 3 months R
<b>2011</b>		
Client deposits	11 202 798	—
Trade and other payables	14 197 385	22 614 610
	25 400 183	22 614 610
<b>2010</b>		
Client deposits	13 432 946	—
Trade and other payables	7 494 661	12 831 554
	20 927 607	12 831 554

## 21. Financial instruments (continued)

### 21.1 Risk management (continued)

#### Capital risk management

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including borrowings, and trade and other payables, as shown in the statement of financial position) less cash and cash equivalents. Total capital is calculated as equity, shown in the statement of financial position, plus net debt.

The gearing ratios at 30 June 2011 and at 30 June 2010 were as follows:

	2011 R	2010 R
Trade and other payables	36 811 995	20 326 215
Less: Cash and cash equivalents	(134 424 543)	(124 154 382)
Net cash	97 612 548	103 828 167
Total equity	168 558 452	164 669 423
Total capital	266 171 000	268 497 590
Gearing ratio	37%	39%

### 21.2 Financial instruments by category

The accounting policies for financial instruments have been applied below:

2011	Loans and receivables
Assets as per financial position	R
Trade and other receivables	8 379 494
Cash and cash equivalents	134 424 543
	<b>Other financial liabilities</b>
Liabilities per financial position	R
Trade and other payables	36 811 995
Client deposits	11 202 798

## 2010

### Assets as per financial position

	Loans and receivables
	R
Trade and other receivables	5 312 758
Cash and cash equivalents	124 154 382

### Other financial liabilities

### Liabilities per financial position

	R
Trade and other payables	20 326 215
Client deposits	13 432 946

## 22. Supply chain management regulations

### 22.1 Deviations

In terms of section 36 of the Municipal Supply Chain Management (SCM) Regulations, any deviation from the Supply Chain Management Policy has been approved.

## 2011

Total deviations for the year amounted to **R20 900 513**

Listed below are the deviations:

Incident	R
Emergency situations	12 750
Single provider	1 496 760
Exceptional cases where it is impossible/impractical to follow official procurement processes	18 966 525
Strip quote	424 478
	<b>20 900 513</b>

According to section 36 of the SCM Regulations and the CTICC SCM policy we may deviate from the regulations and policy:

- 1 Emergency situation
- 2 Single provider
- 3 Acquisition of specialised artwork/heritage assets
- 4 Acquisition of zoo animals
- 5 Where it is impossible to follow official procurement processes

## 22. Supply chain management regulations (continued)

### 22.1 Deviations (continued)

#### 2010

Total deviations for the year amounted to R42 935 572

Listed below are the deviations:

Incident	R
Emergency situations	243 871
Single provider	5 873 603
Acquisition of specialised artwork/heritage assets	11 825
Exceptional cases where it is impossible/impractical to follow official procurement processes:	
Hotel services (impractical) (as per client's request)	25 201 954
Impractical to source quotes	7 389 906
Deviations as a result of tenders pending (Impractical)	693 239
Client request	122 676
Other exceptional cases	3 398 498
	<b>42 935 572</b>

### 23. Prior year restatement

During the 2010/2011 financial year, a prior year restatement occurred with GRAP 17 being effective. As in terms of the company's accounting policy, the estimated useful lives of the assets had to be reassessed, due to certain assets on the asset register being componentised. The changes in the evaluated useful lives of the components have thus resulted in a restatement of prior year figures.

	Reported in prior year R	Restatement R	Reported after restatement R
<b>Reconciliation of equity</b>			
<b>1 July 2009</b>			
Accumulated deficit	(310 252 052)	(1 034 218)	(311 286 270)
<b>30 June 2010</b>			
Property, plant and equipment	183 874 425	(1 584 092)	182 290 333
Deferred tax	9 683 605	(443 546)	9 240 059
Accumulated deficit	(296 001 563)	(1 140 546)	(297 142 109)
<b>Reconciliation of profit for the year</b>			
<b>30 June 2010</b>			
Depreciation	19 656 174	147 680	19 803 854

## DETAILED INCOME STATEMENT

for the year ended 30 June 2011

	2011 R	2010 R
<b>Gross revenue</b>	143 297 502	137 944 628
Commissions	8 514 574	8 479 759
Parking	8 058 787	7 821 359
Sales	123 765 064	120 195 171
Subcontractor service income	42 083 315	29 984 236
Subcontractor service expense	(39 124 238)	(28 535 897)
<b>Cost of sales</b>	(19 590 390)	(16 194 229)
Opening stock	2 478 677	1 059 938
Purchases	18 496 563	17 612 968
Closing stock	(1 384 850)	(2 478 677)
<b>Gross profit</b>	123 707 112	121 750 399
<b>Other income</b>	11 865 355	13 594 174
Finance income	7 660 146	8 843 567
Profit on sale of property, plant and equipment	31 189	—
Profit on foreign exchange	32 186	
Proceeds received from insurance	4 747	306 712
Sundry income	4 137 087	4 443 895
<b>Total income</b>	135 572 467	135 344 573
<b>Expenditure (refer to page 94)</b>	(131 473 439)	(115 654 666)
<b>Profit/(Deficit) for the period before taxation</b>	4 099 028	19 689 907

## Detailed income statement (continued)

	2011	2010
	R	R
<b>Expenditure</b>		
Asset write-off	169 076	356 045
Advertising	3 154 419	2 896 831
Auditors' remuneration	637 503	517 155
Bad debts (including the movement for provision on impairment of trade receivables)	299 062	3 065 283
Bank charges	548 414	606 669
Catering materials	2 787 689	2 709 507
Cleaning	4 864 631	4 275 587
Computer expenses	3 358 337	2 052 308
Contract labour	8 539 383	8 127 831
Consulting fees	2 329 722	1 818 372
Depreciation	20 651 385	19 803 854
Directors' remuneration	236 589	226 295
Electricity and water	8 073 497	6 394 745
Entertainment	173 942	115 843
Fines and penalties	—	1 229
General expenses	50 354	50 870
Hire of equipment	325 305	350 936
Impairment	16 091 344	—
Insurance	1 015 323	1 313 338
Finance costs	61 176	6 459
Legal expenses	346 686	250 720
Loss on foreign exchange	—	160 334
Motor vehicle expenses	39 245	37 056
Management fees	972 994	9 305 510
Operational costs	1 440 086	1 575 259
Postage	2 990	29 574
Printing and stationery	296 191	246 680
Rates and refuse	5 569 502	3 393 724
Rent	393 704	1 473 298
Rental for parking	2 354 124	2 006 389
Repairs and maintenance	7 621 363	7 185 481
Employee-related costs (note 17)	30 640 127	27 643 062
Security	4 171 646	4 329 038
Sponsorship	—	16 579
Staff welfare	364 392	296 762
Subscriptions	166 026	214 572
Telephone and fax	1 029 146	897 698
Training	1 512 184	663 860
Travel – local	180 312	205 940
Travel – overseas	1 005 570	1 033 973
<b>Total expenditure</b>	<b>131 473 439</b>	<b>115 654 666</b>

## DIRECTORATE AND ADMINISTRATION

for the year ended 30 June 2011

### Directors

**AM Boraine**  
Chairman  
Non-executive  
Appointed: 17/10/2006

**R Toefy**  
CEO  
Executive  
Appointed: 01/03/2008

**SA Fisher (Dr)**  
Non-executive  
Appointed: 09/02/2007

**MA Gierdien**  
Non-executive  
Appointed: 17/10/2007

**DS Jack**  
Non-executive  
Appointed: 05/07/1999  
Resigned: 05/05/2011

**S Montsi**  
Non-executive  
Appointed: 16/10/2007

**TM Pasiwe**  
Non-executive  
Appointed: 05/07/1999

**JK Pather**  
COO  
Executive  
Appointed: 26/08/2011

**LF Platzky (Dr)**  
Non-executive  
Appointed: 01/08/2005

**BN Roberts**  
Non-executive  
Appointed: 27/11/2008

**AC Seymour (CA(SA))**  
Non-executive  
Appointed: 10/02/2009

**DC Skeate**  
Non-executive  
Appointed: 05/07/1999

**HJ Taljaard**  
Non-executive  
Appointed: 05/07/1999

### Board committees

**Audit Committee**  
AC Seymour (Chairman)  
SA Fisher (Dr)  
TM Pasiwe  
DC Skeate

**Remuneration Committee**  
HJ Taljaard (Chairman)  
AM Boraine  
S Montsi  
DC Skeate

**Nominations Committee**  
AM Boraine (Chairman)  
LF Platzky  
AC Seymour (CA(SA))

**CTICC Expansion Committee**  
AM Boraine (Chairman)  
SA Fisher  
DC Skeate  
BN Roberts

### Administration

Company Registration Number  
1999/007837/07

Registered Office  
Convention Square  
1 Lower Long Street  
Cape Town  
8001

PO Box 8120  
Roggebaai  
8012

**Company Secretary**  
MM Thirion  
Appointed: 1 August 2006  
PO Box 8120, Roggebaai 8012

**Auditors**  
Office of the Auditor-General  
Private Bag X1, Chempet 7442

**Principal Bankers**  
ABSA Bank Ltd a member of the  
Barclays Group  
PO Box 7735, Johannesburg 2000

**Attorneys**  
DLA Cliffe Dekker Hofmeyr, a member of the  
DLA Piper Group  
PO Box 695, Cape Town 800



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we are a green conscious convention centre