

BRAND SOUTH AFRICA
ANNUAL REPORT
2020/21



Resilience in the face of adversity



Inspiring new ways

Surviving under the new normal

Brand South Africa applauds the private sector for playing their part in the fight against COVID-19.

The success of the vaccine rollout can only be gained through this type of collaboration where all stakeholders work together as one.





Resilience in the face of adversity



Contents

A. GENERAL INFORMATION 4

| | |
|--|----|
| List of Abbreviations /Acronyms | 3 |
| About the Nation Brand | 6 |
| Organisational Structure | 8 |
| Minister and Deputy Minister in the Presidency Forewords | 10 |
| Chairperson's Report | 14 |
| Acting Chief Executive Officer's Overview | 16 |
| Tribute to the Honourable Minister Jackson Mphikwa Mthembu | 20 |

B. PERFORMANCE 22

| | |
|--|----|
| Programme 1: Administration | 23 |
| Human Capital | 23 |
| Programme 2: Brand Marketing And Reputation Management | 36 |
| Programme 3: Stakeholder Relationships | 55 |

C. GOVERNANCE 68

| | |
|--|----|
| Board of Trustees | 69 |
| Board Composition and Appointment of Trustees | 72 |
| Board Meetings | 73 |
| Audit and Risk Committee (ARCO) | 74 |
| Human Capital, Remuneration and Social & Ethics Committee (HCRSEC) | 75 |
| Marketing Committee (MARCO) | 75 |
| Board Remuneration | 76 |
| Risk Management | 76 |
| Avoiding Conflicts of Interests | 76 |
| Code of Conduct | 76 |
| Board Secretary | 76 |
| ExCo Profiles | 77 |

D. FINANCIAL STATEMENTS 80

| | |
|--|-----|
| Auditor-General Report | 82 |
| General Information | 86 |
| Members' Responsibilities and Approval | 87 |
| Audit Committee Report | 88 |
| Statement of Financial Position | 89 |
| Statement of Financial Performance | 90 |
| Statement of Changes in Net Assets | 91 |
| Cash Flow Statement | 92 |
| Statement of Comparison of Budget and Actual Amounts | 93 |
| Accounting Policies | 94 |
| Notes to the Annual Financial Statements | 109 |

E. PERFORMANCE RESULTS 134

| | |
|---|-----|
| Programme 1: Administration | 136 |
| Programme 2: Brand, Marketing And Reputation Management | 140 |
| Programme 3: Stakeholder Relations | 144 |

List of Abbreviations/Acronyms

| | | | |
|----------|---|----------|---|
| ACEO | Acting Chief Executive Officer | EXCO | Executive Committee |
| AFSA | Arbitration Foundation of South Africa | GBV | Gender-Based Violence |
| APP | Annual Performance Plan | GCIS | Government Communication and Information System |
| ARCO | Audit and Risk Committee | GRAP | Generally Recognised Accounting Practice |
| AV | Audio Visual | IDC | Industrial Development Corporation of South Africa Ltd |
| AU | African Union | HoD | Head of Department |
| BRICS | Brazil, Russia, India, China, and South Africa | MANCO | Management Committee |
| CEO | Chief Executive Officer | MICTSETA | Media, Information and Communication Technologies Sector Education and Training Authority |
| CFO | Chief Financial Officer | OHS | Occupational Health and Safety |
| CIS | Centre for Internet Security | POPI | Protection of Personal Information |
| CMO | Chief Marketing Officer | PPE | Personal Protective Equipment |
| COVID-19 | Coronavirus disease of 2019 | SACC | South African Council of Churches |
| CS | Corporate Services | SAIC | South African Investment Conferences |
| DG | Director-General | SSAFF | Sydney South Africa Film Festival |
| DIRCO | Department of International Relations and Cooperation | UCT | University of Cape Town |
| DTIC | Department of Trade, Industry and Competition | WSP | Workplace Skills Plan |
| ERP | Enterprise Resource Planning | | |
| EWP | Employee Wellness Programme | | |

PART A

GENERAL INFORMATION

About the **Nation Brand**

We take joy and satisfaction from the small wins we experience as a nation every day. As a brand that is committed to making South Africa shine on both the local and global arenas, our success is derived from the collective efforts of every single South African who stands behind our great nation.

PART A: GENERAL INFORMATION

- **Registered name of the public entity:** Brand South Africa
- **Registration Numbers and/or other relevant numbers:** IT1986/02
- **Registered Office address:** 103 Central Street, Houghton, Johannesburg, 2041
- **Postal Address:** PO Box 87168, Houghton, 2041
- **Contact telephone numbers:** 011 483 0122
- **Email address:** info@brandsouthafrica.com
- **Website address:** www.brandsouthafrica.com
- **External Auditor's Information – External Auditor's Name and Address:** Auditor-General South Africa, 39 Scott Street, Bramley, Johannesburg, 2090
- **Banker Information- Name of Bank and Address of Bank:** Nedbank Limited, 1st Floor, Lakeview, Constantia, Kloof, Roodepoort, 1709
- **Board Secretary:** Adv. Sifiso Nyoni, Director: Governance, Legal and Board Secretariat



About Brand South Africa

Brand South Africa was established in 2002, as the Brand South Africa Trust, in terms of the Trust Property Control Act No.57 of 1988 (as amended). Brand South Africa is a Schedule 3A Public Entity in terms of the Public Finance Management Act No.1 of 1999 (PFMA), which reports to the Presidency as its Executive Authority.

Brand South Africa is strategically positioned as South Africa's Nation Brand Management Agency.

Purpose and primary objective

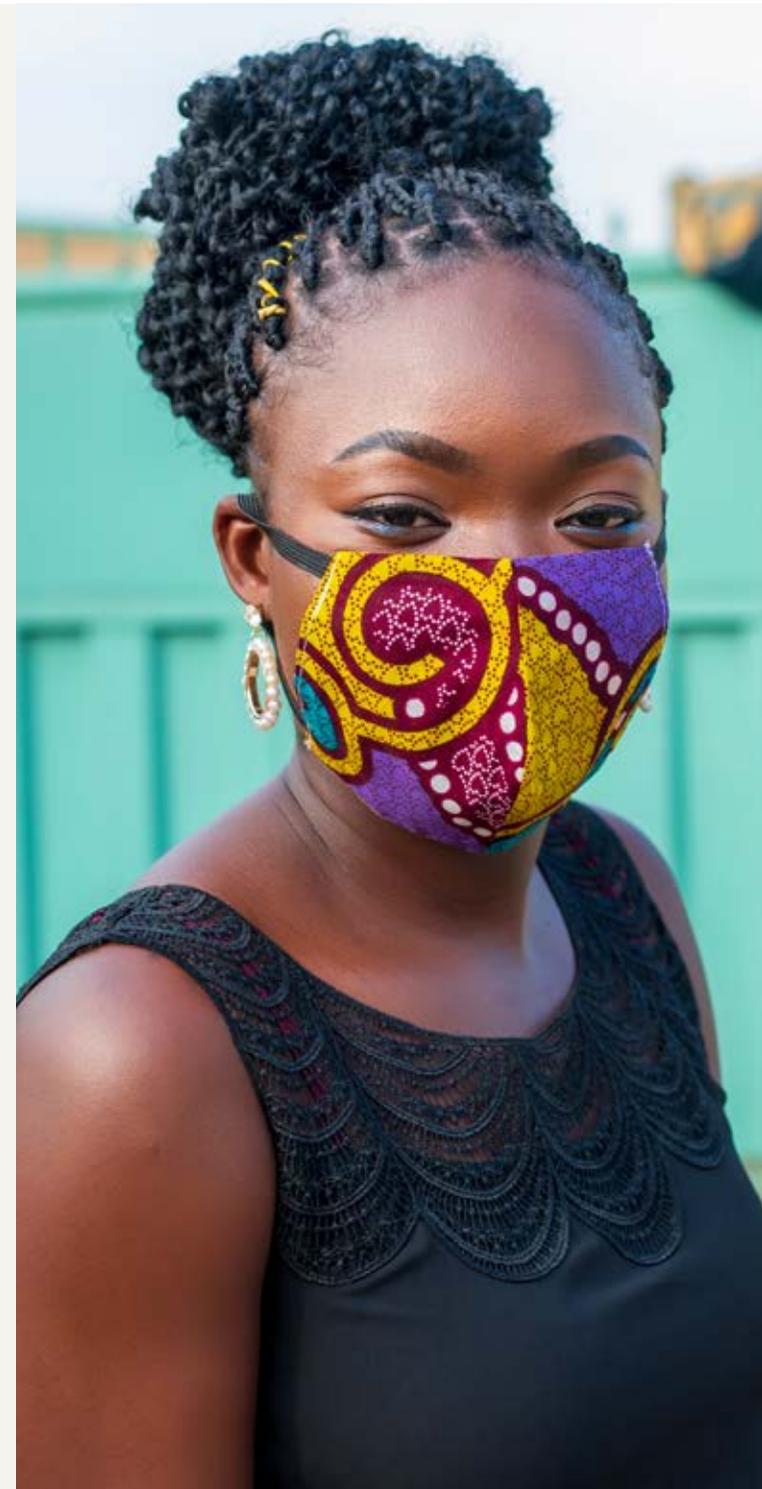
The primary objective of the Trust is to develop and implement pro-active and coordinated marketing, communication and reputation management for South Africa. The aim is to contribute towards economic growth, job-creation, poverty alleviation and social cohesion by encouraging local and foreign investment, tourism and trade through the promotion of Brand South Africa.

Mandate

To build South Africa's Nation Brand reputation in order to improve South Africa's global competitiveness.

Arising from its mandate, Brand South Africa exists to build South Africa's Nation Brand in order to:

- Build investor confidence and contribute towards attracting global investors, tourists, and increasing consumers of South African goods and services;
- Enhance South Africa's international stature;
- Develop and disseminate key messages that effectively and positively tell the unique story of South Africa;
- Inspire pride, patriotism, social cohesion, nation building and positive change in South Africa;
- Inspire loyalty and advocacy in expatriate South Africans;
- Counter negative messages and impressions of South Africa;
- Showcase achievements of the NDP;
- Assist government and the private sector in aligning their country communication strategies; and
- Leverage on strategic global events and engagements to bring the Brand story to life and to create lasting brand moments.



Strategic Overview



Vision

A Nation Brand that inspires its people and is admired globally.



Mission

To be the authority on the Nation Brand and develop and implement proactive and coordinated marketing, communication, and reputation management strategies, by:

- Developing and articulating a South African Nation Brand identity that will advance South Africa's long-term positive reputation and global competitiveness.
- Seeking the involvement and cooperation of various stakeholders in building awareness and the image of the Nation Brand domestically and internationally.
- Seeking to build individual alignment to the Nation Brand in South Africa, and pride and patriotism amongst South Africans.



Values

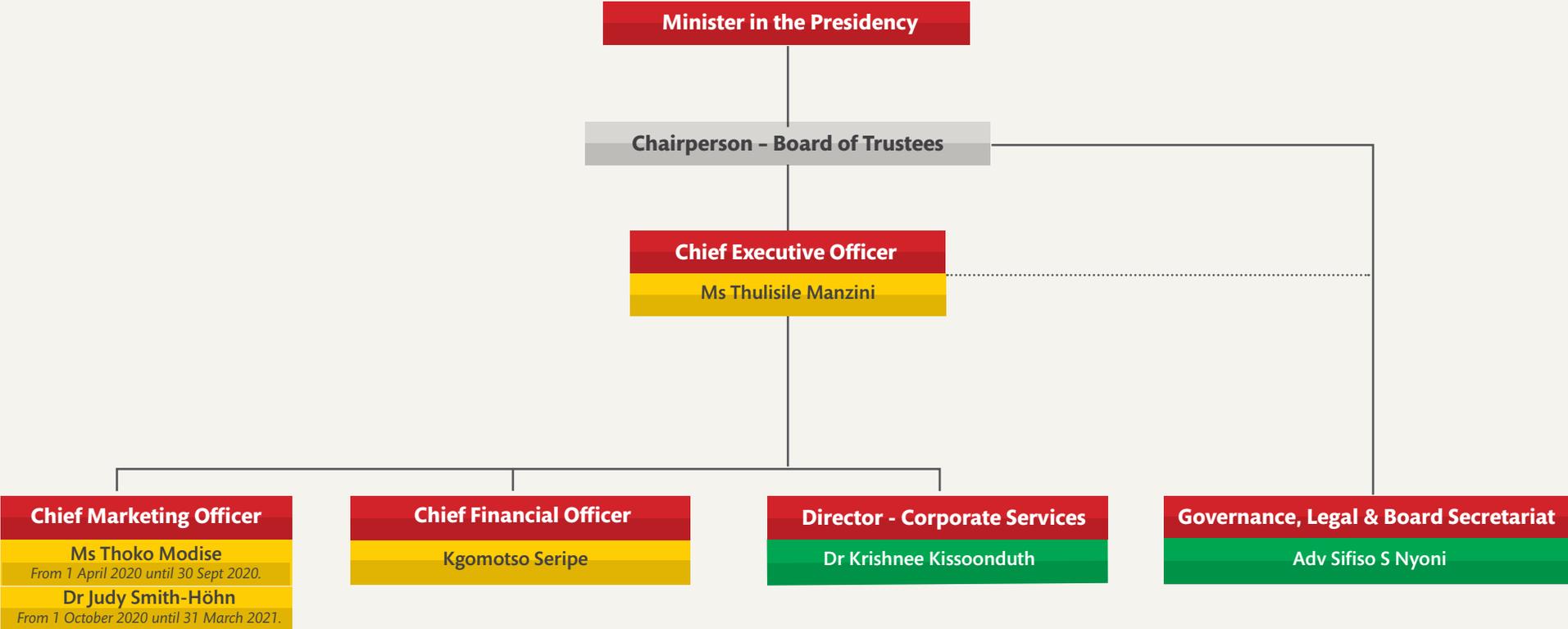


Legislative and Other Mandates

Brand South Africa is a Schedule 3A public entity, registered as a trust in terms of the Trust Property Control Act No. 57 of 1988. The organisation's Executive Authority is the Minister in the Presidency. As a government-funded agency, Brand South Africa is regulated by the Public Finance Management Act No 1 of 1999 (as amended) and the National Treasury Regulations, 2005 (as amended).



Organisational Structure



Acting employee

Permanent employee



Resilience in the face of adversity



Minister and Deputy Minister in the Presidency Forewords



Minister in the Presidency
Mondli Gungubele



Deputy Minister in the Presidency:
Thembi Siweya

Getting vaccinated therefore means that citizens become a part of the solution in stopping the spread of COVID-19 in the country.

Before delving into the details of the Nation Brand's progress for the year under review, the Deputy Minister and I wish to take a moment to thank all South Africans who have stood together in solidarity to fight the COVID-19 pandemic. We also extend our heart-felt sympathy to those who have lost loved ones to the pandemic, and we remember in particular those who succumbed to COVID-19. We note that Government together with the private sector have collaborated every step of the way in responding to COVID-19. In this regard, we note in particular the collaboration that has yielded much success in the procurement and rollout of vaccines. One of the key players to the vaccine rollout is Business for South Africa (B4SA), who have supported the government-led national vaccine programme which seeks to reduce the overall impact of the pandemic on our economy, and reignite a fully functional economy that will bode well for a post-pandemic future. Brand South Africa applauds the private sector as a whole for playing their part in the fight against COVID-19. The success of the vaccine rollout can only be achieved through this type of collaboration where all stakeholders work together as one.

Since 2020 COVID-19 has spread across the globe, leaving in its wake much destruction and uncertainty. South Africa has not been spared. Since announcing its first case of COVID-19 in March 2020, South Africa has had one of the highest case incidences on the continent. COVID-19 has impacted South Africa socially, economically, environmentally and technologically. COVID-19 has also had major implications on South Africa's health system. The pandemic has cost many South Africans their lives and livelihoods. As a result, the South African government has taken mitigating measures, including declaring a national state of disaster to effectively respond to, contain, and curb the pandemic.

As South Africa and the world as a whole considers a post-pandemic world, in South Africa Brand South Africa and indeed the country, remain cognisant of the current Administration's priority to fast-track South Africa's path to prosperity. To this end, the country's programmes and policies across all departments and agencies remain directed in pursuit of this Administration's key priorities. Notably, a post pandemic South Africa requires us to constantly consider our response to the COVID-19 pandemic and it also requires that we prioritise our Economic Reconstruction and Recovery Plan.

We recall that the original motivation for the creation of Brand South Africa, formerly known as the International Marketing Council (IMC), in 2001, was in response to the need for the country to be positioned as an investment destination, a partner in global governance, and to leverage a coherent and integrated national brand to enable delivery on national strategic objectives.

The 2020/2021 review period is certainly a commitment to that original motivation that led to the creation of Brand South Africa. It is no small feat for the Brand South Africa team to have achieved the goals, delivered the results that it has given the impact of COVID-19 on the organisation's operations. I would like to thank the Team for their resilience and dedication in the face of historic adversity brought on by the pandemic. The Nation Brand's achievement of performance targets has been met with agility, innovative thinking and fluidity. The Nation Brand has undergone tough scrutiny throughout the period under review and has proven to hold strong in its international relations.

We appreciate Brand South Africa's efforts of promoting active citizenry and a sense of hope through its Play Your Part programme, which has successfully encouraged South Africans to contribute to a positive social change in the midst of this pandemic. This indeed shows the values of resilience and Ubuntu which are embedded in the DNA of our people. COVID-19 vaccines have been produced worldwide to be used as protection against the disease and develop an immune response to the virus. Developing immunity through vaccination means there is a reduced risk of developing the illness and its consequences. This immunity helps to fight the virus in the case of exposure.

Getting vaccinated therefore means that citizens become a part of the solution in stopping the spread of COVID-19 in the country. Brand South Africa urges communities to play their part and help fellow citizens to register for the vaccine and also where possible assist them in going to the ever increasing number of vaccination sites around the country. The fight against COVID-19 can be won through unity in action and taking care of each other.

The promotion of the Nation Brand, both locally and globally, has progressed well despite the challenges brought about by the COVID-19 pandemic. As I have indicated, Government is mobilising the public and private sectors as well as civil society in economic activities that will put the economy on a sustainable recovery trajectory. In spite of the challenges and limitations imposed by COVID-19, Brand South Africa was able to fulfil its commitment by supporting the hosting of the South African Investment Conference which was held as a hybrid event. The third instalment of the conference aimed to re-ignite economic growth and boost confidence in the country's economic recovery post COVID-19 and to emphasise the country as a preferred investment destination.

During the period under review, Brand South Africa together with the Department of Trade, Industry and Competition was able to host an Africa Nexus Research Reference Group Webinar whose key objectives were to determine insights and perspectives on how the African Continental Free Trade (AcFTA) could enable economic recovery and development in the context of the impact of the COVID-19 pandemic. The purpose of the research reference group was to bring South African companies that have experience in conducting business in peer African markets. It should be recalled, that over the years Brand South Africa has conducted extensive research in peer markets to determine the reputation, and profile South Africa as an investor and trade partner. The outcomes from this Africa nexus research reference group helped to inform an understanding of the challenges and opportunities for African nations post COVID-19, and how South Africa can be instrumental in creating the necessary conditions for a more self-sufficient and globally competitive continent.

In leading the African continent response and positioning the role of the African Union Chairperson, Brand South Africa developed the African Union Chairship Communication Strategy, which was adopted by the Presidency and has successfully been implemented. The Brand South Africa also showed tremendous leadership, as a participating member of the National Command Council's communication forum, in developing and sharing messaging across the continent to educate and encourage citizens to prepare, protect, and fight against COVID-19. Both the domestic and international participation in ongoing dialogue related to the global pandemic, has proved fruitful in positioning the Nation Brand as a competent leader in containing the spread of COVID-19. Significant media coverage was garnered through such dialogues and has increased its holding in international airtime as it relates to discussions regarding the pandemic. This has also significantly boosted the domestic presence of the Nation Brand within the media space, and positive strides have been achieved in uplifting and maintaining Brand South Africa's authoritative presence.

Whilst many of the planned international engagements and promotional activities were postponed due to the ongoing pandemic, the Brand South Africa team were successful in the various virtually hosted events. The team delivered an engagement at the virtually hosted Mining Indaba and South African Mining Investment Forum, which successfully reached potential investors and promoted investment of the Nation Brand.



Minister and Deputy Minister in the Presidency Forewords (continued)

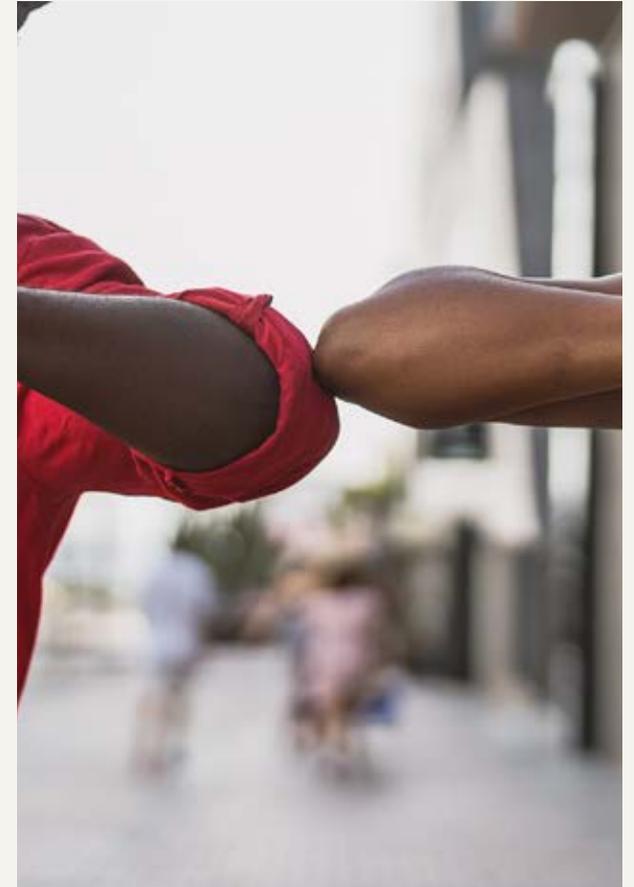
Overall, both I and the Deputy Minister, are pleased with the results delivered during the period under review, and we again extend our gratitude to the team who have worked tirelessly and who have shown great tenacity and grit throughout this difficult period. Additionally, our most sincere thanks are extended to all stakeholders for their continued support and engagement. I firmly believe that with the continued support of our team and our stakeholders, that the Nation Brand will continue to grow in its standing – both locally and internationally– and I look forward to delivering a strong set of results in the upcoming year. I am certain that this will be well achieved with the start of the envisaged amalgamation process of government's promotion agencies – Brand South Africa and South African Tourism. It is hoped that this process will be successfully completed within the next two to three years.

In the meantime, Brand South Africa remains committed to building the Nation Brand, guided always by its quest for a South Africa that is fit-for-purpose, a South Africa that inspires others to interact with us. We are certain that Brand South Africa will continue to position itself as an example of the social compacting that President Cyril Ramaphosa is championing across all sectors of our society.

Lastly, we look forward to overseeing a Brand South Africa that is a highly effective and capable entity, that undertakes programmes in partnership with other institutions that engage the nation in shaping the national identity and prepare people and business to 'live the brand'. May Brand South Africa remain a centre of excellence that is respected, internationally competitive, and internally beneficial. We thank you and remain committed to growing together as an organisation and building confidence and trust in the Nation Brand.



Mondli Gungubele
Minister in the Presidency





Resilience in the face of adversity



Chairperson's Report



Chairperson:
Ms Thandi Tobias - Pokolo

It is my great pleasure to present the Brand South Africa 2020/2021 Annual Report.

The period under review was indeed a challenge and we were faced with never-before experienced circumstances, which I am exceedingly proud to say the team has managed with tenacity and good spirit. The Board, together with the executive committee, proactively managed the Nation Brand's reputation and was able to pivot where necessary. This has ultimately resulted in a positive outcome and I extend my gratitude to each team member for their contribution to the results presented herein. The true spirit of Ubuntu has been demonstrated to the world and has positively contributed to the Nation Brand reputation – both domestically and globally.

The global pandemic has influenced the way in which we have had to execute our mandate throughout this reporting period, and it is exceptionally important that we maintain the momentum and positive outlook that we have forged during this time so that the Nation Brand may continue on its trajectory of reaching its potential. The prudence demonstrated by the Nation Brand team has yielded a satisfying set of results. Whilst the domestic confidence showed a decline during the period, the good work and persistence in communication turned this around and the review period ended on a positive note. Similarly, the efforts of branding and communication that were implemented globally proved to have a positive impact. I am satisfied that the performance of this mandate was more than adequately delivered.

Governance of our operations must support our brand reputation efforts, and we have continued to implement measures to ensure that fair and transparent oversight is executed in every aspect of our business. To this end, many of the management and oversight policies have been reviewed, updated where needed, and in some instances new measures have been implemented.

Given the severe economic effects that the pandemic (and the measures implemented to curb the spread of the Coronavirus) has imposed on our country, it is now more important than ever that we attract and grow investment confidence towards South Africa. It is indeed pleasing that the number of marketing initiatives benchmarked for the department were exceeded. This is testament to the drive and commitment of the team in ensuring that the Brand South Africa mandate is upheld and that the Nation Brand continues to be positively positioned.

The performance of key events held, joined, and undertaken by Brand South Africa has remained consistently pleasing. Whilst many of the planned programmes were halted in the face of the COVID-19 outbreak, the opportunity to connect in new ways presented itself and initiatives continued virtually or through hybrid events.

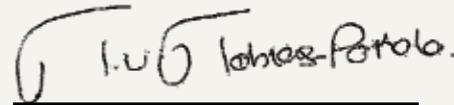
Within the domestic market, communication efforts were intensified to foster confidence in the Nation Brand and to reinforce the messages shared by our Presidency to stay safe and stay home.

I'm proud of the strides made in Brand South Africa during this challenging year. The prevalent topic of Gender Based Violence that has gripped our country was addressed in partnership with Multichoice, through a virtual conversation that encouraged participants to voice their opinions on the topic, bringing it to the fore, so that we may ultimately see an end to this ongoing scourge. I'm equally as proud of the artistic activism demonstrated in a Play Your Part live stream concert that was hosted online which unified our artists across the continent in the fight against COVID-19. In further support of the measures and communication of the Presidency to combat the spread of the virus, the South African Council of Churches was engaged on various messaging mechanisms to change behaviour of their congregants.

My deepest and most sincere gratitude is extended to my fellow Board Trustees, the Executive Committee, the management team every member of the Brand South Africa team. This has indeed been a trying year, but each of you have embodied the spirit of our Nation, and you have each played your part in upholding the reputation of our Nation Brand. It is with your continued support, commitment, and tenacity that I am able to present this report with pride.

I look forward to the upcoming year, and trust that we will indeed overcome the obstacles presented by the pandemic and be able to execute our full performance plan and its associated programmes. It is with great expectation that I look to the future of Brand South Africa. Having presented this set of results during the most challenging year, proves that we are capable of reaching new heights and positioning South Africa as a top brand.

I thank you all, and wish you good health.



Ms Thandi Tobias - Pokolo
Chairperson - Board of Trustees



Acting Chief Executive Officer's Overview



Acting Chief Executive Officer:
Ms Sithembile Ntombela

Brand South Africa demonstrated leadership on a global forum during the first-ever virtually hosted BRICS Business Forum, where its research featured prominently once again.

I am pleased to introduce Brand South Africa's annual report for 2020/21, a year in which the agency was at the forefront of ensuring that South Africa's Nation Brand remains at the top of mind in terms of awareness both locally and internally. As everybody struggled with the COVID-19 pandemic around the world, management also had to get to grips with implementation of its activities in a virtual environment. As citizens of South Africa we have had to find new ways of navigating uncharted territory this past year. This has been no different for Brand South Africa and I am continually taken aback by the way in which the team has rallied together during this trying time.

Never before has it been more important for the Nation Brand to support the Presidency and its objectives, and Brand South Africa, through its various programmes, has delivered on its mandate and commitment to the national government in this regard. Brand South Africa has initiated a number of events and campaigns to reinforce the message of staying home and staying safe. This has been a key domestic communication objective, which has had to be balanced by fostering confidence in the Nation Brand.

Through our research it is clear that we have been able to reach this balance and continue to uplift the Nation Brand reputation within the micro environment. The efforts of the team have supported social cohesion and uplifted the morale of our nation's citizens.

Although some of the planned activities were postponed or cancelled in compliance with global and the National Disaster Management Act restrictions related to COVID-19 pandemic, Brand South Africa was still able to achieve 86% overall organisational performance rating for the 2020/21 financial year. This is regardless of the moratorium placed on the filling of permanent vacancies which resulted in a 14,04% vacancy rate for the organisation. The moratorium is a result the discussions to merge Brand South Africa and South African Tourism as part of government's SOE reconfiguration process. It is therefore commendable that Brand South Africa has not only met but exceeded its targets on campaigns. This is a result of the team taking ownership of our mandate and being proactive in executing its obligations thereunder. I am thankful for such unwavering support from the team members.

Brand South Africa facilitated many activities – virtually and by means of hybrid sessions – to promote the Nation Brand. I believe that the results presented in this report reflect the team's commitment in discharging its mandate. The Nation Brand has been positively positioned within the macro environment and has actively participated in various webinars and collaborated with various stakeholders. South Africa has proven to be a strong leader and an attractive investment destination despite the harsh economic climate that is experienced globally as a consequence of the COVID-19 pandemic.

The consistent messaging disseminated by the team sought to inspire patriotism, social cohesion and pride, as well as to create a spirit of positivity. This was achieved through various social media campaigns and messages, which garnered significant reach. South Africa's rich, creative heritage and growing pool of talent was supported through the third and final year of partnership with the Loeries Awards.

Growing the pool of Play Your Part Ambassadors is a key tactical objective and as such Brand South Africa hosted a workshop for the top ten finalists of the Miss South Africa pageant to encourage finalists to share their stories of community participation and upliftment thus demonstrating active citizenry. Brand South Africa additionally partnered in the final pageant and was further honoured by the Deputy Minister in the Presidency, Hon. Ms Thembi Siweya hosted an event at the Union Buildings to on board Miss South Africa as a Play Your Part Ambassador.

I'm pleased with the promotion of investor confidence in the global marketplace. Through a collaboration with The Place Brand Observer, Brand South Africa was able to feature South African professionals who have significantly achieved much in their respective fields. This promoted the Nation Brand and its competence in business management within a modern, innovative, and sustainable South Africa. The investment audio-visual was a powerful promotion tool used to attract tourism and investment in our country. It afforded the Nation Brand an opportunity to showcase its unique fortitude with a focus on innovation, science, and technology. By sharing the investment audio-visual through international media platforms such as Bloomberg and Reuters, we were able reach audiences in the Middle East, Africa, Asia, North America, and Australia.

The South African Investment Conference was again hosted in collaboration with the Presidency, the IDC, and GCIS. The event was hosted by means of a hybrid approach to support efforts to curb the spread of the Coronavirus. I'm thrilled to report the phenomenal success of this event, which saw a collective investment commitment in South Africa of R109,6bn. Additionally, an event hosted collaboratively with the GCIS, SA Tourism, and the Department of Science and Technology proved to be successful in positively positioning the Nation Brand internally. The event, which took the form of a webinar featured panellists from the WHO, African Union CDC, and the Department of Science and Technology, proactively curbed negative perception that South Africa posed a threat to global health. This followed emergence of the Coronavirus variant 501.V2. This was further supported by a digital campaign on BBC.com that countered the negative narrative of a 'South African variant'.

Brand South Africa demonstrated leadership on a global forum during the first-ever virtually hosted BRICS Business Forum, where its research featured prominently once again. Additionally, Brand South Africa engaged potential international investors through the South African Mining Investment Forum at the virtually hosted Investing in African Mining Indaba.

I wish to thank the Board for their steadfast leadership and unwavering support of the Brand South Africa team over the past year. Additionally, I commend and am grateful to the members of the executive committee who have led their team members during this turbulent time. The dedication of all staff members is reflective of a strong and determined management team. I must also make special mention of the

Health and Safety Committee, who have ensured the safety of our employees during this challenging time. You have executed your duties with drive and empathy, and I thank you for safeguarding our most valued assets.

I would like to acknowledge and thank Ms Thulisile Manzini, who led the organisation in the capacity of Chief Executive Officer (Acting) for the year under review. Ms Manzini made an immense contribution to Brand South Africa over the last financial year and has been central to all we have achieved. We thank Ms Manzini for her continuous contribution and commitment to the Country.

I look to the future of the Nation Brand with a deep sense of pride, as I am confident in the Brand South Africa team's competence. May we achieve excellence in the execution of our mandate in the upcoming year, and continue to stand unified in the face of adversity.



Ms Sithembile Ntombela
Acting Chief Executive Officer



STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

To the best of my knowledge and belief, I confirm the following:

- All information and amounts disclosed in the annual report is consistent with the annual financial statements audited by the Auditor-General.
- The annual report is complete, accurate and is free from any omissions.
- The annual report has been prepared in accordance with the guidelines on the annual report as issued by National Treasury.

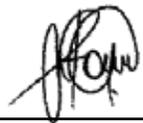
The Annual Financial Statements (Part E) have been prepared in accordance with the Generally Recognised Accounting Practice (GRAP) standards applicable to the public entity.

The accounting authority is responsible for the preparation of the annual financial statements and for the judgements made in this information. The accounting authority is responsible for establishing, and implementing a system of internal control has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the annual financial statements.

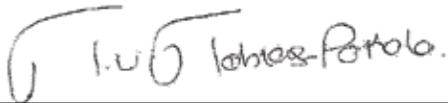
The external auditors are engaged to express an independent opinion on the annual financial statements.

In our opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the entity for the financial year ended 31 March 2021.

Yours faithfully



Ms Sithembile Ntombela
Acting Chief Executive Officer



Ms Thandi Tobias - Pokolo
Chairperson of the Board of Trustees



invoice

Street Name 1
72000 City Name
Tel: 0000 000000
E-Mail: emailname@domain.com

| | |
|-----------------|------------|
| Invoice No: | 201904001 |
| Date: | 24/04/2020 |
| Client name/ID: | Your Name |

Dear Mr Current Name,
I authorize myself to make following invoice:

| Num. | Qty | Units | Article Nr. | Goods, Service | Unit Price | Price |
|-----------------------------|-----|-------|-------------|---|------------|----------|
| 1 | 1 | pcs | | Food photography for summer menu. Menu design and printing on glossy cardboard DIN A5, double sided 50 pieces | 223,11 € | 223,11 € |
| 1 | 20 | pcs | | Single product photo on white background | 2,51 € | 50,20 € |
| 1 | 1 | pcs | | Photo License for Cardstock | 19,80 € | 19,80 € |
| Total | | | | | | 293,11 € |
| VAT 19% | | | | | | 55,69 € |
| Total Amount Payable | | | | | | 348,80 € |

Tribute to the Honourable Minister Jackson Mphikwa Mthembu



We as the Brand South Africa family were among the fortunate few who had the pleasure of benefiting from the wisdom and insights of the Honourable Minister Jackson Mthembu.

It is a precious and singular honour that we get to pay tribute to him in our Annual Report.

The Honourable Minister recognised that Brand South Africa is as he put it "... a platform created for deliberation and engagement on how South Africa's Nation Brand identity and narrative is repositioned." He further recognised the fact that, "Nothing nurtures a sense of shared national pride better than a country consciously making efforts in nation

building activities; and nothing [has] United people better than sport, arts and culture." Minister Mthembu had no interest in conforming to some preconceived version of what a Minister should be. Even in the face of great adversity he recognised the import role played by arts, culture and sports in instilling national pride.

Throughout all the roles he held in government, Minister Mthembu consistently maintained a buoyant spirit, and it showed his great sense of humour. He was fiercely devoted to his family and to this country. He was also a great believer in nation building and in trying to find common ground at every turn, in spite of differences in race, religion and political beliefs.

Since his untimely passing in January 2021, many have spoken to the depths of his character, courage and compassion even in his final hour. And it brings to mind something that Jomo Kenyatta said, "You and I must work together to develop our country, to get education for our children, to have doctors, to build roads, to improve or provide all day-to-day essentials."

As a Parliamentarian of many years, Minister Mthembu learned, in ways that few of us ever will, the true meaning of those words, how each day and each choice provides us an opportunity for us to all work collaboratively to develop our country. And that's why when he spoke of virtues like service, he was not paying mere lip-service, it wasn't just a word to him, it was a truth that he held dear.

A truth that asks each of us to consider what are we prepared to do to develop our country, educate our children and to improve or provide all day-to-day essentials? What are we doing to make our country a better place for all who live in it?

Much has been said this year about the honourable Minister. What stands out is that many are of the view that he understood that there are principles that transcend politics. That there are values that transcend race, religion and economic standing. He considered it part of his duty to uphold those principles and uphold those values.

Minister Mthembu cared about South Africa's hard fought for Constitution, its Bill of Rights, and the ever importance of the Rule of Law. He knew that in a nation as diverse as ours, those institutions, those rules, those norms that we have fought to put in place, are the glue that binds us together. They define us and give shape and order to our common life. He believed there was a place for our different views, and these differences are what makes our democracy work and what makes South Africa unique. That's why he understood and supported collaborative initiatives between the citizenry, government and business.



Minister Mthembu understood as President Mandela understood, that part of what makes our country great and unique is that our part in it is based not on our blood line, not on what tribe we belong to, what our social and economic standing is, but on adherence to a common creed that South Africa belongs to all who live in it. In working with, and alongside Minister Mthembu, one never saw him treat anyone differently because of their race or religion or gender. It was always clear from listening to him that he considered it the imperative of every citizen that loves this great nation to treat all people fairly. In November 2019, he was instrumental in the appointment Brand South Africa's new Board of Trustees. He left us a clarion call that the Board of Trustees must honour. He said "Brand South Africa should be exemplary in applying the principles of good corporate governance. It should be a shining example in this regard. It is with that example, that Brand South Africa's programmes like "Play Your Part" will bring confidence back into the brand of South Africa."

Today is the first of many days that are yet to unfold. But what will happen today and in all the other days to follow depends on what each one of us does today. What better way to honour Minister Mthembu's life of service than for us to follow his example to prove our willingness to live in service of this country. This call is not reserved for a select few, it is for all of us as citizens of this great republic. That's perhaps how we can honour him best, by recognizing that there are some things bigger than us, that there are principles that are eternal, truths remain ever abiding. On his best day and possibly even on his worst, he showed us what that means. For that, we are all deeply in his debt.



The Minister dedicated his life to national ideals and we know that he was motivated by a vision of South Africa carried ever forward on the basis and the strength of its principles, shared values and its diversity. He saw our country not only as a physical place, but also as an embodiment of ever enduring human hope and aspirations. He knew that the strength of democracy is renewed by constantly reaffirming the principles on which this nation was founded. Minister Mthembu was born to defend and demonstrate the defining ideals of our nation. As we continue to journey through this pandemic and prepare for life after it, may he remain a constant reminder of who we are as a nation. May Minister Mthembu's life forever be a reminder to be better and to always do our best. The world is smaller for his departure, and we will remember him as he was, courageous, unwavering, humble and without equal.

To the family of the Honourable Minister may you continue to find comfort in the knowledge that many in this country he served so well, will never forget his commitment and contribution. He was a true Nation Brand Ambassador who played his part with integrity and humility.

Lala ngoxolo Mvelase.



PART B

PERFORMANCE



PROGRAMME 1: ADMINISTRATION

OUTCOME 1.3: IMPROVED REPUTATION OF BRAND SOUTH AFRICA AS AN ENTITY

This programme provides strategic leadership, management and support services to the core business functions of Brand South Africa and is overall responsible for ensuring sound governance, high performance and optimal utilisation of available capital and resources.

HUMAN CAPITAL

Introduction

Human Capital's responsibility is to provide strategic support to the business by developing and implementing the Human Resources (HR) Strategy, processes, policies, methods, systems and procedures that are needed to attract, develop, retain, reward and manage human resources towards attainment of organisational goals.

Employee Wellness Programme

Brand South Africa stands firm in its Vision of inspiring its people, and we believe in caring holistically for our team so that we may foster a healthy and productive work environment. Life Employee Health Solutions is appointed as our official employee wellness service provider, and under the programme employees as well as their immediate family members have access to financial advice, mental health services, lifestyle management guidance, and all wellness related information.

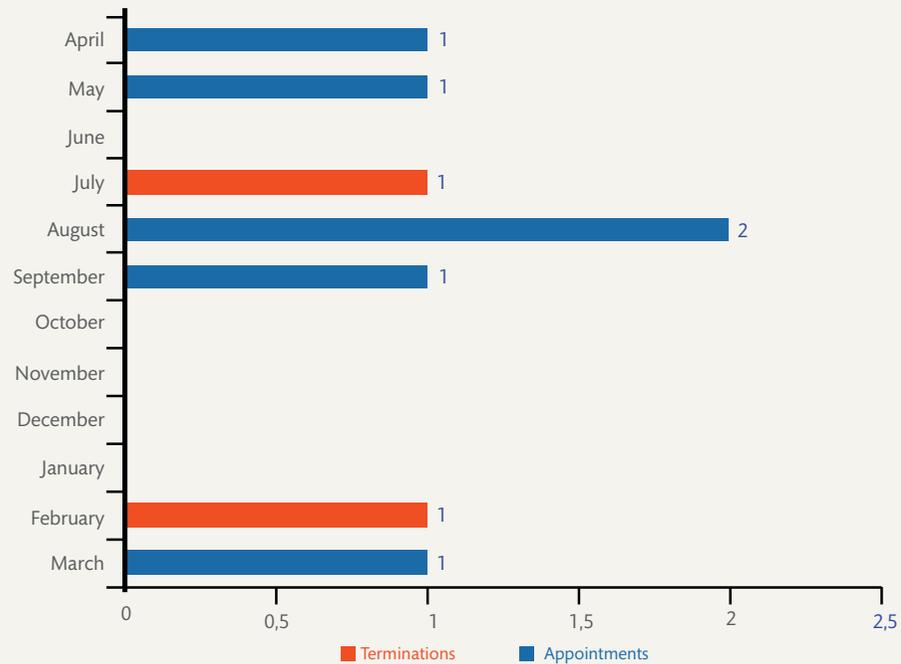
Use of the programme is promoted by a host of internal communication efforts that include email updates, posters, information workshops, managerial training sessions, hosted wellness days, and induction for newly onboarded team members. Staff are well-informed of the benefits offered and have access to the service by email, the Careways website, a toll-free contact number, and an SMS line.



Staff Movement

The vacancy rate as at the end of the financial period is at 14.04%, the target of below 10% was not met during the period under review. The contributing factor to the non-achievement of the target, is due to the moratorium on filling of permanent appointments placed on Brand South Africa by the Minister in the Presidency.

The table below provides a visual overview of the staff movement for the review period.



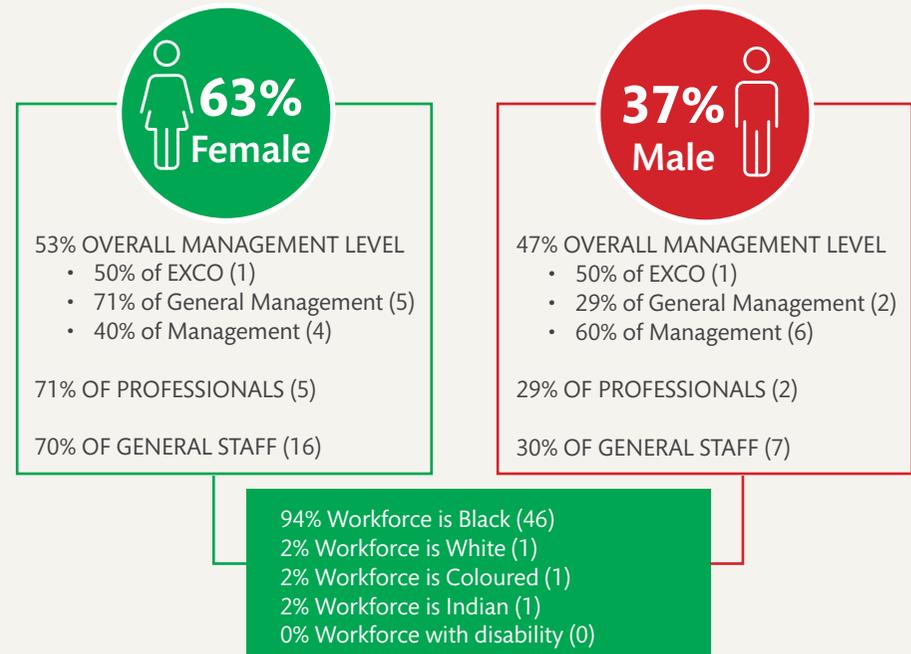
Employment and Gender Equity

Brand South Africa acknowledges that Employment Equity is essential to deracialising the job market by advancing persons or categories of persons disadvantaged by decades of unfair discriminating, while also striving to ensure that the organisation is representative of all South African demographics.

The organisation has an Employment Equity Committee which has put plans in place to manage inequalities within the organisation.

As at the close of the reporting period, the Brand South Africa workforce reflected a 63% female and 37% male representation. Management level representation recorded 53% female and 47% male representation.

The diagram below represents the full demographic of the Brand South Africa workforce.



Health and Safety

A Health and Safety Policy for adoption and implementation by Brand South Africa, was drafted in consultation with the health and safety committee. This was reviewed by Management Committee, tabled to the Executive Committee, and was ultimately approved by the Board.

The organisation remains committed to the well-being of its workforce and provides a safe working environment (free from hazards) in accordance with the Occupational Health and Safety Regulation Act, 85 of 1993. In addition to the observance of the OHS Act, all COVID-19 regulations have been strictly observed in a bid to minimise the spread of the disease.

Mitigation measures to address the spread of COVID-19 are continually observed, and various Personal Protective Equipment (PPE) items were procured and made available to employees during the year under review. Such items included surgical masks, hand sanitisers, and disinfectants.



In addition to the PPE, thermometers were procured for the effective temperature screening of all staff and visitors to the organisation's premises, five wall-mounted hand sanitising units were installed at office doors, and Perspex desk shields were installed in all areas where more than one employee is present.

Employees were encouraged to work from home and to only attend the office when necessary. Communication was disseminated by way of email, desk-drops, and wall posters to remind all members to observe social distance recommendations, wear masks, and to regularly wash their hands – both whilst at the office and elsewhere.

The return to work strategy was implemented in October 2020, but was short-lived as the country experienced a notable increase in COVID-19 cases. The remote working programme was at the time reinstated, and a hybrid working model was adopted when the country entered Alert Level 1 in February 2021. The decision to adopt the hybrid working model was taken to minimise disruption to operations and employees, in the face of fluctuating levels of COVID-19 infection rates across the country.

The Health and Safety Committee has increased its meeting frequency to address any matters that may arise during the pandemic. The committee serves as an advisory body to the Executive Management team. This allows for a swift response to any identified issues and has proven to be an effective means of control.



Training and Development

Employee training and development is a key focus area of human capital management, as it contributes to improved employee performance and, as a result, organisational effectiveness. Opportunities are afforded to employees that enable them to obtain and improve their skills and competencies. This ultimately assists in the realisation of individual, team, and organisational goals. The support of training and development improves the team's ability to navigate the demands of an increasingly diverse and demanding context.

A Workplace Skills Plan (WSP) for the 2020/2021 year, was approved by MICTSETA and the training provided for the Brand South Africa Team is detailed below.

| TRAINING COURSE | EMPLOYEE POSITION | SERVICE PROVIDER |
|---|--|--|
| Neuro-linguistic Programming (NLP) | Human Capital Administrator - Fixed Term (DN) Human Capital Manager Marketing Manager Assistant Brand Manager GM: Global Markets GM: Stakeholder Relations Strategic Relationship Manager: Business Strategic Relationship Manager: Civil Society Research Manager Country Head: UK GM: Marketing Activations Coordinator | Service Provider is Community Innovators |
| Strategic Human Resources Management | Human Capital Manager | UCT- Get smart |
| Introduction to Strategic Planning and Management | Human Capital Administrator Co-ordinator Markets Marketing and Activations Co-ordinator Marketing Intern | National School of Government |
| Leadership and Crisis Management | Country - Head USA Director - Corporate Services | National School of Government |
| Public Affairs in the Digital and Data Era | Country Head - USA Director - Corporate Services | National School of Government |

| TRAINING COURSE | EMPLOYEE POSITION | SERVICE PROVIDER |
|--------------------------------|--|---------------------------------|
| Women Empowerment | Chief Executive Officer (Acting) Director - Corporate Services Marketing Manager Digital and New Media Manager Digital Content Manager Communications Officer - Domestic Communications Officer - International Activations Officer Supply Chain Intern Research Manager Coordinator Markets Strategic Relationship Manager – Civil Society PA to GL and BS Office Assistant – Johanna Human Capital Officer Executive PA to the CEO Chief Executive Officer(Acting) Human Capital Manager Digital Specialist Communication Assistant Activations Manager Supply Chain Manager Assistant Board Secretariat Researcher Relationship Consultant Admin &Traffic Coordinator PA to CFO Executive Assistant - SP&PM Receptionist Human Capital Administrator (GKR) Human Capital Administrator (DN) | Uptitude Marketing Consultants |
| Introduction to Leading Change | Coordinator Markets | National School of Government |
| Microsoft Excel (Basic) | Office Assistant - Johanna Receptionist | Learn Fast |
| Microsoft Excel (Advanced) | Chief Financial Officer (Acting) | Miracle Solutions |
| Skills Development Facilitator | Human Capital Officer | Accreditation Training Services |



| TRAINING COURSE | EMPLOYEE POSITION | SERVICE PROVIDER |
|--|--|------------------------------------|
| Promotion of Access to Information Act (PAIA) | Director – Governance, Legal and Board Secretariat | Intelligence Transfer |
| Writing for Government (Basic Writing) | Human Capital Administrator (DN) Co-ordinator Markets | National School of Government |
| Operations Management Framework Course | Co-ordinator Markets | National School of Government |
| Introduction to Financial Management and Budgeting | Co-ordinator Markets | National School of Government |
| Ethics in the Public Service | Co-ordinator Markets | National School of Government |
| Online Outcome-Based Monitoring and Evaluation | Executive Assistant - SP&PM | Enterprises University of Pretoria |
| Performance Auditing | Executive Assistant - SP&PM | Enterprises University of Pretoria |
| Mentee Training | Assistant Board Secretary Admin and Traffic Co-ordinator Stakeholder Relations Intern Marketing and Activations Co-ordinator PA to CFO Communications Intern Procurement Administrator Human Capital Administrator (DN) IT Network Administrator Executive Assistant: SP & PM Research Intern Human Capital Administrator (LK) Human Capital Administrator (GKR) Supply Chain Administrator | Community Innovations |
| Mentor Training | Director Corporate Services Activations Manager Human Capital Manager Strategic Relationship Manager - Business Assistant Board Secretariat Executive PA to CEO Executive Assistant SP & PM Human Resource Officer | Direct Management Solutions |

| TRAINING COURSE | EMPLOYEE POSITION | SERVICE PROVIDER |
|-----------------|---|------------------|
| Bid Committee | Activations Manager Director Corporate Services Manager: Global Markets Manager: Digital and New Media IT Manager Strategic Relationship Manager – Civil Society Strategic Relationship Manager – Business Marketing Manager Supply Chain Manager GM: Stakeholder Relations Coordinator Markets Acting Chief Finance Officer | Imaculate Worx |



FORMER INTERNS' PROFILES (2019/20 – 2020/21)

**Mduduzi Malinga**

Mduduzi completed a Bachelor of Arts in Media Studies in 2016 at the University of Limpopo, and joined Brand South Africa in 2019 as an intern in the Communications Unit.

Mduduzi was grateful for the opportunity to apply his theoretical knowledge and gain valuable practical experience. He also appreciated being treated with the same respect as any other member of staff within the organisation by his mentor. Very early on, he was tasked with assisting with the development of content for Brand South Africa's digital and internal communication platforms. Additionally, he assisted with various networking and relationship-building initiatives with both internal and external stakeholders.

In March 2021, Mduduzi was appointed as a Communications Administrator on a one-year contract. He says that based on his experience, he would recommend the programme to other unemployed graduates.

Mduduzi holds fond the quote: "Don't judge your success by the masses, and what they think of you. Judge yourself by what God told you to do." – Myles Munroe

**Nicholus Maphakela**

Nicholus holds a National Diploma as well as an Advanced Diploma – both in Human Resource Management. He joined Brand South Africa in 2019 as an intern in the Human Capital Unit.

The opportunity to gain practical knowledge and experience in the field of Human Resource Management is what attracted Nicholus to the internship programme. He was presented with the opportunity to gain experience in matters relating to recruitment and selection, performance management, training, remuneration and benefits, as well as conflict resolution in the workplace. His goal was to find his strength within the various aspects of Human Resource Management and develop it.

He says one of his earliest learnings was the appreciation of the work-chain process. He enjoyed seeing how the end goal is achieved when a group of people (employees and service providers) with a wide skill-set, work together to achieve organisational goals.

Nicholus, who is now a Human Capital Administrator (Fixed Term Contract since March 2021), found that the programme provided valuable experience, and that such experience empowers and develops young people. Nicholus is a strong advocate of the programme and encourages young graduates to complete an application when the opportunity arises.

One of his favourite quotes is "Help others to achieve their dreams and you will achieve yours" - Less Brown



Lehlohonolo Modise

Lehlohonolo completed a Bachelor of Arts in Governance and Political Transformation in 2017, and a Bachelor of Arts (Honours) in Public Administration in 2018. He joined Brand South Africa as an intern in the Research Unit in 2019.

He looked forward to addressing and nurturing various areas of development in research methodologies and analyses. The internship programme has enabled him to transform these into strengths and he has acquired the ability to interpret complex reports as well as to produce streamlined reports for both internal and external publication.

In addition, Lehlohonolo found Brand South Africa to be a dynamic, professional, and conducive work environment that allows individuals to grow independently, with the assurance that the team is on standby to assist when clarity or assistance is sought. He would highly recommend the programme to graduates, as it has a proven track record of sharpening the skills of graduates and unlocking untapped potential.

He is currently appointed in a 12-month Fixed Term Contract as a Research Administrator (since March 2021) and is completing a Post Graduate Diploma in Governance and Political Transformation.

“Don’t stop until you are proud” – Unknown



Ntsepeng Letsoisa

Ntsepeng holds a Baccalaureus Technologiae in Logistics Management. She joined Brand South Africa in 2019 as an intern in the Supply Chain Management Unit.

The internship programme appealed to her because it presents a rare chance hone one’s skills and prepare one for permanent employment. She values her experience on the programme. Not only has she gained experience in Supply Chain Management, but she has also learned how to better navigate the working environment. Based on her experience, she would encourage other graduates to consider the programme.

Ntsepeng is currently employed as a Supply Chain Administrator on a one-year contract that commenced in March 2021.

Ntsepeng appreciates the following quotation: “If you don’t like something, change it. If you can’t change it, change your attitude” Maya Angelou





Kutullo Matloga

Kutullo completed a National Diploma and Baccalaureus Technologiae in Marketing, in 2017. He joined Brand South Africa in 2019 as an intern in the Marketing Unit on a 12-month contract. A month after joining Brand South Africa as an intern he received an offer to join an external organisation. The decision as to whether or not to accept the offer was a difficult one to make, and Kutullo sought advice from a few of his new colleagues at Brand South Africa. Following their guidance and consideration of his career aspirations, Kutullo elected to decline the offer from the external organisation.

Brand South Africa advertised a position for a Marketing and Activations Coordinator not long after Kutullo joined the organisation, and he enthusiastically applied. Following the successful completion of the recruitment and selection process, he was appointed to the position and formally held the title in June 2020. This is the position that Kutullo currently holds.

Kutullo remains grateful to his colleagues whose guidance played a significant part in his career path. He says that joining Brand South Africa opened countless opportunities for him to learn and grow in his area of specialisation, while contributing toward building the Nation Brand.

A quote which closely resonates with Kutullo is: "Don't chase success, let success chase you." - Unknown



Andile Themba

Andile holds a Bachelor of Administration in International Relations. He joined Brand South Africa as an intern in the Stakeholder Relations Unit. He was interested in the internship programme as it presented an opportunity to master professional skills in his area of interest.

He says the programme has gone a long way in building a solid foundation for his personal career development aspirations. Some of the highlights of his experience have been building and maintaining meaningful relationships with strategic individuals and organisations in the Public, Private, and Civil Society sectors. For these reasons, he says he would absolutely recommend the programme to other graduates in pursuit of training that bears weight and offers long-term benefits.

Andile was appointed as a Stakeholder Relations Administrator in March 2021, on a 12-month contract.

Andile draws inspiration from a quotation by Althea Gibson: "I always wanted to be somebody. If I made it, it's half because I was game enough to take a lot of punishment along the way and half because there were a lot of people who cared enough to help me".

REVIEW OF THE BRAND SOUTH AFRICA STRUCTURE, AND THE RECONFIGURATION PROCESS

The Brand South Africa structure was reviewed and approved by the Board of Trustees in 2014. In January 2019, the structure review process commenced, but was placed on hold following the reconfiguration process between Brand South Africa and South African Tourism. The process is facilitated by the GCIS under the leadership of the Minister in the Presidency.

The reconfiguration process is currently in progress.

INDUSTRIAL RELATIONS

The Brand South Africa organisation implemented Consequence Management to address all matters pertaining to disciplinary, dispute resolution, and employee relations. These are reported monthly to the Executive Committee (EXCO).



Labour Relations: Misconduct and Disciplinary Action

| Nature of Disciplinary Action | Number |
|-------------------------------|--------|
| Verbal Warning | 0 |
| Written Warning | 0 |
| Final Written Warning | 0 |
| Dismissal | 1 |



Corporate website performance

The Brand South Africa corporate website is continually updated and maintained. The site has performed well, and no downtime has been reported for the review period.

Information Technology governance

The Audit and Risk Committee monitors IT governance by considering the efficacy of IT controls, policies and processes, and their risk to financial reporting. This includes the monitoring of the effectiveness of financial controls.

During the year under review, the IT management team has successfully upgraded the Enterprise Resource Planning (ERP) to a cloud solution. The cloud services provides high availability of the ERP over secured channels.

The organisation managed to ensure that operations continue during the COVID-19 pandemic by providing employees with remote working capabilities. It also improved upon the Business Continuity and IT Security strategies to ensure the company data is always available and secured.

STRATEGIC PLANNING AND PERFORMANCE MONITORING

Strategic planning requires ongoing assessment and monitoring so that under-performance and risk may be identified, and that appropriate action plans may be implemented. Brand South Africa subscribes to a rigid evaluation framework as prescribed by government, and holds the achievement of its mandate in the highest regard. National and provincial institutions were required to revise and re-table Strategic Plans for 2020/2025, as well as 2020/2021 Annual Performance Plans. This is in response to the impact of the National State of Disaster, and to align with the 2020/2021 special adjustment budget process. The Brand South Africa Revised 2020/2021 Annual Performance Plan was tabled in Parliament on 08 July 2020 by the Minister in the Presidency.



FINANCIAL MANAGEMENT

Linking performance with budgets

| Programme/Activity/Objective | 2020/2021 | | | 2019/2020 | | |
|--|----------------|--------------------|--------------------------|----------------|--------------------|--------------------------|
| | Budget | Actual Expenditure | (Over)/Under Expenditure | Budget | Actual Expenditure | (Over)/Under Expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Personnel cost | 70,381 | 70,381 | 0 | 71,144 | 68,648 | 2,496 |
| Brand Communication and Reputation costs | 81,639 | 80,082 | 1,557 | 105,246 | 99,082 | 6,164 |
| Capital expenditure | 613 | 613 | 0 | 3,274 | 3,299 | (25) |
| Operating expenses | 26,868 | 26,653 | 214 | 28,250 | 33,251 | (5,000) |
| Total | 179,501 | 177,730 | 1,771 | 207,914 | 204,279 | 3,635 |

Sources of revenue

| Sources of revenue | 2020/2021 | | | 2019/2020 | | |
|---------------------------------|----------------|-------------------------|-------------------------|----------------|-------------------------|-------------------------|
| | Estimate | Actual Amount Collected | (Over)/Under Collection | Estimate | Actual Amount Collected | (Over)/Under Collection |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Government grants and subsidies | 179,501 | 179,501 | 0 | 207,914 | 207,914 | 0 |
| Total | 179,501 | 179,501 | 0 | 207,914 | 207,914 | 0 |





Capital Investment

| Infrastructure Projects | 2020/2021 | | | 2019/2020 | | |
|-------------------------|------------|--------------------|--------------------------|--------------|--------------------|--------------------------|
| | Budget | Actual Expenditure | (Over)/Under Expenditure | Budget | Actual Expenditure | (Over)/Under Expenditure |
| | R'000 | R'000 | R'000 | R'000 | R'000 | R'000 |
| Capital Expenditure | 612 | 612 | 0 | 3,274 | 3,299 | 25 |
| Total | 612 | 612 | 0 | 3,274 | 3,299 | 25 |

B-BBEE Compliance Performance Information

| Has the Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following: | | |
|---|----------------------|---|
| Criteria | Response Yes / No | Discussion (include a discussion on your response and indicate what measures have been taken to comply) |
| Determining qualification criteria for the issuing of licences, concessions, or other authorisations in respect of economic activity in terms of any law? | No | Brand South Africa revenue is received from a government grant and not through the issuing of licences, concessions, or other authorisations in respect of economic activity. |
| Developing and implementing a preferential procurement policy? | Yes | Preferential policy is aligned to the PPPFA in supporting B-BBEE companies. |
| Determining qualification criteria for the sale of state-owned enterprises? | Not applicable | Brand South Africa is classified as a schedule 3A entity prohibited from trading to generate revenue. |
| Developing criteria for entering into partnerships with the private sector? | Yes | Partnerships agreement entered with private sector are aligned to the B-BBEE codes and requirement. |
| Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment? | No | The entity does not award incentives, grants, or investment schemes. |



PROGRAMME 2: BRAND MARKETING AND REPUTATION MANAGEMENT

This programme seeks to develop and articulate a nation brand identity that will advance South Africa's long-term positive reputation and global competitiveness. This includes a focus to research and monitor sentiment and performance of the Nation Brand, to analyse trends and provide insights to inform decision making and communication, and to both proactively and reactively communicate the country's value proposition, values, and highlight progress being made.

Programme 2 activities are structured within the following outcomes:

- Increased attractiveness and thereby competitiveness of the Nation Brand; and
- Increased Nation Brand advocacy and active citizenship.

A: Increased attractiveness and thereby competitiveness of the Nation Brand

To achieve its mandate of managing South Africa's Nation Brand reputation in order to improve the country's global attractiveness and competitiveness, various strategic marketing and reputation management initiatives were implemented during the financial year. The objective of these activities is to promote the country's competitive strengths and communicate how the country is dealing with challenges faced both domestically and internationally. This ensures that the organisation positively positions the Nation Brand, so that it may increase attraction of tourism and investment (both locally and internationally).



DOMESTIC MARKETING CAMPAIGNS

Domestically, marketing and communication efforts were intensified following the impact of the COVID-19 pandemic on the country's morale and economy. The target number of campaigns was exceeded by delivering four additional campaigns, which yielded superb results by generating increased reach and engagement. This included Brand South Africa's latest marketing campaign aimed at showcasing the attractiveness of the Nation Brand to domestic audiences. The campaign was ongoing and delivered throughout the year. The content for the campaign was mainly in the form of an audio-visual (AV) that tells the story of a South Africa that is brave and determined enough to take up any challenge and achieve the unimaginable. Focusing on the pillars of democracy, innovation, and creative arts, the Nation Brand was positioned as being brave, determined, innovative, and creative.

Key achievements

• 'Stay at Home' Audio-Visual

Brand South Africa's repurposed existing content and material to support the call for South Africans to adhere to regulations put in place to curb the COVID-19 pandemic. Through an audio-visual (AV), anchored on the message 'We are South Africa' and COVID-19 Stay at Home messages, South Africans were encouraged to be part of the solution.

The AV was promoted on Brand SA social media platforms during April 2020 and achieved an audience reach in excess of 2 447,981 on Facebook, Twitter and LinkedIn. Website promotions reached an audience of 1 324,751 users, and the television placement reached 1 800,000 viewers.



• Loeries Partnership

Brand South Africa's ongoing collaboration with the Loeries Advertising awards, aimed at ensuring that the Nation Brand features prominently in the creative industry, continued during the period under review. The final element of this year's collaboration was Brand SA's participation in the 2020 Creative Week.

The Loeries is Africa and the Middle East's premiere initiative that recognises, rewards, inspires and fosters creative excellence in the brand communication industry. As the highest accolade for creativity and innovation across our region, the Loeries promotes and supports creativity by helping marketers, agencies, and consumers appreciate the value of ideas and fresh thinking.

Culminating in the biggest creative gathering across the region, Loeries Creative Week took place from 16 – 20 November, bringing together the best innovative minds from the industry for a festival of networking-inspiring minds and recognising great work. During the creative week, Brand South Africa showcased its work on the Loeries online platform, reaching in excess of 9500 members of the creative community. The organisation also featured prominently as one of the sponsors of the Loeries 2020 awards – namely that of the Young Creatives award category. Open to those 27 years and under, the award recognises the top young creatives in the brand communications industry with the winners each receiving a Gold Loerie.



• Miss South Africa Collaboration

Miss South Africa is a leadership platform for ambitious young South African women who are shaped into brand ambassadors for our country. Through a pageantry process, contestants receive world-renowned coaching in addition to advanced networking, business, and life skills. This initiative is strategically aligned to Brand South Africa's Play Your Part programme, as it promotes and celebrates active citizenry, illustrates the attractiveness of the Nation Brand, and encourages Nation Brand pride.

Brand South Africa hosted a workshop for the top ten Miss SA finalists, at which the Play Your Part ambassadors shared inspirational stories of how they play their part in their communities. GEM Projects (a Play Your Part partner) partook in the event and arranged various hands-on activities to participate in community projects in Khayelitsha. The activities include the Ikhaya Community Garden and the Masibulele Edu-Care – to which Brand South Africa donated stationery packs to 60 Grade R learners.

The Miss South Africa Finale, in which Brand South Africa participated, was attended by 100 guests (including media) and was broadcast live on Mzansi Magic and livestreamed on the Miss South Africa YouTube page – receiving more than 163,137 views.

In the days following the Miss SA finale, a Brand South Africa-Miss South Africa brunch was hosted by Brand South Africa, featuring Play Your Part ambassador Siba Mtongana. The event was attended by 40 guests and aired on Heart 104.9FM. In addition, a brunch engagement with the office of the Deputy Minister in the Presidency was also hosted at the Union Buildings, where the Deputy Minister in the Presidency, Ms Thembu Siweya, recognised Miss South Africa as a newly onboarded Play Your Part ambassador. The engagement aired on both SABC radio and television, which reaches more than 90% of the population of South Africa.



INTERNATIONAL MARKETING CAMPAIGNS

Brand South Africa plays an integral role in the country's investment promotion programme. To that end, marketing campaigns targeting international audiences, executed in the financial year, prioritised investment promotion. Albeit that the organisational budget was reduced, and the funds reallocated to the country's COVID-19 response programme, the target for marketing campaigns that illustrate the attractiveness of the Nation Brand to international audiences was still exceeded.

Key achievements

- **Made in SA Campaign**

The Made in SA campaign showcases innovation by South Africa entrepreneurs, with a focus on interior decoration and art. The campaign is positioned on 16 television channels across the same number of countries on the African continent. The campaign is estimated to have reached a combined total of 800 million viewers.

- **International Campaign Promoting the Nation Brand**

In a bid to positively position the Nation Brand and attract international tourists and investors, Brand South Africa launched a campaign that sought to drive confidence in the Nation Brand by placing key focus on innovation, science and technology, tourism, as well as our uniquely South African fortitude.

The audio-visual content was showcased targeting audiences in the Middle East & Africa, Asia, North America and in Australia via Bloomberg and Reuters platforms. The campaign achieved a combined audience reach of 7 991,123 and 4 315,357 impressions, with viewership on Reuters and Bloomberg recorded at 12 million for the third quarter of the period in review.

- **The CEO Know**

The CEOs know campaign featured Dr Jaishree Naidoo, showcasing her outstanding projects within the medical fraternity. The campaign featured on Forbes Africa online, which is shared in 11 countries with a print readership of 163,00, a social media following of 382,000, and an average of 500,000 website views.

- **The Place Brand Observer**

As the leading online magazine and knowledge hub dedicated to the branding and reputation of locations, The Place Brand Observer (TPBO) and Brand South Africa collaborated with the objective of promoting the country and positioning it within a business, trade, and investment aspect. This was achieved by compiling and publishing a Country Report that featured South African professionals and businesses. The selected businesses and professionals have achieved noteworthy success and elevated them as brand ambassadors of a modern, innovative, and sustainable South Africa. The intention of the feature was to promote investment confidence.

The Place Brand Observer online platform attracts more than 153,000 monthly users from countries worldwide.

Nation Brand reputation programmes implemented at strategic platforms

As a result of the COVID-19 pandemic a number of strategic platforms were cancelled, postponed or hosted as a virtual meeting. This includes the World Economic Forum Annual meeting, Africa Travel Indaba as well as the Investing in African Mining Indaba. Brand South Africa was able to adjust its execution model for activities that were affected by the pandemic to ensure that the annual target was met.

Key Achievements

- **Women4Africa Virtual Summit, United Kingdom**
Women4Africa is a UK registered organisation that celebrates and empowers Africa and its women by supporting community efforts, education, and promotions. Women4Africa recognises extraordinary achievements made by women in Africa and the UK.

During the review period, African Women in the UK gathered online via a webinar to attend the first-ever virtual Women4Africa Summit. The theme of 'Still We Rise', was inspired by Maya Angelou's poem titled Still I Rise, and the summit was broadcast live on Facebook. The event garnered 1,000 participants on Facebook and 489 registrations on the Zoom webinar platform.

Thanks to the entity's long-term relationship with Women4Africa, the collaboration came at no cost to the organisation, illustrating the positive impact of Brand South Africa's investment in the UK market.



• South Africa Investment Conference 2020

Following the success of the 2018 and 2019 South African Investment Conferences (SAIC), Brand South Africa once again collaborated with the Presidency, the IDC and GCIS in the hosting of the 2020 conference. Brand South Africa was responsible for the development and implementation of an integrated marketing and communications programme for the SAIC.

The hybrid (physical-digital) event hosted approximately 250 guests on site and reached an estimated audience of, 2000 online participants. 50 Companies announced their commitment to invest R109,6bn in total.

Through the active involvement of the Brand South Africa Communications unit, the organisation was able to support the SAIC media and PR efforts through a number of initiatives including media partnerships with Reuters, where an audio visual was displayed on the platforms and successfully reached over, 7000,000 views from audiences in the United States of America, United Kingdom, United Arab Emirates, Russia, Japan, India, and Brazil.

The partnership with Al Jazeera was strategically designed to reach trade partners in the United States of America, United Kingdom, United Arab Emirates, Russia, Japan, India, and Brazil. An audio-visual was displayed on the platform and successfully reached over 500,000 views.

The SAIC 2020 attracted ongoing broadcast coverage, as well as online and print media exposure. This resulted in Brand South Africa having ongoing coverage across a host of platforms where it was exceedingly positively positioned. The table below provides an indication of key performance indicators and critical success factors which should guide the success of a public relations campaign for the SA Investment Conference.

Outputs

- Develop and implement SAIC Communication Strategy.
- Develop SAIC strategic messages to own the narrative about SA's current challenges and devise a recovery roadmap for future positioning, locally and internationally.
- Produce thought leadership and regularly share with the media content.
- Establish, maintain, and leverage credible relationships with the media.

Outcomes

- Increased awareness amongst local and international stakeholders.
- Comprehension of SAIC's priorities and SA as an investment destination of choice.
- SAIC seen as a credible and trusted platform by key stakeholders.
- More interest from media about SAIC and thought leaders.
- South Africa seen as a trusted investment brand that fulfils its promises.

Results

- Increased positive sentiment in the media by 30% compared 2019.
- Significantly increased share of voice in mainstream domestic, continental, and international media.
- Elevated South Africa's reputation through thought leadership (including key annual insights barometers), member value proposition, and public education.



- **Emergence of COVID-19 Variants and its impact on Economic Recovery**

The emergence of the 501.V2 strain that was referred to as the South African Variant, created the perception that South Africa posed a threat to global health. Brand South Africa felt it prudent to engage audiences on the emergence of new Coronavirus variants. Variants that will no doubt be experienced worldwide. Brand South Africa, the Department of Science and Technology, GCIS, and South African Tourism collaborated to host a webinar in which it discussed the emergence of new Coronavirus variants and their impact on economic recovery.

The webinar, which was opened by the Minister of Tourism, included panellists from the World Health Organisation, the African Union CDC, and the Department of Science and Technology. Brand South Africa supported the discussion by raising awareness of the country's COVID-19 recovery strategy through a digital campaign which reached over 1 million audience members.

- **BRICS Business Forum 2020**

Brand South Africa collaborated with the South African Chapter of the BRICS Business Council, as well as the Department of Trade, Industry and Competition (the DTIC). Brand South Africa was the lead entity responsible for marketing and communications activities for the 12th BRICS Business Forum.

Russia hosted the BRICS engagements. The BRICS Summit and associated events were postponed due to travel restrictions implemented as a result of COVID-19. A first-ever, the BRICS Business Forum was hosted virtually over four days, with one session held every second day. Brand South Africa's research again featured prominently at the Summit, contributing both to a session titled Doing Business After COVID-19: Ways to Go Smart, and participating in the SA Chapter of the BBC's contribution to the Annual Meeting of the Council.

- **Virtual Dialogue on African Leadership and the UNSC**

During the third quarter, Brand South Africa and Foreign Policy partnered to host a Virtual Dialogue spotlighting African leadership on the United Nations Security Council and assessing progress towards shaping a more multilateral, representative, and responsive global governance body. Seeking a greater role and voice for Africa on the global stage, South Africa has dedicated its tenure on the Security Council for the 2019-2020 term to the legacy of President Nelson Mandela and his commitment to peace.

The Virtual Dialogue featured high-level foreign government officials and world-renowned journalists to discuss Africa's path to security and peace. South Africa's objectives for its presidency of the Security Council, the outcomes it has achieved, and the country's strategic position in an increasingly polarised world were key discussion points.

The event attracted more than 3,660 views from professionals and experts around the globe. The livestream was promoted and made available on Foreign Policy's event landing page and on foreignpolicy.com, as well as livestreamed on Vimeo, Facebook, Twitter, LinkedIn Live, and YouTube. The virtual dialogue gathered upward of 870 registrations, over 310 live attendees, and a total of 3,350 video views. Multi-Platform promotional efforts were undertaken, and digital assets were used to promote virtual dialogue.

The efforts achieved the following impressions per platform:

- Twitter: 6.2M+ impressions
- Newsletter: 333,700 impressions
- Digital Advertising: 92,600 impressions
- Facebook: 26,000+ impressions
- Video: 3,350+ views

- **Insights that inform the Nation Brand Strategy**

Brand South Africa delivered several analysis notes to inform organisational, communication, and marketing interventions for implementation in response to national and international dynamics. The opportunity to share unique Brand South Africa research and analysis insight was ceased, and the insights were shared on several platforms. The implementation of the Reputation Management strategy allowed for the early detection of potential reputational challenges and / or opportunities in the communications environment insured that the Brand South Africa responded accordingly to relevant issues.

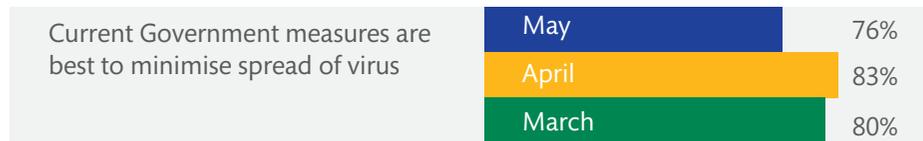
- **Key Achievements**

- **Domestic Perceptions Research**

In order to effect successful intervention, communication, and marketing efforts, it is vital that we continually gauge the impact of existing campaigns and measure the sentiment shared within our borders. Brand South Africa's Domestic Perceptions Research is therefore designed to empower the organisation and relevant stakeholders with insights on, for example, the perceptions of the average South African about key issues that have an impact on their daily lives.

Given the advent of the global pandemic, the research placed focus on the opinions and sentiment of South Africans as it relates to COVID-19, the economic impact of mitigation measures, and the Government's ability to successfully intervene and manage the outbreak in South Africa.

During the beginning of the review period, citizens reported confidence and showed tremendous support of Government and its management of the outbreak. During the second quarter of the period however, the confidence of citizens in Government's ability to respond to the pandemic had clearly waned. This was exacerbated by the negative impact on the national economy that resulted from the lockdown regulations. In the latter part of the year, a noted restoration in confidence was reported.



As the Economic impact of the COVID-19 pandemic unfolds, South Africans are faced with reality of losing income and employment. The relief measures implemented by the government, and the Economic recovery plan have yet to fully materialise. This frustration is reflected in the May 2021 results, where in comparison to the rest of the results is slightly lower, indicating low levels of confidence.



Questions related to the willingness of respondents to get the COVID-19 vaccine have been included in the monthly survey since the beginning of the financial year. The responses gathered have been relatively positive, given that the media coverage around the vaccine roll out programme has been less than favourable. This is also evident in the responses provided to the level of confidence in the government's ability to adequately manage the vaccine rollout.



Additional insights from the Domestic Perceptions research are highlighted below.

National Omnibus Survey Results

The Omnibus Survey measures themes related to social cohesion, active citizenship, and national pride. Emerging from easily one of the most tumultuous years in living memory – both within our borders and across the world – the Omnibus survey presented unique findings that depict the absolute resilience of our nation. In noting this, it must be highlighted that the results also indicate a society and governance system that is under immense pressure and stress.

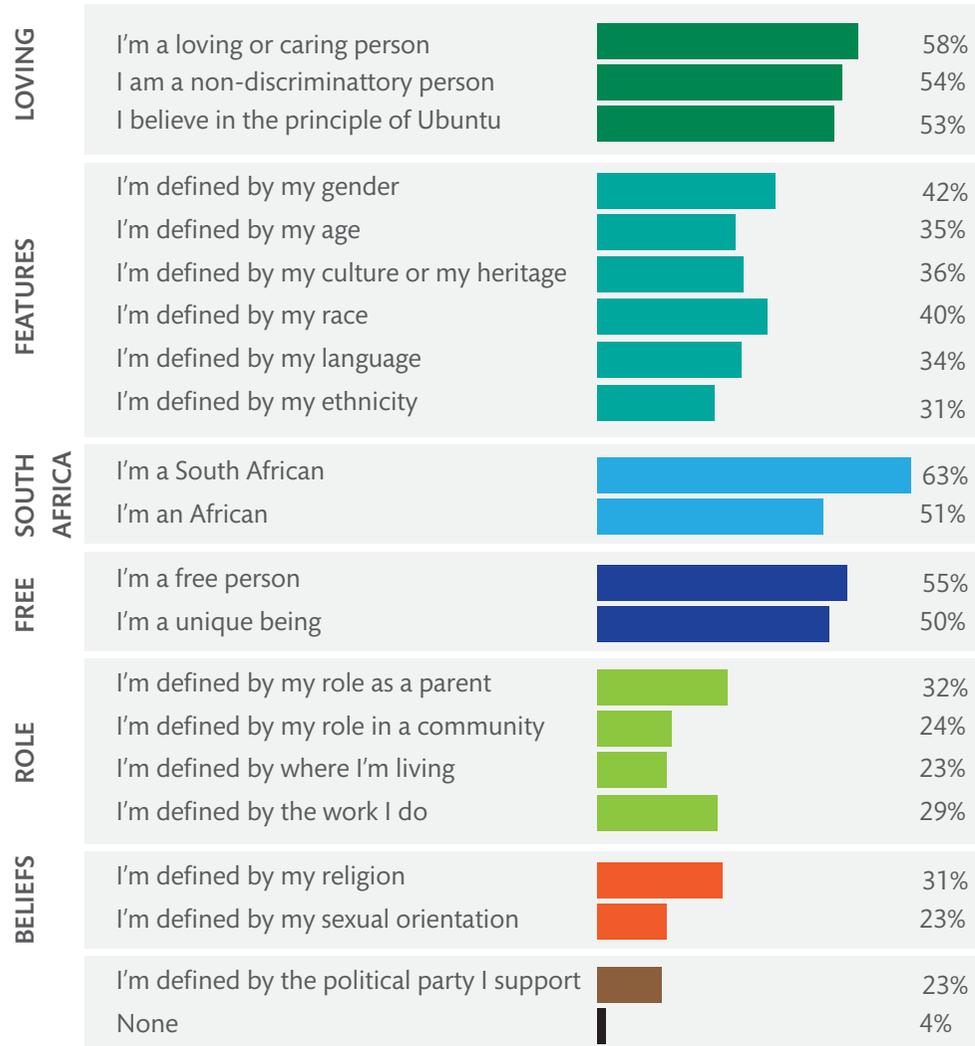
During a year wherein South Africans had to get used to staying at home to stay safe, the research observes special dynamics at a local community level. There is clear evidence that many South Africans responded in a collaborative and supportive manner to help those in dire need. In light of social distancing and lockdown regulations these initiatives happened at a local level.

In terms of Identity, the diverse universe of the South African population, by a great majority identify themselves in the following way:

- Citizens firstly identify themselves as South Africans (63%), who are loving (58%) and free (55%).
- Citizens are ultimately freedom-loving people that do not discriminate (54%).
- South Africans also strongly see themselves as African (51%) – an important self-identifier.
- These same citizens are also defined by their personal uniqueness (50%), and to some extent by their race (40%), and language (34%).



The latter two are the weaker identifiers of the eight on the list below.



National Pride, Social Cohesion, and Active Citizenship constructs measured through this study have been showing a steady decline since 2017. In 2020, the scores out of 100, for each of these constructs were:

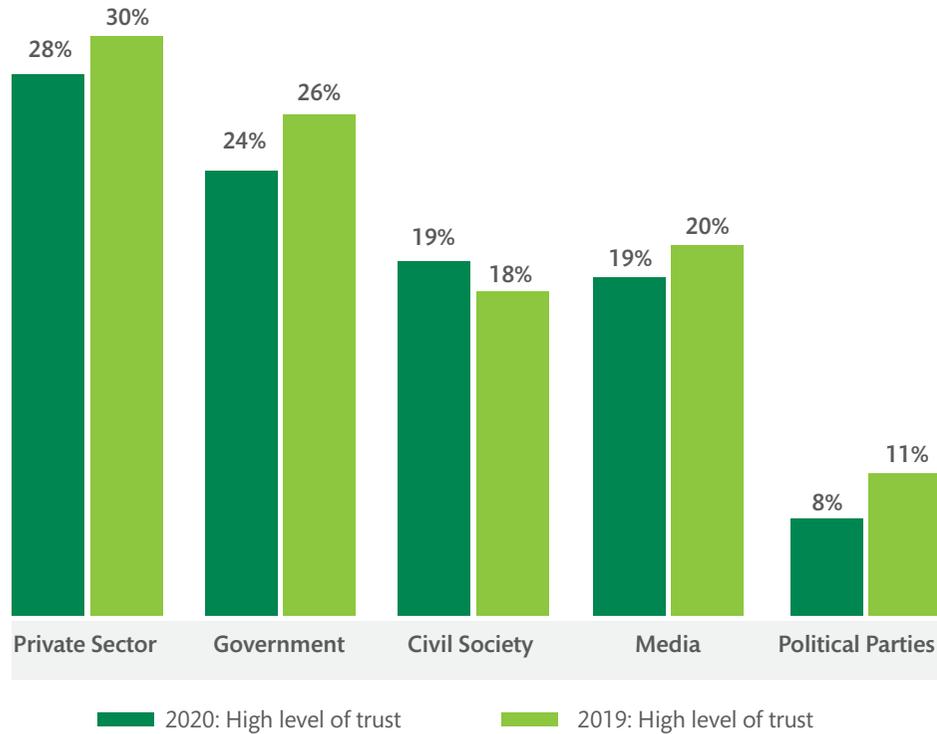


It is, however, found that while Social Cohesion is holding steady at 62.7 at local level two voices, that shared their opinions in the national omnibus survey, paint two very opposing pictures of social cohesion in their communities:

- **Quote 1** - "I feel close to our people in my community. I give them support and support our neighbourhood as I am close to them and see a bright future for our people, I trust them."
- **Quote 2** - "Our community is not the same as before as children are dropping out of school. We no longer speak the same language as a community."

Ranked according to those with the highest level of trust, the Private Sector (business fraternity) still ranks highest (28%) although the score declined slightly since last year. Government still enjoys second place, as many look to government for support during the COVID-19 pandemic. Civil Society and Media are on par, although media slipped into fourth place. Political Parties and their leaders remain in last position.

Government is most influential in driving opinions, thoughts, and fears about South Africa among the citizenry. The dominant role means that opinions are mostly similar but with a weakened fiscus and slow economic recovery that dependence may become unhealthy.



The National Omnibus survey also provides Data Driven Insights on the Pulse of the Nation which is tracked through National Pride, Active Citizenship, and Social Cohesion indices, which inform the operational direction of the campaigns within the organisation. These insights also influence and shape government policy at both Provincial and National level.



Below is the latest data on Brand South Africa's programmes:

| Brand SA |  Inspiring new ways |  www.playyourpart.co.za | Constitutional Awareness |
|----------|--|--|--------------------------|
| 2018 | 2018 | 2018 | 2018 |
| 39% | 39% | 36% | 29% |
| 2019 | 2019 | 2019 | 2019 |
| 49% | 61% | 46% | 27% |
| 2020 | 2020 | 2020 | 2020 |
| 46% | 62% | 44% | 32% |

» Heartbeat of a Nation – Behaviour Group Series

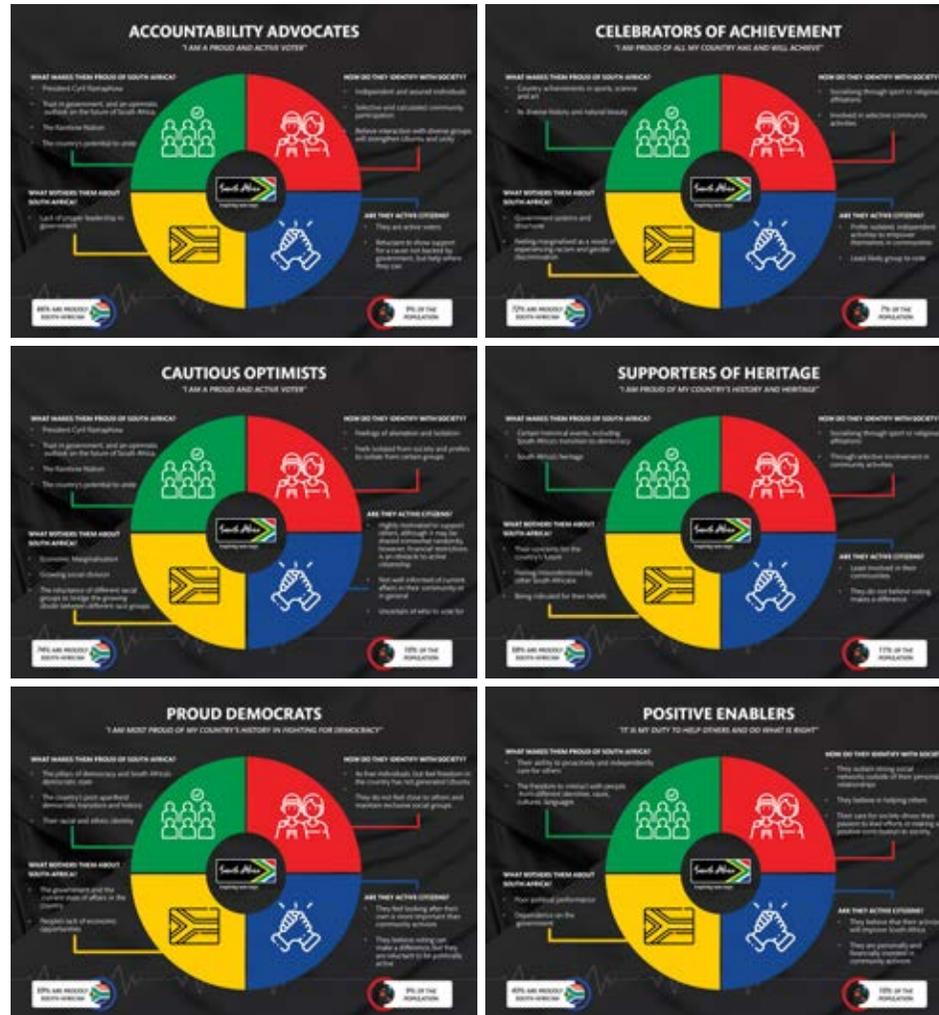
Through a comprehensive analysis of more than 6,000 research records derived from the quantitative and qualitative methods, the 10 behaviour groups were identified. In 2018, a year after its inception, the segmentation model that birthed the 10 behaviour groups was recognised for its ground-breaking approach to understanding a complex society like South Africa by being awarded the overall Best Research award and the Kantar Innovation award.

In July 2020 Brand South Africa launched its Behavioural Group Series under the theme Heartbeat of a Nation: Exploring a nation through the lens of 10 Behavioural Groups. The series sought to breathe new life into the findings of the segmentation model by illustrating the key characteristics, attitudes, and behaviours of the 10 groups through engaging infographics.



The infographics have since been released on a monthly basis on the Brand South Africa website and all its social media platforms. Since its release the series has attracted widespread acclaim from different parts of South African society, who have shown keen interest in the nuanced nature of what defines us as a nation.

Given the often misleading narrative of a country defined by racial and economic fault lines, the insights provided by the behaviour groups offered an empirical and factual representation of a people whose identity transcends race and class.



» The Social Economy

In recognition of Brand South Africa's ground-breaking insights and tracking of Social Cohesion, National Pride and Active Citizenship; The Department of Trade, Industry and Competition's (DTIC) Social Economy unit sought to utilise its Domestic Perceptions Research Programme's Qualitative, and Quantitative research platforms, to generate empirical data to support and critically inform the development of a draft policy position on the Social Economy. Given the vast and detailed nature of the Omnibus Survey, the quantitative aspect of the research has continued to measure themes and questions directly related to tracking Social Cohesion, Active Citizenship, and National Pride. The 2020 results hold the promise once again of providing in-depth insights into the complex nature of South African society. This collaboration has been instrumental in contributing to the formulation of the Social Economy Green Paper, which is presently before parliament. Below are some highlights from the collaboration:

Social Economy activities include work in NPOs, cooperatives, stokvels, volunteer groups, societies, and companies established with a social benefit objective in mind.

In a time of economic recovery, data from Brand South Africa's national omnibus survey indicates that Social Economy practitioners represent 8.6% of the South African population aged 16-years and older:

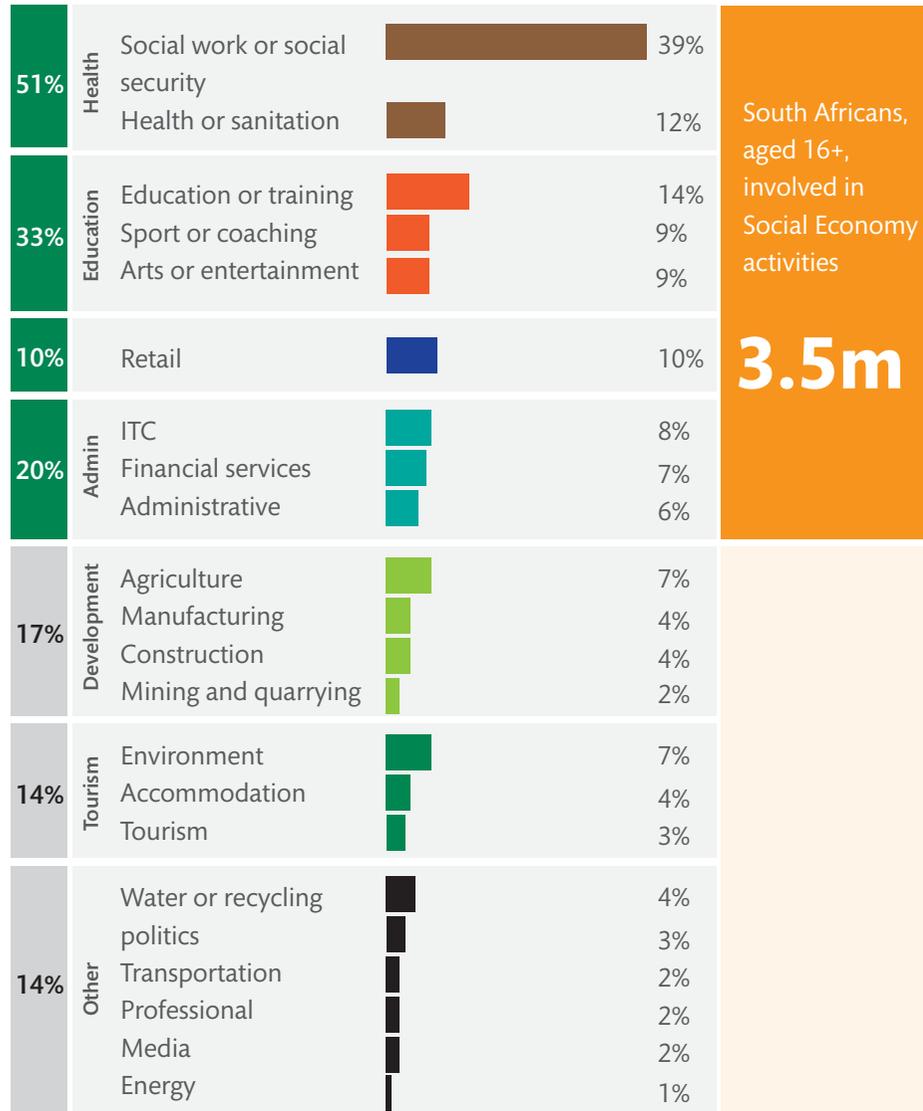
- This means an estimated 3.5 million people participate in the Social Economy;
- The employed population in South Africa, whether formal or informal, is estimated at 46% of the total population.

Significantly, fifty-five percent of those involved in the Social Economy are employed, 10.3% higher than the national average. This illustrates much higher concentration of employment in the Social Economy.



Types of Social Economy Activities

- From the national survey we learn that 51% of all Social Economy activities are focused on providing social work, or social support, and health and sanitation related services;
- While a good 33% of total Social Economy activities are conducted in the realms of Education, Sport, and the Arts.



• **Nation Brand performance monitoring activities**

By monitoring Nation Brand performance, Brand South Africa Research is able to monitor and evaluate over-all country performance in a highly competitive and uncertain global economy with extreme risks on the geopolitical front. Research therefore aims to support the work of Brand South Africa and stakeholders through the monitoring of Nation Brand Performance.

Through this programme, Brand South Africa Research collaborates with key government stakeholders such as InvestSA, Department of Trade, Industry and Competition by providing insights and analysis that assist government to understand South Africa's competitiveness and the role various indicators play in South Africa's Global Reputation. This on-going monitoring also provides guidance on which areas Brand South Africa must take to distinct advantage and disadvantage to both assess and amplify in order to provide an authentic understanding of how the Nation Brand is perceived across a number of different dimensions.

- In the period under review a total of 13 indicators were reviewed. However, for the purpose of this report, South Africa's best performing indicators will be showcased.



Nation Brand performance - 2020 Global Innovation Index (GII)

- The 2020 Global Innovation Index (GII) measures the innovation performance of 131 countries.
- Themed "Who Will Finance Innovation", measures 80 indicators that explore a broad spectrum of nations' innovation capabilities.
- South Africa ranks 60/131 economies, which puts the country in the top 60 of the overall number of economies.
- The report highlights that the African continent is growing in innovation importance, of 25 countries that are identified as out-performers, 8 are Sub-Saharan Africa, with South Africa, Kenya and Rwanda topping the list.
- Market sophistication continues to be South Africa's strongest pillar, moving up from the 19th position in 2019, to the 15th in 2020.
- Business sophistication is the second best performing pillar moving up the 57th position in 2019, to the 50th in 2020.
- South Africa's Institutions category remains at the 55th position from 2019 to 2020.
- The Knowledge & technology outputs category displays a notable from the 57th position in 2019 to the 62nd in 2020

South Africa - Global Innovation Index rankings

| Year | Over-all | Institutions | Human capital & research | Infrastructure | Market sophistication | Business sophistication | Knowledge & technology outputs | Creative outputs |
|------|----------|--------------|--------------------------|----------------|-----------------------|-------------------------|--------------------------------|------------------|
| 2020 | 60 | 55 | 70 | 79 | 15 | 50 | 62 | 70 |
| 2019 | 63 | 55 | 65 | 83 | 19 | 55 | 57 | 91 |

Source: Brand South Africa "Research Update" on 2020 GI

Nation Brand Performance - 2020 Ibrahim Index of African Governance (IIAG)

The 2020 Ibrahim Index of African Governance (IIAG), compiled by the Mo Ibrahim Foundation, assesses governance performance in 54 African countries in the form of rankings, score and trends.

- The report provides a useful framework to assess the delivery of public goods, services and policy outcomes based on four main categories, including "Participation," "Rights & Inclusion," "Security & Rule of Law," "Human Development," and "Foundations for Economic Opportunity" (formerly called Sustainable Economic Opportunity).
- These four main categories collectively tally the "Overall Governance" category for each country and provide a continental average, allowing one to assess a country against overall governance in Africa.
- In the 2018/19 IIAG there was cause for concern for the South African Nation Brand. The weakening of South Africa's governance regime in the past number of years have had a substantially negative impact on South Africa's performance in the IIAG.
- While there has been a weakening, it is important to note that South Africa improves with one position to climb back up to rank 6/54 nations, up from its 7th position in 2018/19.



| | 2017 Rank /54 | 2018 Rank /54 | 2019 | 2020 |
|---|------------------|------------------|------|------|
| Overall Governance | 6 | 7 | 7 | 6 |
| Safety & Rule of Law | 7 | 9 | 9 | 8 |
| Participations & Human Rights | 4 | 4 | 4 | 7 |
| Foundations for Economic Opportunity (Formerly called: Sustainable Economic Opportunity) | 4 | 4 | 4 | 8 |
| Human Development | 8 | 8 | 8 | 9 |

| | |
|-------|-------------|
| Green | Improvement |
| Red | Decline |

Governance is an essential component that can make or break the reputation of a Nation Brand. While the South African performance in IAG 2020 is relatively strong, putting it in the top ten, it is, however, necessary to point out that if one considers the last five years, varying trends appear.

Source: Brand South Africa "Research Update" on 2020 IAG

Good Country Index 2020

- South Africa ranked 47th out of the 153 countries included in the index. However, in the latest edition, being Version 1.4, South Africa improves to 41/153 nations.
- Some immediate highlights of South Africa's standing in the Good Country Index include its performance in:
 - Science & Technology
 - International Peace & Security
 - Health & Well-being - note in this regard a dramatic improvement between Version 1.3 and 1.4 of the index

South Africa in the Good Country Index

| | Version 1.0 (2014) | Version 1.1 (2016) | Version 1.2 (2017) | Version 1.3 (2018) | Version 1.4 (2019) |
|--------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Overall ranking | 44/125 | 51/163 | 47/163 | 47/153 → | 41/153 ↑ |
| Science & Technology | 29/125 | 26/163 | 25/163 | 18/153 ↑ | 26/153 ↓ |
| Culture | 60/125 | 79/163 | 65/163 | 57/153 ↑ | 58/153 ↓ |
| International Peace & Security | 15/125 | 1/163 | 2/163 | 3/153 ↓ | 14/153 ↓ |
| World Order | 31/125 | 33/163 | 25/163 | 23/153 ↑ | 20/153 ↑ |
| Planet & Climate | 102/125 | 143/163 | 150/163 | 124/153 ↑ | 114/153 ↑ |
| Prosperity & Equity | 121/125 | 160/163 | 114/163 | 93/153 ↑ | 96/153 ↓ |
| Health & Well-being | 56/125 | 36/163 | 56/163 | 85/153 ↓ | 35/153 ↑ |

WEF Global Competitiveness Report 2020

- In 2020, WEF released a special edition of the Global Competitiveness Report, themed "How Countries are Performing on the Road to Recovery" ranking countries from a (0-100 score).
- The report presents the overall score of each country identified in the report, along with 11 indicators used to measure the performance of each economy.
- South Africa's overall score is 50.4/100, being the only African country identified in the report.
- South Africa's overall performance in each of the 11 priorities has its "best" score in the 3rd indicator at 65.16; and Performs "worst" in the 5th indicator at 42.90



| Best and worse performing countries in each of the 11 priorities overall score [Presented Best; Worst] | | |
|---|-----------------------|---------------------------|
| Priorities [See table above for description of no.] | BEST | WORST |
| 1. Ensure public institutions embed strong governance principles and a long-term vision and build trust by serving their citizens | Finland (78.47) | Russia (42.84) |
| 2. Upgrade infrastructure to accelerate the energy transition and broaden access to electricity and ICT | Estonia (99.75) | Russia (57.21) |
| 3. Shift to more progressive taxation, rethinking how corporations, wealth and labour are taxed, nationally and in an international cooperative framework | South Africa (65.16) | Hungary (30.72) |
| 4. Update education curricula and expand investment in the skills needed for jobs and markets of tomorrow | Finland (75.26) | Greece (38.75) |
| 5. Rethink labour Laws and social protection for the new economy and the new needs of the workforce | Denmark (76.98) | South Africa (42.90) |
| 6. Expand eldercare, childcare and healthcare infrastructure, access and innovation for the benefit of people and the economy | Sweden (75.87) | Greece (24.73) |
| 7. Increase incentives to direct financial resources towards long-term investments, strengthen stability and expand inclusion | Finland (95.42) | Argentina (32.81) |
| 8. Rethink competition and anti-trust framework needed in the Fourth Industrial Revolution, ensuring market access, both locally and internationally | United States (77.61) | Russia Federation (42.81) |
| 9. Facilitate the creation of markets of tomorrow, especially in areas that require public-private collaboration | Finland (59.51) | Argentina (34.25) |
| 10. Incentivise and expand patient investments in research, innovation and invention that can create new markets of tomorrow | United States (57.32) | Greece (25.21) |
| 11. Incentivise firms to embrace diversity, equity and inclusion to enhance creativity | China (79.20) | India (45.13) |

- Overall South Africa ranks at 33/100, the highest ranking in Africa
- The competitiveness, and profile of the South Africa in terms of digital readiness, internet access- and infrastructure, innovation- and technological readiness will play an increasingly important role in this century.
- The 3i Index provides an interesting perspective on existing national capabilities, and challenges.

South Africa's Performance in the Main 3i Index Category

| Categories | Year 2020 |
|--|-----------|
| 12. OVER-ALL PERFORMANCE | 33/100 |
| 13. AVAILABILITY (Measures the equality & breadth of available infrastructure and the level of internet connectivity) | 48/100 |
| 14. AFFORDABILITY (The cost of internet access relative to income, and the level of competition in the internet marketplace) | 26/100 |
| 15. RELEVANCE (Existence and extent of local and relevant content) | 32/100 |
| 16. READINESS (The capacity of people to access the internet based in "skills, cultural acceptance and supporting policy) | 7/100 |



- **Reputation Management strategy**

The year 2020 marked the first year of roll out of the approved reputation management strategy with various communications, digital and public relations interventions placed on multimedia platforms. These interventions were inclusive of proactive and reactive communications efforts which were focused on preserving and protecting the nation brand's image and reputation, driving messaging in response to the unpredictable pandemic and elevating the country as President Cyril Ramaphosa led the continent as the Chair of the African Union.

The reputation management strategy was implemented as a multi-faceted media campaign rolled out across targeted influential multimedia platforms across the continent making use of a combination of content advertorials, interviews, videos, vignettes, opinion pieces and social media amplification. The campaign strategically positioned South Africa as a unifier as it invoked and entrenched the spirit of togetherness and a communal effort on action plans to take enormous steps in achieving the goals set for economic development for the entire continent in the midst of a pandemic.



- **Strategic Communications Programme Internationally and Domestically**

The intensified efforts in view of the COVID-19 impacts, proved highly successful. Brand South Africa actively supported messages of safety and sought to unify South Africans, and in doing so uplift the local sentiment and loyalty toward the Nation Brand. The various campaigns that were executed largely via digital means, proved successful and yielded a high level of reach and engagement. The positive impact was also noted in the improvement of the brand perception and sentiment noted in research findings. Brand South Africa also played an integral role in support of the President Chairship of the African Union. Highlights from the communications programme are detailed below.

- **Key Achievements**

- **Prepare Protect Prosper, and 21 Days of Solidarity Campaigns**

Aligned to the strategic goal of promoting active citizenry amongst South African citizens, Brand South Africa implemented an awareness campaign with educational messaging in response to the COVID-19 outbreak. This educational campaign promoted awareness and accurate information pertaining to the global pandemic. It supported the efforts of government in promoting responsible social behaviour in relation to the outbreak and measures to curb the spread. Content was shared in various languages, including isiZulu, North and South Sesotho, as well as English. This supported a greater reach and message penetration across the nation.



The campaign reached a staggering 25 million audience members, having been broadcast on television, radio, and shared across digital platforms too.

In addition to the above, a '21 Days of Solidarity' campaign aimed to educate and inform South African citizens in the rural and urban areas on COVID-19 to avoid the spread of the virus, was also executed. The communication was rolled out in multiple languages on different platforms and locations in order to give the message a broader reach including print, broadcast, radio and digital platforms.

- **African Union Programme**

President Cyril Ramaphosa was elected as the AU chair in the year 2020. This appointment thus led to an obligation for the Nation Brand to ensure that the perception and reputation of the President of South Africa is enhanced through the extended responsibility of being a continental leader. In order to maximise reach, impressions and memorability of the communique, key African regions were targeted through the EuroNews and Africa News platforms with the goal of increasing positive perceptions of the South African Brand. The COVID-19 outbreak created a unique opportunity for South Africa to uniquely position itself as a nation that handled the pandemic in a first world manner. The content created for the above mentioned platforms positioned South Africa as a continental leader. Overall campaign reach was 160 613 309.



AU Communications strategy stats

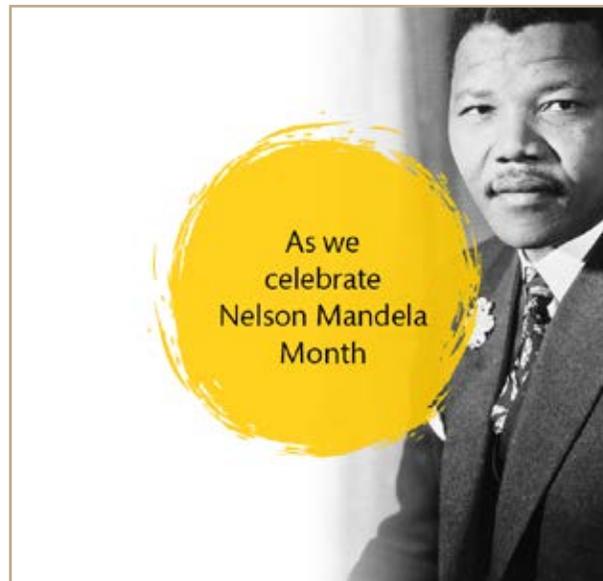
Focus Campaign Medium Month Flighted Reach

| Focus | Campaign | Medium | Month Flighted | Reach |
|---------------------------------|---------------------------------------|--------------|----------------------|-------------|
| African Union SA's Chairmanship | President Ramaphosa's Easter | Social Media | April 2020 | 2,776,491 |
| | AU Chair Ramadan Message | Social Media | May 2020 | 23,228,399 |
| | East Africa stations - AU Chairship | Radio | May - June 2020 | 5,000,000 |
| | Africa News & EuroNews - AU Chairship | TV & Digital | May - September 2020 | 3,053,207 |
| | CNBC - AU Chairship | TV & Digital | May - September 2020 | 1,487,777 |
| | AU Chairmanship | Social Media | June 2020 | 6,554,614 |
| | TIME.COM | Digital | June 2020 | 393,242 |
| | Dear Mr. President | Social Media | July - August 2020 | 489,840 |
| | Central African Radio Stations | Radio | July 2020 | 109,403,813 |
| | Continental Media Buying | Radio | January 2021 | 4,112,963 |
| | Continental Media Buying | Radio | March 2021 | 4,112,963 |
| | | | | 160,613,309 |

Nelson Mandela Moments

As a supporting sub-strategy for the AU campaign, on Nelson Mandela day and month a campaign titled Nelson Mandela Moments flighted that leveraged President Cyril Ramaphosa's AU chair in order to create a parallel between historical events in Africa - in 1955 Kwame Nkrumah became the first African Liberation leader to win liberation in Ghana and the creation of the Freedom Charter.

By drawing a parallel between what former President Mandela was doing at the time of a major event we created the inference of causality. By extrapolation this concept positioned South Africa, by association, as a significant contributor to events positively impacting people in South Africa, Africa and the world.



Digital Programme Performance

Brand South Africa's digital communications programme aims to engage audiences to promote a positive image of the country. In order to maintain and boost the positive and unified image of South Africa, Brand South Africa implemented a series of digital-led campaign and published positive content on the Nation Brand. The communications interventions and messaging on COVID-19 were the main drivers of digital coverage and contributed to an increase in user engagement and audience reach.

Brand South Africa has strengthened online presence by using diverse types of content such as music streaming apps, video and influencer curated messages. Over 1100 content pieces were published on Brand South Africa's social media pages resulting in a total of 45.9 million impressions, 59,8000 engagements and reach of 35.9 million.



Key activities from the digital programme include:

» **Strategic content placement**

Brand South Africa partnered with Reuters, the world's largest multimedia news provider, for the implementation of a three-month multimedia led execution aimed at positively positioning South Africa to international audiences. With an audience of 17 million monthly users on desktop, 28.5 million monthly users on mobile, and 32 million followers on social media, the platform provided Brand South Africa with an opportunity to actively drive awareness of South Africa's competitiveness and outline key opportunities for potential investors and stakeholders.

» **Influencer Curated Messaging**

Brand South Africa launched the COVID-19 #StayAtHome campaign with eight influencers who engaged with content and curated 24 unique content pieces, which received 16,926 engagements. Initially 330 000 Impressions were booked, but through influencers, the campaign reached 1,396,568 impressions, gaining a 4.3 ROI (Return on Investment for the campaign).

» **Webinar Series**

Brand South Africa partnered with Daily Maverick to host a series of four webinars with an objective of driving the conversation on the impact of COVID-19 and the country's economic recovery strategies. The first webinar was held under the theme: 'The Impact of National Leadership on COVID-19'. Ferial Haffajee, a renowned news journalist was the host with guest speaker – BLSA CEO, Ms Busisiwe Mavuso. The Webinar was attended by over 600 attendees, a 61.58% show-up rate, generating 4,966,056 website impressions, 139 749 total social media impressions and 1,130 engagements.

Attendance for all four webinars was 2767.

B: Increased Nation Brand Advocacy and Active Citizenship

PLAY YOUR PART PROGRAMME

Play Your Part (PYP) is a nationwide movement created to inspire, empower, and celebrate active citizenship in South Africa. The various PYP activities serve to uplift the spirit of the nation by inspiring citizens to actively and positively contribute toward meaningful change.

The following activities supported the PYP programme and were used wherever possible to support safety messaging amidst the growing outbreak of COVID-19.

• **Play Your Part School's Activations**

Brand South Africa was able to continue with the implementation of Play Your Part activations, targeting Grades 11 and 12 learners, through the successful partnerships with local radio stations and specific secondary schools.

Through this activity Schools and learners were encouraged to share stories of how they are making a positive social impact by playing their part within their communities. This was promoted at schools, on social media, and was supported through various broadcast initiatives. This was presented as a competition with the winning school earning a prize of R50,000.00 in cash or the equivalent value in prizes.

The radio activations reached a combined listenership of more than 3,3 million. Social media efforts yielded a combined reach of approximately 3 million, and print achieved a reach of 68,140.



• Play Your Part – Africa Unite Song

In commemoration of Africa Day and to strategically position the President's Chairship of the AU, Brand South Africa launched an initiative that focused on harnessing African unity in response to the COVID-19 pandemic. This initiative was spearheaded by the launch of a new ensemble song written and produced to celebrate the diversity of Africanism in all of its many facets. The song was aptly titled 'Play Your Part – Africa Unite' and featured the likes of DJ Maphorisa, Kabza De Small, Ricky Rick, Rouge Rapper, Youngsta CPT, Dee Koala, Shasha, and Tresor. These artists represented talent from across the African continent, especially in language and the arts.

The campaign achieved a reach of 256 000 on print, viewership of 871,897 on TV, listenership of 638,000 on radio and 22 million impressions online.



• Play Your Part Virtual Series

The proliferation of the global COVID-19 pandemic in South Africa since March 2020 resulted in President Cyril Ramaphosa declaring a National State of Disaster in terms of the Disaster Management Act. Through these challenging times Government, Corporates, NGO's, and the Community at large, came together to play their part. A Play Your Part virtual series was developed with the objective to give hope and show that the impact of the pandemic has also encourage many impactful acts of kindness.

The virtual series showcased ordinary South Africans selflessly serving others in the times of COVID 19. The episodes were also featured on Social TV as well on ENCA digital platform. The strategy is to use this content to revive the Play Your Part Facebook page.

The campaign achieved 556,992 impressions and 406,000 viewership on the social media pages of Social TV, ENCA and Brand SA. Some of the key organisations featured in the series include the Development Trusts, the Tears Foundation, and Muslim Hands.



• Local broadcast media Play Your Part messaging

As South Africans were encouraged to stay at home during the different peaks of the pandemic, Brand South Africa utilised the Play Your Part movement to disseminate messaging to encourage South Africans to stay at home by securing advertisements on NewsRoom Afrika and ENCA, to be displayed during the many briefings and updates provided to the nation by our President, Mr Cyril Ramaphosa.

The combined estimated reach of these advertisements was in excess of 2 million. With the various digital streaming mechanisms, it is believed that this is a conservative number.

• Play Your Part Ambassadors Programme

The Play Your Part Ambassador programmes is aimed at celebrating active citizens that are actively contributing to society, and leveraging their efforts and influence to promote the movement. The organisation had planned to execute 60 Play Your Part ambassador engagement activities, however this target was exceeded with an additional 20 activities implanted.

Play Your Part Ambassadors responded to the call for all, who were able to support the ones that were negatively impacted by the pandemic. In forming a comprehensive response to the COVID-19 pandemic, several PYP ambassadors were engaged, and Brand South Africa produced several videos intent on encouraging South Africans to support the call to observe the containment measures, which served to curb the spread of the virus. The videos featured well-known personalities and received more than 25,000 views across social media platforms.

Promotion of Constitutional Awareness

South Africa proudly boasts one of the most progressive Constitutions – a Constitution of which all citizens can be exceedingly proud. Brand South Africa is identified within the MTSF as a delivery partner of Priority 6 of the MTSF with the mandate to create awareness of the constitution. The main objective of the programme is to promote awareness of the constitution. The programme aims to highlight the fruits of Freedom and popularise the Constitution as well as to use the Constitution as a tool to encourage active citizenship amongst South Africans.

A series of Constitutional promotion campaigns and activations were executed with the objective to inspire appreciation and respect of the South African constitution amongst its citizens: Human Rights, Open Society, Inclusivity, Non-Sexism, Youth Month, Equality, Ubuntu & Heritage, and South African flag.

• Constitution Awareness above-the-line campaign

During the period under review, Brand South Africa flighted its Constitutional Awareness campaign featuring newly developed creative material. The objective of the campaign was to increase the awareness and appreciation of South Africa's highly admired Constitution, whilst delivering a strong call to action that will inspire South Africans to appreciate and respect the Constitution in their daily lives. The campaign was rolled out a number of executions on television, covering the themes of human dignity, unity, inclusiveness and gender-based violence. The overall target for the year, however, was not achieved as part of the campaign budget was recalled by the executive authority earlier in the year.



• South African Flag Activation

Brand South Africa collaborated with IQbusiness to deliver 1,000 South African flag branded masks to the community of Diepsloot. The importance of mask wearing to protect against COVID-19 was a key message of the activation, but simultaneously delivered a sense of pride and patriotism amongst recipients. Masks were distributed among the general community, taxi drivers, and passengers.

Both Brand South Africa and IQbusiness profiled the activation on their respective Twitter pages with a combined following of 169,000.



• Ubuntu & Heritage Activation

In partnership with the Mpumalanga Department of Education, Inkosikati Ngomane (of the Ngomane Traditional Royal House), Old Mutual Foundation, Mpumalanga SAPS, and LoveLife, Brand South Africa conducted an activation centred on the Nation Brand's rich heritage and encouraged an ongoing spirit of ubuntu. The activation was held at ka-Hhoyi, Mpumalanga with Matric learners from Ntiyi and Mshengu secondary schools.

The programme empowered the Matric class of 2020, and provided various support initiatives. Over 90 students from the Ntiyi and Mshengu Secondary School were in attendance. The activation was shared on partners' social media platforms with a combined following of 269,000.



- **Rule of Law Activation**

Brand South Africa collaborated with Love Life to execute an on-air activation which played a 45 second radio public service announcement (PSA). The PSA provided a clear message pertaining to respect and the rule of law. This was followed by radio hosts engaging listeners on the Constitution with a focus on respect and the rule of law. This was broadcast across a host of radio stations with a combined audience reach of 700 000 listeners.

INTERNATIONAL ACTIVITIES PROMOTING NATION BRAND ADVOCACY

As outlined in Brand South Africa's strategic plan it is important for the organisation to encourage South African in the domestic market and those living abroad to become Nation Brand advocates. Through the conviction that South Africans based abroad are a priceless resource for the country as it strives to position itself as global player in an increasingly competitive world, Brand South Africa has developed the Global South African's (GSA) programme. For the year under review a total of 17 GSA activities were implemented by the organisation. Some of the key activities are highlighted below.

- **Global South Africans Networking Portal Launch and Digital Campaign**

A month-long a digital campaign to promote awareness of the newly launched Global South Africans Networking Portal, was implement. The objective of the campaign was to inform and attract South Africans living abroad to register on the portal.

The digital portal aims to strengthen the GSA network by allowing users to tell their stories using the site. The portal provides users with access to marketing material and templates at no cost. Users can add each other as friends and connect with each other privately using the platform.

The campaign included live stream interviews and was published across social media channels. The results indicated engagement of 16,965 audience members on Facebook, and 146,232 on Instagram. Twitter reported 58,652 impressions, with 17,684 and 11,404 impressions respectfully achieved on LinkedIn and YouTube.

- **Global Citizen Campaign**

During the period under review, Brand South Africa launched the Global Citizen Call to Action Campaign for a one-month period. The activation was held as a virtual event and called upon South African citizens living abroad to deliver a message of hope and patriotism. The activation encouraged citizens living abroad to sign-up to the Global South Africans networking platform.

The activation was published on social media and broadcast channels including Reuters, News24, Times, and Facebook (among others). By day 15 of 30, the campaign had reached 3,479,996 people through Facebook; 1,615,893 people on sought-for premium media & social media channels; and 613,000 impressions and 250,850 impressions on Google and Twitter, respectively.



- **#67 Nelson Mandela Day 2020, Washington DC, USA**

While the spread of the COVID-19 pandemic has been well-documented, it has brought with it a spike in gender-based violence rates around the world. South African President Cyril Ramaphosa likened the rise in gender-based violence to another pandemic, promising to bolster measures to support survivors and prevent further abuse, but these measures have only rarely been mirrored by other global leaders.

In order to mark Mandela Day 2020, Brand South Africa partnered with Weina Sports Arts and Entertainment USA, to host a Nelson Mandela Day commemoration focusing on women's empowerment, gender-based violence and social justice. The event provided Brand South Africa with an opportunity to demonstrate thought leadership on an issue that is gripping the globe. This positively positioned the Nation Brand and its attractiveness.

- **Run. Walk. Cycle. Mandela Challenge, UK**

Brand South Africa in the UK hosted a challenge in partnership with Sports for Ubuntu, a local sports club in the UK that is South Africa focused. A walking, cycling, or running challenge, rallies Global South Africans and members of the British Community anywhere in the UK to participate during the period.

On 18 July 2020, the day which marks Nelson Mandela's Birthday, participants carried the South African flag and met at the Mandela Statue in Westminster in London where they shared Birthday wishes for Nelson Mandela. They then took a walk to Hyde Park Gardens, symbolizing Nelson Mandela's Long Walk to Freedom. The activation ended with a family picnic where Brand South Africa delivered an address and thanked guests for participating in the challenge in honour of Madiba.

The activity exceeded expectations, with 195 registered entries received (the targeted number was 100 participants for 100kms). The activation contributed to Brand South Africa's non-racism efforts as Nelson Mandela is a unifier across races.

PROGRAMME 3: STAKEHOLDER RELATIONSHIPS

This programme seeks to build and leverage collaborative partnerships, to integrate and coordinate efforts and approaches to market the Nation Brand identity and promote the Nation's value proposition, and to interface meaningfully with stakeholders who drive or influence the Nation Brand and its reputation.

Programme 3 activities are organised within the following outcome:

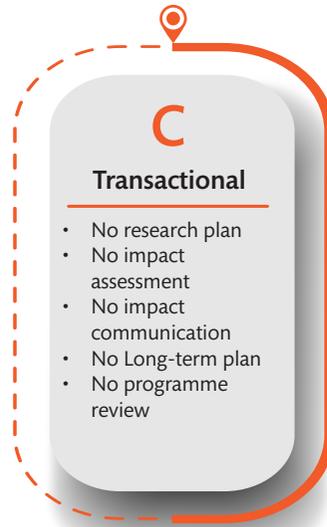
C. Aligned Nation Brand execution and experience domestically and internationally.

Key Achievements

Stakeholder Relations strategy

The implementation of the approved stakeholder relations strategy for the organisation is chiefly informed by an acute understanding and awareness of the environment in which Brand South Africa operates. A second point of departure is the understanding of public perceptions about Brand South Africa by the stakeholders with whom the entity wishes to engage.

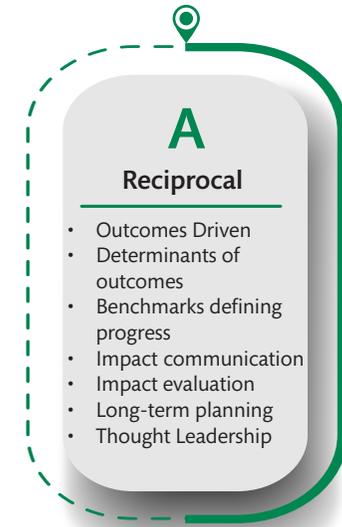
The effectiveness of the relationship between Brand South Africa and key stakeholders, identified in the operational plan, for the stakeholder relations strategy has been assessed based on the below graphic which outlines the desired stakeholder and engagement impact.



Negligible Stakeholder Management



Selective Stakeholder Engagement



Continuous Engagement of Multiple Stakeholders

Aspirant Stakeholder Engagement Impact

An assessment of the relations and activities executed in collaboration with stakeholders during the 2020/21 Financial Year has indicated that:

- the relationship with 23 Stakeholders can be classified as transactional;
- the relationship with 25 can be classified as reciprocal; and
- the relationship with 21 can be classified as innovative.

The organisation should continue to aim towards building innovative Stakeholder relationships and reduce transactional relationships. Greater effort needs to be placed on enhancing relationships with strategic stakeholders such as the Department of Basic Education; the Department of Health; Business Associations and the Gift of the Givers.



Strategic partnerships with public sector; business & civil society stakeholders domestically

• Africa Month

In commemoration of Africa Month, Brand South Africa collaborated with the Department of Sports, Arts and Culture, as well as with Baseline and Constitution Hill to host a Play Your Part Africa Live Stream Concert. This event realised a high level of online engagement and unified the audience in the fight against COVID-19 through artistic activism.

The event garnered over 6,000 views worldwide via the livestream and reached more than 200,000 audience members on social media.

• Faith Based Organisation Collaborative Activity

The organisation collaborated with the South African Council of Churches and Heart Lines to produce and distribute a three-part animated series. The series addressed behavioural change strategies needed to flatten the curve and was broadcast on TBN Africa Channel. In addition, the series was shared on across various social network platforms. The animation was translated to 11 official languages and was available to download from the Church in Action website. This was also featured on the SACC's website with over 35 Christian member churches representing more than 20 million of South Africans.



• Collaboration with Absa Bank and South African Red Cross

Brand South Africa, through its flagship Play Your Part Programme, has a strategic partnership with Absa Bank and South African Red Cross to support the country's overall COVID-19 awareness communication in various communities across the country. Absa bank contributed 600m of fabric towards the making of face masks, and Brand South Africa sourced an additional 400m of fabric.

An identified Cooperative of seamstresses was given an opportunity to turn the fabric into face masks for adults and young children.

The South African Red Cross then distributed the masks to the identified beneficiaries in various parts of Alexander through a door-to-door campaign and a call to action to other corporates and individuals to join in and support this initiative.

Over 1000 Masks were distributed, including 400 children who belong to a feeding scheme at Thusong Youth Centre.

• Multichoice – Gender-Based Violence Conference

South Africa experienced a scourge of Gender-Based Violence (GBV) during the year under review. This is not an entirely new phenomenon that South Africans have had to grapple with, however GBV seems to have been exacerbated by the social and economic impacts of the lockdown regulations implemented to curb the spread of COVID-19.

A virtual event themed: Don't be silent! In which Brand South Africa partnered with Multichoice, engaged participants, and encouraged them to voice their opinions and bring to the fore the conversation around GBV. The Event was streamed to 40 countries across the continent on a DSTV Pop-Up Channel, Catch-Up, and all partners' Social media platforms with an extensive reach across the African continent.

• International Nelson Mandela Day – 'Each One Feed One'

The Each One Feed One programme is an initiative executed in partnership between Brand South Africa, the Nelson Mandela Foundation, the Imbumba Foundation, and the Kolisi Foundation and the on the 'Each One Feed One' programme. This Play Your Part initiative is a call on South Africans to assist in combating hunger during the time of COVID-19 pandemic. The three organisations distributed food parcels to the families of Schoemansfontein, Oblate, Gemsbok Mogopeng, Witfontein and Millidora in the North West province.

The Foundation received significant donations, enabling it to impact the lives of over 36,000 people in eight provinces across South Africa. Through the NMF's social media pages, Brand South Africa's Play Your Part messaging reached over 237,000 followers on Facebook and 1.5 million followers on Twitter.



Strategic partnerships with public sector; business & civil society stakeholders internationally

• StarCom: NASCAR Cup Series

Brand South Africa participated in a NASCAR Cup Series in partnership with NASCAR's partner StarCom Racing. The partnership profiled South Africa as a prime investment, trade, and tourism destination.

The Coke Zero 400 race included 20,000 socially distanced spectators (the largest number of spectators since COVID-19 restrictions were implemented in early March 2020). NBC was the host broadcaster, and initial viewing figures indicated that over 3,869 million fans tuned in to watch the race live. Brand South Africa received both national and international television coverage. StarCom Racing published a dedicated post across their social media platforms promoting the Brand South Africa partnership on Instagram (17,000 followers); Twitter (9,088 followers); and Facebook (7,655 followers).

• Africa's Economic Outlook Post COVID-19: Webinar, UK

As part of the organisation's Africa month activities, Brand South Africa's hosted a webinar on Africa's economic outlook post-COVID-19. The webinar sought to outline the economic prospects for the continent post the COVID-19 pandemic, identifying potential challenges and opportunities; particularly the role of the African Continental Free Trade Area (AfCFTA) and its impact on the African continent.

Due to the virtual nature of the session, the organisation was able to reach a wider audience than it would have with a face-to-face engagement, with stakeholders from the UK, Africa, Europe and other parts of the world with an interest in the topic invited to attend.

A total of 435 webinar attendees participated, and 759 people viewed the session on Brand South Africa's Facebook page.

• Screening of "Life Is Wonderful: Mandela's Unsung Heroes", UK

To celebrate Mandela month and to honour recently deceased anti-apartheid stalwart Denis Goldberg, Brand South Africa hosted an online screening of the film "Life is Wonderful: Mandela's Unsung Heroes". The screening was followed by a question-and-answer session with Sir Nicholas Stadlen, creator of the film, and Dr Elinor Sisulu, and facilitated by Brand South Africa. The film showcases Denis Goldberg, Andrew Mlangeni, Ahmed Kathrada, Lord Joel Joffe, George Bizos and Denis Kuny in person, highlighting their roles in the Rivonia trial.

A number of attendees were surprised to learn that different races contributed to South Africa's liberation. 'Unconscious bias' and forging 'allyship' were discussed as a way to curb racism going forward. There were 951 registrations, with 805 participating on the day of the event. These contacts have been captured in the database and will assist in communicating with stakeholders in the market for future engagements.



• Virtual MeetUp Dialogue

Brand South Africa in collaboration with the Society for Africans in Diaspora (SAiD) hosted a virtual MeetUp on race, gender, black identities and African women in workplaces. Since the genesis of the #MeToo and Black Lives Matter movements, and the proliferation of studies exposing gender pay inequality, sexual discrimination, and harassment in the workplace, women's voices are being heard louder than ever.

The event featured various inspirational black women speaking about their identities, experiences, and images of Black women in corporate America and in South Africa. There were two panel sessions comprised of young women drawn from different sectors of society in South Africa and the United States of America. Amongst the panellists, two are currently Brand South Africa Play Your Part Brand Ambassadors.

The dialogue provided Brand South Africa with an unparalleled opportunity to showcase the Nation Brand and provide a positive narrative aimed at changing perceptions given the extensive reach and impact it provided. Furthermore, the event also allowed for a thought leadership by Brand South Africa on discussing systemic and cultural barriers that inhibit progress, policies and practices that have supported Black women and women of colour in their careers.



- **Sydney South Africa Film Festival**

Brand South Africa collaborated with the Sydney South Africa Film Festival (SSAFF) to showcase feature films and documentaries that explore the culture, history and politics in South Africa. Due to COVID-19 restrictions, the festival was presented in a Video-on-Demand format that ran from 3 – 19 July 2020, expanding the reach and impact of the event beyond Sydney to the rest of Australia.

Given the demographic of the festivalgoers, Brand South Africa was able to position the Nation Brand positively both amongst South Africans based in Australia as well as Australian citizens with an interest in South Africa.



- **Reuters Virtual Dialogue: Pandemic Economics**

South Africa's reputation and competitiveness is intrinsically linked to that of the continent. As such, Brand South Africa has consistently promoted the nation brand on the continent through targeted in-market engagements in strategic African peer markets and through its SA Inc research project. In light of travel and event restrictions imposed in several countries across the globe due to the global COVID-19 pandemic, Brand South Africa is hosting a series of four virtual dialogues to promote nation brand competitiveness and attractiveness, focusing particularly on SA's AU Chairship in order to highlight the country's role in the continental body, showcasing nation brand strengths and amplifying Presidency's efforts as AU Chair.

The first dialogue of the series entitled: Pandemic Economics: Africa in Focus, was hosted on 16 September 2020. Given the impact of the COVID-19 pandemic both on the health of millions as well as the economies of all countries affected, Brand South Africa sought to highlight the role of South Africa, as chair of the African Union, to mould the continent's economic response to this catastrophic disruption. The panel comprising AU Special Envoy on COVID-19, Trevor Manuel, Valdene Reddy (Director Capital Markets, JSE) and Paul Akiwumi (Director, Division Africa, LDCs and Special Programmes, UNCTAD), discussed ways the continent can accelerate a strategic economic recovery and what can be done to hedge against future global uncertainty.



- **Nation Brand alignment training**

Brand South Africa's Nation Brand Alignment Training programme, aims to educate and guide key stakeholders in the nuances of communicating a nation brand on multiple platforms. The task of marketing South Africa cohesively necessitates a common understanding from all stakeholders and partners who are Nation Brand carriers about how the Nation Brand should be positioned at the various interactions with various audiences. These engagements take the form of a masterclass workshop where presenters engage with invited participants.

Due to the lockdown regulations put in place by the South African government, Brand South Africa's delivery method for the Nation Brand Alignment workshops was through online platforms. A total of 6 Nation Brand alignment training workshops implemented with various stakeholders.



Progress on Institutional Response to the COVID-19 Pandemic

| Budget Programme | Intervention | Geographic location (Province/District/local municipality) | Number of beneficiaries | Disaggregation of Beneficiaries | Total budget allocation per intervention (R'000) | Budget spent per intervention | Contribution to the Outputs in the APP (Where applicable) | Immediate Outcomes |
|--|--|--|---|---|--|-------------------------------|---|---|
| Constitutional Awareness Activation. | 1000 face masks branded with the South African flag masks were produced and distributed to the community of Diepsloot. The objective of the distribution was to both with the aim to not only reinforce the importance of wearing a masks as a means to protect ourselves from COVID-19, but and to also instil a sense of pride and patriotism among community members. | Diepsloot, Gauteng. | 1 000 Diepsloot community members. | <ul style="list-style-type: none"> The elderly, Children and Youth, People living with disabilities, Taxi passengers. | R54 933.20 | R54 933.20 | Increased Nation Brand advocacy and active citizenship. | <ul style="list-style-type: none"> Promote Constitutional Awareness, COVID-19 safety and awareness. |
| Collaboration with the Gauteng Department of Education and AECI. | The initiative was a response to the call by the Department of Health for individuals and organisations to join in the fight against the spread of COVID-19, and to practice good hand hygiene. | Ekurhuleni District Municipality, Gauteng. | 35 sanitizer stations to schools in the Ekurhuleni District Municipality. | School learners. | No financial implications. | No financial implications. | Strategic partnerships with public sector stakeholders in order to promote the South African Nation Brand domestically. | <ul style="list-style-type: none"> Aligned Nation Brand execution and experience domestically, COVID-19 safety and awareness. |



| Budget Programme | Intervention | Geographic location (Province/District/local municipality) | Number of beneficiaries | Disaggregation of Beneficiaries | Total budget allocation per intervention (R'000) | Budget spent per intervention | Contribution to the Outputs in the APP (Where applicable) | Immediate Outcomes |
|---|--|--|--|--|--|-------------------------------|--|--|
| International Nelson Mandela Day - 'Each One Feed One' Programme. | This Play Your Part initiative is a calls on South Africans to assist in combating hunger during the time of COVID-19 pandemic. The three organisations distributed food parcels to the families of Schoemansfontein, Oblate, Gemsbok Mogopeng, Witfontein, and Millidora (in the North West) | North West Province. | The campaign impacted 36 000 people. Impacted by the campaign | <ul style="list-style-type: none"> Child headed households, the elderly, people living with disabilities, patients with chronic conditions, asylum seekers. | | | Strategic partnerships with civil society stakeholders, in order to promote the South African Nation Brand domestically. | <ul style="list-style-type: none"> Food relief as well as COVID-19 safety and awareness, Promote active citizenship through Play Your Part, Aligned Nation Brand execution and experience domestically. |
| Collaboration with the South African Council of Churches. | Brand South Africa collaborated with the South African Council of Churches (SACC) and Heartlines, to produce and distribute a three-part animated series. The series that places emphasis on speaks to the behaviour change strategies that communities need to adopt in order to avert the spread of the coronavirus. The campaign was meant to further raised awareness on the effects of the spread of COVID-19, should people not adhere to social distancing regulations. | Countrywide. | 36 SACC member churches and organisations; Broadcast on TBN AFRICA Channel until 20 million viewers are reached. | General public. | R165 000 | R143 750.07 | Strategic partnerships with civil society stakeholders in order to promote the South African Nation Brand domestically. | <ul style="list-style-type: none"> COVID-19 Safety and awareness campaign, Promote active citizenship through Play Your Part, Aligned Nation Brand execution and experience domestically. |

| Budget Programme | Intervention | Geographic location (Province/District/local municipality) | Number of beneficiaries | Disaggregation of Beneficiaries | Total budget allocation per intervention (R'000) | Budget spent per intervention | Contribution to the Outputs in the APP (Where applicable) | Immediate Outcomes |
|--|--|--|-------------------------|---|--|-------------------------------|---|---|
| Collaboration with the Dumisani Chauke Netball Foundation. | Brand South Africa collaborated with the Dumisani Chauke Netball Foundation, Tshwane University of Technology, Harry Gwala Foundation, and the South African Women and Sport Foundation on the 'Feed A Girl Child' campaign. The campaign supports netball schoolgirls and their families and is aimed at supporting netball school girls and their families through the distribution of essentials items such as food parcels, sanitary products, and educational equipment. The project was intended to commemorate Women's month in August, and also to empower, motivate, and encourage young girls in sports – encouraging them to never stop pursuing their dreams, particularly at a time when the entire world is distressed by the COVID-19 pandemic. | Tshwane, Ekurhuleni, Johannesburg, Sedibeng, West Rand. | More than 181 families. | Netball schoolgirls and their families. | R65 000 | R65 000 | Strategic partnerships with civil society stakeholders in order to promote the South African Nation Brand domestically. | <ul style="list-style-type: none"> • Food relief and COVID-19 safety and awareness, • Promote active citizenship through Play Your Part, • Aligned Nation Brand execution and experience domestically. |



| Budget Programme | Intervention | Geographic location (Province/District/local municipality) | Number of beneficiaries | Disaggregation of Beneficiaries | Total budget allocation per intervention (R'000) | Budget spent per intervention | Contribution to the Outputs in the APP (Where applicable) | Immediate Outcomes |
|--|---|--|---|---|--|-------------------------------|---|---|
| Collaboration with Absa Bank and South African Red Cross. | To support the country's overall COVID-19 awareness communication in various communities across the country | Alexander, Gauteng. | 1000 Alexander community members including 400 children who belong to a feeding scheme at Thusong Youth Centre. | <ul style="list-style-type: none"> Child headed households. The elderly, people living with disabilities, patients with chronic conditions, asylum seekers. | No financial implications. | No financial implications. | Strategic partnerships with private sector stakeholders in order to promote the South African Nation Brand domestically | <ul style="list-style-type: none"> Promote active citizenship through Play Your Part Aligned Nation Brand execution and experience domestically COVID-19 safety and awareness |
| Programme 3: Collaboration with Private Sector Stakeholders. | <p>A collaboration with Triple Eight, the Khama Billiat Foundation and the Gauteng Department of Basic Education to host consecutive schools' activations at Masakhane Primary School and the Far North Secondary School.</p> <p>Brand South Africa, Triple Eight and Khama Billiat Foundation donated Hand washing stations, stationary packs, sporting kits and learning books to both schools in a bid to support schools as they strive towards a better learning environment through COVID-19.</p> | Gauteng Province. | The initiative reached over 3000 learners in both schools. | School Learners. | R10 000-00 | R2 000-00 | Strategic partnerships with public sector stakeholders in order to promote the South African Nation Brand domestically. | <ul style="list-style-type: none"> Promote active citizenship through Play Your Part, Aligned Nation Brand execution and experience domestically, COVID-19 safety and awareness. |

| Budget Programme | Intervention | Geographic location (Province/District/local municipality) | Number of beneficiaries | Disaggregation of Beneficiaries | Total budget allocation per intervention (R'000) | Budget spent per intervention | Contribution to the Outputs in the APP (Where applicable) | Immediate Outcomes |
|---|---|--|--|---|--|-------------------------------|--|---|
| Collaboration with the Department of Sports Arts and Culture. | 'Cory in the Universe' book - reading amongst children to provide a platform for them to express the impacts of COVID-19 on their lives and the hopes they have for South Africa. The platform further encouraged participants to remain vigilant and protect themselves and others against the pandemic. | Gauteng. | 58 children attended the event. | Children and parents. | R80 000 | R73 416 | Strategic partnerships with public sector stakeholders in order to promote the South African Nation Brand domestically. | <ul style="list-style-type: none"> Promote active citizenship through Play Your Part. Aligned Nation Brand execution and experience domestically. COVID-19 safety and awareness. |
| North West PYP Community Outreach Programme | A two-day community outreach programme that aimed to address the scourge of GBV and further provide food relief to communities distressed due to COVID-19 and the subsequent lockdown. | North West, Brits. | Over 2500 school learners with over 400 learners receiving food parcels. | <ul style="list-style-type: none"> School learners. Child headed households. General community members in Brits. | R50 000 | R48 994 | Strategic partnerships with private sector stakeholders in order to promote the South African Nation Brand domestically. | <ul style="list-style-type: none"> Food relief and COVID-19 safety and awareness. Promote active citizenship through Play Your Part. Aligned Nation Brand execution and experience domestically. COVID-19 safety and awareness. |



| Budget Programme | Intervention | Geographic location (Province/District/local municipality) | Number of beneficiaries | Disaggregation of Beneficiaries | Total budget allocation per intervention (R'000) | Budget spent per intervention | Contribution to the Outputs in the APP (Where applicable) | Immediate Outcomes |
|--|---|--|---|---|--|-------------------------------|--|---|
| Collaboration with the SA Taxi Foundation. | The collaboration entailed the disinfection of high-volume Taxi ranks, the sanitizing of taxi interiors and education of drivers and queue marshals on the potential impact of the virus in a bid to support the country's overall COVID-19 awareness communication at various taxi ranks across the country. | Countrywide. | All nine9 provinces have been attended to, with covered with 107 Taxi ranks and over 400 taxis sanitised. | General Public; essential workers. | R250 000 | R247 000 | Strategic partnerships with private sector stakeholders in order to promote the South African Nation Brand domestically. | <ul style="list-style-type: none"> COVID-19 Safety and awareness campaign. Promote corporate social responsibility through Play Your Part. |
| Collaboration with the National Business Initiative. | Online discussion on exploring COVID-19 recovery strategies from a brand and reputational risk perspective. Enabling companies to navigate the complex landscape of the pandemic, recovery phase, and new normal post the pandemic. The session covered addressed methods of dealing with brand reputational risk as well as priority recovery strategies in times of volatility. | Online; countrywide. | 65 NBI member companies attended the session. | <ul style="list-style-type: none"> Corporates; academia. | | | Strategic partnerships with private sector stakeholders in order to promote the South African Nation Brand domestically. | <ul style="list-style-type: none"> COVID-19 recovery strategies for various institutions. Aligned Nation Brand execution and experience domestically. |

| Budget Programme | Intervention | Geographic location (Province/District/local municipality) | Number of beneficiaries | Disaggregation of Beneficiaries | Total budget allocation per intervention (R'000) | Budget spent per intervention | Contribution to the Outputs in the APP (Where applicable) | Immediate Outcomes |
|---|--|--|---|---|--|-------------------------------|--|---|
| Collaboration with Ubank and the Mine Workers Development Agency. | COVID-19 Food Relief Programme to over 1000 beneficiaries. | Greater Taung Municipality & OR Tambo District. | The relief programme benefited 1000 ex former mine workers or dependants of deceased mineworkers. | <ul style="list-style-type: none"> Mineworkers; affected families. | | | Strategic partnerships with private sector stakeholders in order to promote the South African Nation Brand domestically. | <ul style="list-style-type: none"> Food relief and COVID-19 safety and awareness. Promote active citizenship through Play Your Part. COVID-19 Safety and awareness campaign. |
| Organised Labour radio discussion with SAFTU and COSATU. | Discussion looked into ways in which Government and corporate could ready the organised labour on the inevitable vulnerabilities which are being suffered during and post the COVID-19 pandemic. The panellists mostly noted the challenges that exist for organised labour organisations which are faced with major job losses, resulting in a loss in membership, and this subsequently affecting the already established and viable investment schemes which must sustain the long-term security for the workforce. | SAFM – countrywide. | Listenership of more than 200000 South Africans. | | R200 000 | R181 324 | Strategic partnerships with civil society stakeholders in order to promote the South African Nation Brand domestically. | <ul style="list-style-type: none"> Aligned Nation Brand execution and experience domestically. COVID-19 recovery strategies for various institutions. |



| Budget Programme | Intervention | Geographic location (Province/ District/local municipality) | Number of beneficiaries | Disaggregation of Beneficiaries | Total budget allocation per intervention (R'000) | Budget spent per intervention | Contribution to the Outputs in the APP (Where applicable) | Immediate Outcomes |
|---|--|--|---|--|--|-------------------------------|---|---|
| Collaboration with Constitution Hill. | Three-week, social media campaign which sought to gather stories of life in South Africa during the COVID-19 pandemic, as experienced by a cross-section of society as well as a Play Your Part call to action. Each day of the campaign was themed to prompt relevant responses from the general South African Public, i.e. "Childhood Diaries", "Exercise Routines" etc. | Online; countrywide. | Social media platforms with a reach of 214 000 followers. | <ul style="list-style-type: none"> General Public People affected by COVID-19. | R50 000 | R44 204 | <ul style="list-style-type: none"> Collaboration with civil society, government, business and PYP Ambassadors to achieve PYP awareness. Increased Nation Brand advocacy and active citizenship. | <ul style="list-style-type: none"> Promote active citizenship through Play Your Part. Aligned Nation Brand execution and experience domestically. COVID-19 safety and awareness. |
| Africa Month collaboration with Dpt of Sports, Arts and Culture; Constitution Hill; and Baseline. | <p>Play Your Part Africa Live Stream Concert in commemoration of Africa Month.</p> <p>Online engagement to celebrate a united Africa, committed to the fight against the spread of the COVID-19 through artistic activism – musical performances by South African singer, Thandiswa Mazwai and Senegal's Baba Maal as well as South African Legend, Madala Kunene.</p> | Online; streamed in countries such as United States, Senegal, France, Botswana, Germany, the United Kingdoms, Kenya, The Netherlands and Mozambique. | Over 105 000 people reached through social media platforms with over 6000 views of the live stream from around the world. | <ul style="list-style-type: none"> General public; international audiences. | R400 000 | R383 000 | <ul style="list-style-type: none"> Strategic partnerships with public sector stakeholders in order to promote the South African Nation Brand domestically. | <ul style="list-style-type: none"> Promote active citizenship through Play Your Part. Aligned Nation Brand execution and experience domestically. COVID-19 safety and awareness. |

| Budget Programme | Intervention | Geographic location (Province/District/local municipality) | Number of beneficiaries | Disaggregation of Beneficiaries | Total budget allocation per intervention (R'000) | Budget spent per intervention | Contribution to the Outputs in the APP (Where applicable) | Immediate Outcomes |
|---|---|--|-------------------------------------|---|--|-------------------------------|--|--|
| Webinar - Reversing negative narrative on COVID-19 variant. | <p>Brand South Africa collaborated with the Department of Science & Technology, GCIS and South African Tourism to host a webinar on the emergence of new coronavirus variants and their impact on economic recovery webinar.</p> <p>The event created a platform for the World Health Organisation, African Union and the media to exchange latest developments on COVID-19. Further addressed the measures taken by various countries to achieve inclusive growth following the economic devastation caused by COVID-19.</p> | Global - ; international audiences. | Over 1.1M audiences reached online. | <ul style="list-style-type: none"> International and domestic audiences. | | | <ul style="list-style-type: none"> Increased attractiveness and thereby competitiveness of the Nation Brand. Enhanced Strategic Communications Programme internationally and domestically. | <ul style="list-style-type: none"> Aligned Nation Brand execution and experience. Raising awareness on COVID-19. |



PART C

GOVERNANCE



Board of Trustees

The trustees are appointed by the President of the Republic of South Africa for a three-year term. The board of trustees meets at least four times a year, are non-executive, and are remunerated for the performance of their role as trustees. The CEO is an ex officio executive trustee in terms of the Trust Deed.

The board is unitary and has the following committees which were set up to facilitate the fulfilment of its fiduciary duties and stewardship:

- Human Capital, Remuneration, Social & Ethics Committee (HCRSEC);
- Audit and Risk Committee (ARCO); and
- Marketing Committee (MARCO).

All the board committees are made up of members of the board; executive management only attends by invitation. All committees are empowered to obtain external and independent professional advice whenever they consider it necessary to carry out their duties and are chaired by non-executive trustees.

The Director: Governance, Legal and Board Secretariat serves as the secretary to the board.



BOARD OF TRUSTEES



Ms Thandi Tobias-Pokolo (F)
Chairperson

- Advanced Diploma in Economic Policy
- Certificate in Economics and Public Finance
- Certificate in Leadership Communication



Dr Keabetswe Modimoeng (M)
Deputy Chairperson

- Doctor of Philosophy (PhD): Management Sciences
- MBA
- Certificate in Applied Project Management- PMBOK
- National Diploma: Public Relations Management



Ms Loretta Jacobus (F)

- Studied Social Work



Mr Mlungisi Johnson (M)

- Short course in macro-economics and developmental economics
- Certificate in Public Management and Development

**Dr Keabetswe Modimoeng resigned on 23 June 2020*



Ms Rachel Kalidass (F)

- CA(SA)
- Bachelor of Commerce Honours
- Certificate in the Theory of Accountancy (CTA)
- Bachelor of Accounting Sciences (BCompt)



Ms Muditambi Ravele (F)

- BTech (Business Administration)
- Executive Sports Management Programme
- Strategic Executive Marketing Programme
- Diploma in Sports Management
- Certificate in Public Relations
- Certificate in Marketing
- Post Professional Teacher's Certificate in Physical Education
- Sen Teacher's Diploma



Mr Andrew Madella (M)

- Diploma in Social Work obtained
- BPhil in Policy Analyses and Values Studies
- BA Hons in Public Administration
- Certificate in Human Resource Management
- Postgraduate Diploma in Poverty, Land and Agrarian Studies
- Enrolled in MPhil in Human Rights (Disability)



Ms Tebogo Mamorobela (F)

- Municipal Executive Leadership & Finance Management
- Executive Leadership Municipal Development Programme

**Ms Tebogo Mamorobela exited the Board on 20 April 2020*



Mr Bushang Modipane (M)

- Professional Certificate in Public & Development Management
- Post Graduate Diploma in Public Management



Dr Stavros Nicolaou (M)

- B Pharm, Wits University
- PhD Medicine (Honoris Causa)



Ms Sisanda Nkoala (F)

- PhD Candidate: Rhetoric Studies
- MPhil: Rhetoric Studies
- BA (Hons): Political Communication
- BA: Film & Media Production



Dr Ylva Rodny-Gumede (F)

- PhD (School of Oriental and African Studies)
- MA Politics
- MA Journalism



Mr Geoffrey Rothschild (M)

- C.A(SA)
- C.M. (SA)

**Mr Geoff Rothschild's Term in Office Ended 5 December 2020*



Mr Johannes Sebulela (M)

- BA (Com) - Fort Hare
- Advanced Management Programme (AMP) - INSEAD (France)
- Leverage Finance - Fitch(UK)
- Board Development Programme - GIBS
- Principles of Business Management (NMP) - WBS
- Leadership Development Programme - GIBS
- Diploma in Marketing (Research Outstanding) - (IMM)





Board Charter

The Board Charter is reviewed annually to clearly define:

- The segregation of the roles, functions, responsibilities and powers of the Board, the Executive Authority, individual trustees, Board committees, and Management;
- Matters reserved for final decision-making or approval by the Board; and
- The practices and procedures of the Board on matters relating to corporate governance, declarations of conflicts of interests, Board meeting documentation and procedures, as well as the induction, training, and evaluation of trustees.

BOARD COMPOSITION AND APPOINTMENT OF TRUSTEES

The Trust Deed provides that the Board should comprise no less than 11 trustees, with a maximum of 15. All trustees are appointed by the President of South Africa for a three-year term. The Board is unitary and consists of 15 trustees.

The Office of the Chairperson and the CEO are separate, and there is a clear division of responsibilities between these roles. During the year under review, Ms Thandi Tobias-Pokolo served as the Chairperson and was primarily responsible for the strategic leadership of the Board. Dr Keabetswe Modimoeng served as the Deputy Chairperson.

The CEO is supported by an Executive Committee consisting of the executive management team. ExCo is responsible for implementing the decisions of the Board in pursuit of the organisation's mandate and objectives.

BOARD MEETINGS

The Board meetings and members in attendance are shown below. The meetings were held virtually in view of the COVID-19 pandemic and associated regulations.

Fifteen special meetings were convened by the Board in addition to the scheduled meetings

| MEMBERS | | | MEETING DATES 2020 | | | | | | | | | | | | | | | | | 2021 | | |
|------------|--------------|-------|--------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|---|
| NAME | SURNAME | TITLE | 17/04 | 20/04 | 29/04 | 21/05 | 01/06 | 11/06 | 18/06 | 09/07 | 24/07 | 26/07 | 28/07 | 29/07 | 18/08 | 27/10 | 29/10 | 11/11 | 24/11 | 25/02 | 31/03 | |
| Thandi | Tobias | Ms | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | x | ✓ | ✓ | x | ✓ | ✓ | ✓ | ✓ |
| *Keabetswe | Modimoeng | Dr | x | x | ✓ | ✓ | ✓ | x | ✓ | x | x | x | x | x | x | x | x | x | x | x | x | x |
| *Geoff | Rothschild | Mr | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | x | x |
| Rachel | Kalidass | Ms | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Andrew | Madella | Mr | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | x | ✓ | ✓ | ✓ | ✓ |
| Bushang | Modipane | Mr | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | x | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| *Tebogo | Mamorobela | Ms | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x | x |
| Johannes | Sebulela | Mr | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Muditambi | Ravele | Ms | ✓ | ✓ | ✓ | ✓ | x | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | x | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Ylva | Rodny-Gumede | Dr | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Stavros | Nicoloau | Dr | ✓ | x | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Loretta | Jacobus | Ms | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Sisanda | Nkoala | Ms | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Mlungisi | Johnson | Mr | x | ✓ | ✓ | ✓ | ✓ | ✓ | x | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |

*Dr Keabetswe Modimoeng resigned on 23 June 2020

* Mr Geoff Rothschild's Term in Office Ended 5 December 2020

* Ms Tebogo Mamorobela exited the Board on 20 April 2020



Board Committees

The following Board Committees were in place, during the period under review:

- Audit and Risk Committee (ARCO)
- Human Capital, Remuneration and Social & Ethics Committee (HCRSEC)
- Marketing Committee (MARCO)

All Board Committees comprise members of the Board. EXCO members attend meetings by invitation. Committees may seek external or independent professional advice to carry out their Duties in accordance with the Board Policy on Access to Professional Advice. Board committees are all chaired by non-executive trustees.

AUDIT AND RISK COMMITTEE YEAR TO DATE ATTENDANCE SCHEDULE 2020/21

The Audit and Risk Committee (ARCO) are responsible for:

- Ensuring the integrity, reliability, and accuracy of accounting and financial reporting systems.
- Evaluating the adequacy and effectiveness of internal audit and risk management.
- Maintaining transparent and appropriate relationships with external auditors.
- Reviewing the scope, quality and cost of the statutory audit and the independence and objectivity of the auditors.
- Ensuring compliance with applicable legislation and the requirements of regulatory authorities, especially those set out in the PFMA.

Six special meetings were convened by the ARCO in addition to the scheduled meetings.

| MEMBERS | | | MEETING DATES 2020 | | | | | | | | | 2021 | |
|---------|--------------|-------|--------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| NAME | SURNAME | TITLE | 20/04 | 15/06 | 21/07 | 27/07 | 20/10 | 26/10 | 30/10 | 09/11 | 03/12 | 25/01 | 11/02 |
| Rachel | Kalidass | Ms | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Geoff | Rothschild | Mr | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Sisanda | Nkoala | Ms | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Ylva | Rodny-Gumede | Dr | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| *Hennie | Bekker | Mr | ✓ | ✓ | ✓ | x | ✓ | x | x | ✓ | ✓ | ✓ | ✓ |

* GCIS representative

HUMAN CAPITAL, REMUNERATION AND SOCIAL & ETHICS COMMITTEE (HCRSEC) YEAR TO DATE ATTENDANCE REGISTER 2020/2021

The terms of reference of the HCRSEC, as approved by the Board, addresses aspects of membership, structure, authority, and duties. The responsibilities of this Committee include making recommendations to the Board on:

- All policy matters that affect the employer-employee relationship.
- All policy matters dealing with remuneration, recruitment, selection, the appointment and the remuneration of executives.
- All policy matters relating to social and ethics, as contemplated in the Companies Act, Act No. 71 of 2008.
- Approving human resource strategies and the organisational structure.

Three special meetings were convened by the HCRSEC in addition to the scheduled meetings.

| MEMBERS | | | MEETING DATES 2020 | | | | | 2021 | |
|----------|----------|-------|--------------------|-------|-------|-------|-------|-------|-------|
| NAME | SURNAME | TITLE | 22/04 | 07/07 | 23/07 | 30/07 | 06/10 | 09/02 | 12/03 |
| Mlungisi | Johnson | Mr | ✓ | ✓ | ✓ | ✓ | x | ✓ | ✓ |
| Stavros | Nicolaou | Mr | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Loretta | Jacobus | Ms | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Andrew | Madella | Mr | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Bushang | Modipane | Mr | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |

MARKETING COMMITTEE YEAR TO DATE ATTENDANCE SCHEDULE 2020/21

MARCO is responsible for advancing the mandate of Brand South Africa by overseeing the development and implementation of effective marketing and communications strategies. The Committee's mandate includes:

- Reviewing the marketing policy and protocols, and recommending the same to the Board for approval;
- Offering expert advice and feedback on Brand South Africa's marketing and communications activities and resources;
- Identifying areas of marketing and communications weaknesses and recommending remedial actions;
- Acting as a resource to advise management on serious communications issues; and
- Reviewing and recommending corporate profile policies and issues relating to Brand South Africa's branding.

| MEMBERS | | | MEETING DATES 2020 | | | |
|-----------|--------------|-------|--------------------|-------|-------|-------|
| NAME | SURNAME | TITLE | 20/04 | 20/07 | 21/10 | 18/02 |
| Muditambi | Ravele | Ms | ✓ | ✓ | ✓ | ✓ |
| Johannes | Sebulela | Mr | ✓ | ✓ | ✓ | ✓ |
| Andrew | Madella | Mr | ✓ | ✓ | ✓ | ✓ |
| *Tebogo | Mamorobela | Ms | x | x | x | x |
| Ylva | Rodny-Gumede | Dr | ✓ | ✓ | ✓ | ✓ |

* Ms Tebogo Mamorobela exited the Board on 20 April 2020



BOARD REMUNERATION

Board remuneration paid during the year under review has been disclosed in the annual financial statements of the organisation, in line with good corporate governance practice.

RISK MANAGEMENT

Risks relating to the business of Brand South Africa are managed in accordance with the PFMA, as amended, as well as recommended good corporate governance practice. The Risk Management Strategy and Risk Materiality Framework help to ensure that all risks are kept at a manageable level.

AVOIDING CONFLICTS OF INTERESTS

Trustees have a duty to disclose their personal interests in any of the items which are on the agenda at Board meetings. A declaration of conflicts and interests remains a standing agenda item throughout the year. In addition, Trustees are required to submit annual declarations of interests.

CODE OF CONDUCT

The trustees of Brand South Africa remain committed to achieving high standards of business integrity and ethics across all of the organisation's activities. The Board has a Code of Conduct which sets out the required standard of conduct expected of Trustees, how to deal with dissent, how to manage conflicts of interests, expected disclosures, and the management of external appointments.

BOARD SECRETARY

The Director: Governance, Legal and Board Secretariat serves as the Board Secretary and is responsible for ensuring the proper conduct of Board meetings. The Board Secretary provides support and guidance to the Board on matters related to governance, legislation, compliance, and ethics. Adv. Nyoni's function includes the preparation and circulation of Board papers and minutes of meetings, ensuring that the Board and its Committees are timeously provided with feedback. He is also responsible for making Trustees aware of laws and legislation relevant to or affecting the organisation and ensuring the proper retention of Brand South Africa's important records.

In addition, the Board Secretary has certain statutory duties to perform in terms of the Companies Act, Act No.71 of 2008, and other regulations. The Board Chairperson and all trustees have unrestricted access to the services of the Board Secretary. The Board Secretary also ensures that Brand South Africa's processes and practices are reviewed and benchmarked on an on-going basis to ensure compliance with local and international governance standards.

ExCo PROFILES



Ms Sithembile Ntombela
Acting Chief Executive Officer

Sithembile has extensive classical marketing experience in FMCG, brand management, strategy development, global marketing, and destination marketing. With 22 years' experience in Marketing, she has held senior managerial positions at Nampak Tissues, Foodcorp, Tiger Brands, Unilever and Pioneer Foods. The experience from these diverse companies has enabled her to deal with complex business environments and projects. She is highly proficient in leadership, with good communication skills and has a deep understanding of the marketing and brand environments. Her experiences include developing and implementing impactful, successful and sustainable brand strategies.

Qualifications

Sithembile completed her Marketing undergraduate qualification at Mangosuthu University of Technology in KZN. She later pursued and completed a Post Graduate National Diploma in Marketing and BPHIL Honours in Marketing through the Institute of Marketing Management (IMM). She has recently completed Masters in Commerce (MCOM) with MANCOSA.

She is a Chartered Marketer (CM-SA) with the Marketing Association of South Africa (MASA) and a member of Black Management Forum. She is also a member of the CMO COUNCIL Advisory Board (Africa). Sithembile has judged prestigious events locally and internationally.



Adv Sifiso S. Nyoni
Director: Governance, Legal and Board Secretariat

Sifiso is responsible for corporate governance and legal matters in the organisation, and holds the office of Board Secretary. He is an experienced and capable leader who ensures that the organisation follows and is compliant with all corporate governance prescripts. Sifiso is a Chartered Marketer (SA), and is adept at evaluating marketing strategies and the outcomes thereof.

Qualifications

Sifiso holds the following qualifications: LLM degree from the University of Pretoria, Insolvency Law and Practice (SARIPA/University of Pretoria), LLB degree from UNISA, Certificate in Compliance Management from the University of Johannesburg, Certificate in Board Governance from the University of Johannesburg, Certificate in Advanced Corporate Law and Securities Law from UNISA, a Master of Science degree in Marketing and Product Management from Cranfield University (UK), and a Bachelor of Science in Agricultural Education degree from UNISWA. He has further participated in a Top Management Programme at the National University of Singapore (Business School). He is also an Insolvency Practitioner and holds a Business Rescue Decision-Making Certificate (UP).

He is a member of the Marketing Association of South Africa (MASA), the Institute of Directors in South Africa (IoDSA), the South African Restructuring and Insolvency Practitioners Association (SARIPA) and INSOL International, a worldwide group of practitioners who specialise in insolvency and business restructuring matters.



ExCo PROFILES



Ms Thoko Modise

(1 April 2020 until 30 Sept 2020)

*Acting Chief Marketing Officer



Dr Judy Smith-Höhn

(1 October 2020 until 31 March 2021)

*Acting Chief Marketing Officer

The role of the Chief of Marketing is to oversee and guide the implementation of proactive, reactive coordinated marketing and communications strategies through the management of 6 senior divisional heads in Research, Marketing, Stakeholder Relations, Global Markets (Head Office) and two Country Heads in the United Kingdom and the United States.

This is geared towards strengthening the achievement of Brand South Africa's mandate with and through internal and external stakeholder management, as a way of discharging and disseminating messaging to audiences in both the domestic, continental, and international audiences. This includes the management of South Africa's image and reputation through integrated reputation, communication and digital marketing strategies to improve the country's regional and global competitiveness.

ExCo PROFILES



Mr Kgomotso Seripe
Acting Chief Financial Officer

Kgomotso runs the organisational 'checks and balances' with precision and accuracy. He is responsible for financial, operational, and supply chain management that ensures effective control of funding and budgets, as well as maintaining a high level of reporting standards. He is a consummate professional who continuously seeks to deliver a high degree of excellence in all that he does, and has garnered audit experience spanning nine years, Financial Accounting Management of over seven years, and is also an Associate General Accountant AGA (SA).

Qualifications

Kgomotso holds a BCom Honours degree in Accounting from UNISA, and is currently registered as AGA (SA) member, as well as a member of the South African Institute of Chartered Accountants (SAICA).



Dr Krishnee Kisoonduth
Director: Corporate Services

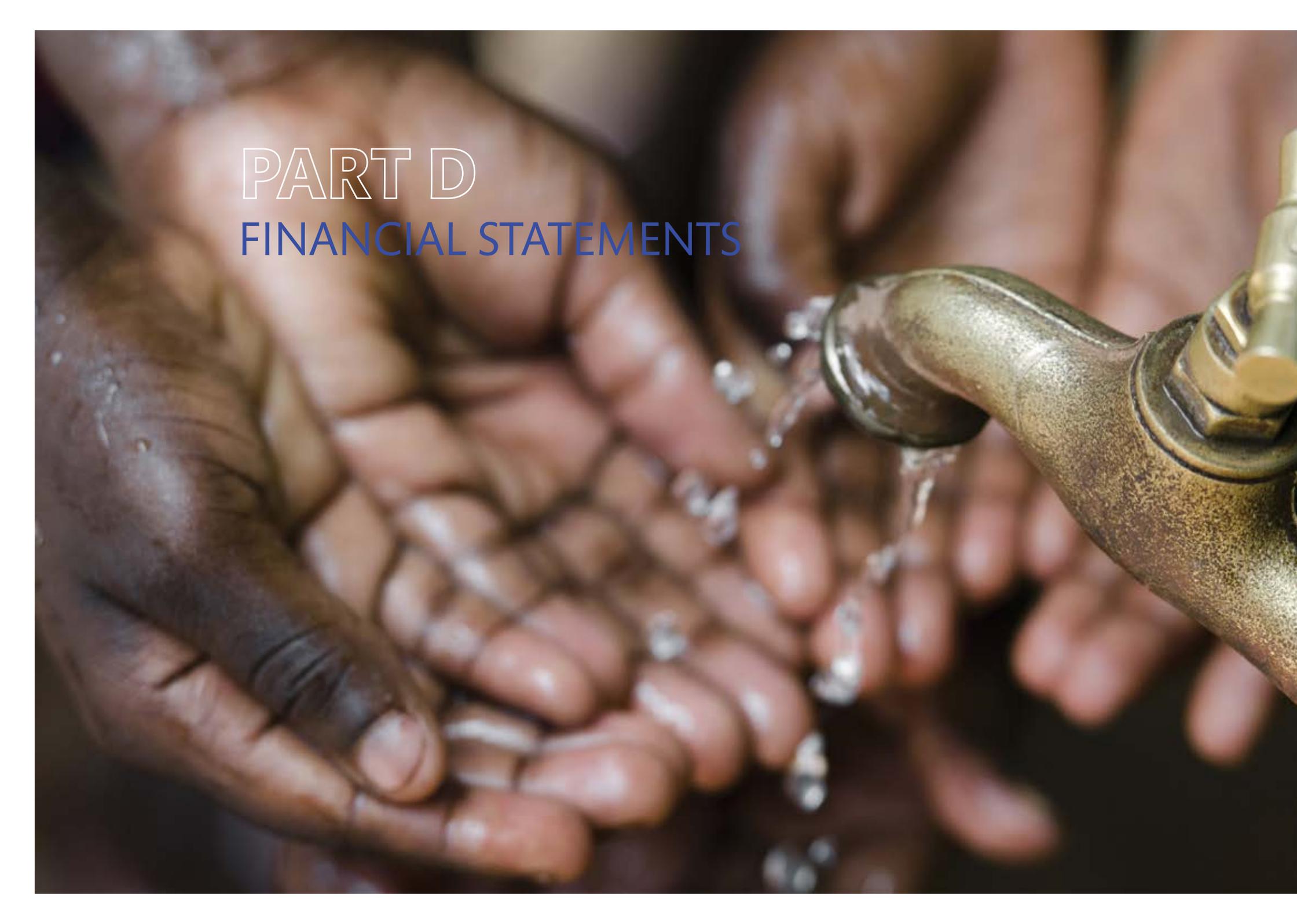
Krishnee is a multi-faceted and dynamic leader who is responsible for the seamless and efficient running of the Corporate Services (CS) Department at Brand South Africa. The department itself is further sub-divided into the Human Capital, Information Technology and Strategic Planning, and Performance Information Management units. Under her supervision, the organisation continually achieves a high level of legislative and corporate goals, as well as strategic and performance milestones that are necessary for the development and growth of the organisation as a whole.

Qualifications

Krishnee has obtained the following qualifications: a Doctorate in Public Administration (Unisa), a Masters in Public Administration (University of Pretoria), Presidential Strategic Leadership Development Programme (University of North West), Bachelor of Science Degree in Computer Science (Unisa), as well as a Non-Graduate Higher Education Diploma (Springfield College of Education).

Krishnee is further accredited as a Master Reward Professional (South African Reward Association), a Master Human Resources Professional (South African Board for People Practices), and a Global Remuneration Professional (South African Reward Association and World at Work).





PART D
FINANCIAL STATEMENTS

Brand South Africa Trust Annual Financial Statements for the year ended 31 March 2021

Index

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

| | Page |
|--|------|
| Auditor-General Report | 82 |
| General Information | 86 |
| Members' Responsibilities and Approval | 87 |
| Audit Committee Report | 88 |
| Statement of Financial Position | 89 |
| Statement of Financial Performance | 90 |
| Statement of Changes in Net Assets | 91 |
| Cash Flow Statement | 92 |
| Statement of Comparison of Budget and Actual Amounts | 93 |
| Accounting Policies | 94 |
| Notes to the Annual Financial Statements | 109 |



Report of the Auditor-General to Parliament on the Brand South Africa Trust

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of Brand South Africa Trust set out on pages 86 to 133, which comprise the statement of financial position as at 31 March 2021, the statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of Brand South Africa Trust as at 31 March 2021, and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (Standards of GRAP) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of my report.

4. I am independent of the public entity in accordance with the International Ethics Standards Board for Accountants' International code of ethics for professional accountants (including International Independence Standards) (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

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

Emphasis of matter

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

Restatement of corresponding figures

7. As disclosed in note 36 to the financial statements, the corresponding figures for 31 March 2020 were restated as a result of an error in the financial statements of the public entity at, and for the year ended, 31 March 2021.

Responsibilities of the accounting authority for the financial statements

8. The accounting authority is responsible for the preparation and fair presentation of the financial

statements in accordance with the Standards of GRAP and the requirements of the PFMA, and for such internal control as the accounting authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

9. In preparing the financial statements, the accounting authority is responsible for assessing the public entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the public entity or to cease operations, or has no realistic alternative but to do so.

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

10. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of

these financial statements.

11. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

Introduction and scope

12. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for the selected programme presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.
13. 13. My procedures address the usefulness and reliability of the reported performance information, which must be based on the public entity's approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the public entity enabled service delivery. My procedures do not extend to any disclosures or assertions relating to the extent of achievements in the current year or planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

14. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programme presented in the public entity's annual performance report for the year ended 31 March 2021:

| Programme | Pages in the annual performance report |
|--|--|
| Programme 2 - brand, marketing and reputation management | 140 - 143 |

15. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
16. I did not identify any material findings on the usefulness and reliability of the reported performance information for Programme 2 – Brand, marketing and reputation management.

Other matters

17. I draw attention to the matters below.

Achievement of planned targets

18. Refer to the annual performance report on pages ...

to ... for information on the achievement of planned targets for the year and management's explanations provided for the under/over achievement of targets.

Adjustment of material misstatements

19. 19. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information of Programme 2 – Brand, marketing and reputation management. As management subsequently corrected the misstatements, I did not raise any material findings on the usefulness and reliability of the reported performance information.

Report on the audit of compliance with legislation

Introduction and scope

20. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the public entity's compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
21. The material finding on compliance with specific matters in key legislation is as follows:

Annual financial statements

22. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework, as required by section 55(1)(b) of the PFMA.



Material misstatements of disclosure items identified by the auditors in the submitted financial statements were corrected, resulting in the financial statements receiving an unqualified audit opinion.

Other information

1. The accounting authority is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and the selected programme presented in the annual performance report that have been specifically reported in this auditor's report.
2. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion on it.
3. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programme presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
4. If based on the work I have performed, I conclude that there is a material misstatement in this other information, I am required to report that fact. I have nothing to report in this regard.

Internal control deficiencies

5. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the finding on compliance with legislation included in this report.
6. Management exercised inadequate oversight responsibility regarding financial reporting pertaining to disclosure items as well as related internal controls.
7. Management did not prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information.

Auditor - General

Johannesburg
06 November 2020



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure – Auditor-General’s responsibility for the audit

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

Financial statements

2. In addition to my responsibility for the audit of the financial statements as described in this auditor’s report, I also:
 - identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
 - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the public entity’s internal control
 - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting authority conclude on the appropriateness of the

accounting authority’s use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of Brand South Africa Trust to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor’s report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor’s report. However, future events or conditions may cause a public entity to cease operating as a going concern

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

Communication with those charged with governance

3. I communicate with the accounting authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also provide the accounting authority with a statement that I have complied with relevant ethical

requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.



Brand South Africa Trust Annual Financial Statements for the year ended 31 March 2021

General Information

| | |
|--|--|
| Country of incorporation and domicile | South Africa |
| Nature of business and principal activities | The primary object of the Trust is to develop and implement proactive and co-ordinated marketing, communications and reputation management strategies for South Africa. The ultimate aim is to make a contribution towards economic growth, job creation, poverty alleviation and social cohesion by encouraging local and foreign investment, tourism and trade through the promotion of Brand South Africa. |
| Trustees | Thandi Tobias – Pokolo (Chairperson) Keabetswe Modimoeng (Deputy Chairperson) (Resigned 23 June 2020) Andrew Madella Bushang Modipane Rachel Kalidass Sisanda Nkoala Tebogo Mamorobela (Suspended 20 April 2020) Mlungisi Johnson Stavros Nicolaou Muditambi Ravele Loretta Jacobus Johannes Sebulela Ylva Rodny-Gumede Geoffrey Rothschild (Term ended 05 December 2020) |
| Registered office | 103 Central Street Houghton Johannesburg 2041 |
| Business address | 103 Central Street Houghton Johannesburg 2041 |
| Postal address | PO Box 87168 Houghton 2041 |
| Controlling entity | The Presidency Government Communication and Information Systems (GCIS) |
| Bank | Nedbank Limited |
| Auditors | Auditor General South Africa |
| Trust registration number | IT 1986/02 |

Brand South Africa Trust Annual Financial Statements for the year ended 31 March 2021

Members' Responsibilities and Approval

The Trustees are required by the Public Finance Management Act (Act 1 of 1999), to maintain adequate accounting records and are responsible for the content and integrity of the audited annual financial statements and related financial information included in this report. It is the responsibility of the Trustees to ensure that the audited annual financial statements fairly present the state of affairs of Brand South Africa as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the audited annual financial statements and was given unrestricted access to all financial records and related data.

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

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

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

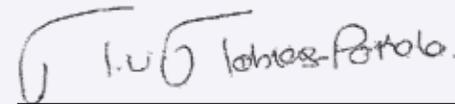
The Trustees are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the audited annual financial statements. However, any system of internal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

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

During the period under review, Brand South Africa was reporting to The Presidency Office through the Government Communication and Information Systems (GCIS). The entity is wholly dependent on The Presidency for the budget vote and GCIS for continued funding of operations. The audited annual financial statements are prepared on the basis that the entity is a going concern and that The Presidency has neither the intention nor the need to liquidate or curtail materially the scale of the entity.

The external auditors are responsible for independently reviewing and reporting on the entity's annual financial statements. The annual financial statements have been examined by the entity's external auditors and their report is presented on page 82 to 85.

The audited annual financial statements set out on pages 86 to 133, which have been prepared on the going concern basis, were approved by the Chairperson of the Board on 31 May 2021 and were signed on its behalf by:



**Chairperson of the Board of Trustees
Thandi Tobias-Pokolo**



Brand South Africa Trust Annual Financial Statements for the year ended 31 March 2021

Audit Committee Report

We are pleased to present our report for the financial year ended 31 March 2021.

Audit and Risk Committee responsibility

The audit and risk committee reports that it has complied with its responsibilities arising from section 55(1)(a) of the PFMA and Treasury Regulation 27.1.

The audit and risk committee also reports that it has adopted appropriate formal terms of reference as its audit committee charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

The effectiveness of internal control

In line with the PFMA and the King III Report on Corporate Governance requirements, Internal Audit provides the audit and risk committee and management with assurance that the internal controls are appropriate and effective. This is achieved by means of the risk management process, as well as the identification of corrective actions and suggested enhancements to the controls and processes. Based on the issues reported in the Auditor-General South Africa's management report that indicate some deficiencies in the system of internal controls, especially around SCM processes, the audit and risk committee believes that the entity's system of internal controls were partially effective. Management is in the process of addressing the identified weaknesses.

The audit and risk committee is satisfied with the content and quality of monthly and quarterly reports prepared and issued by the management of Brand South Africa during the financial year under review.

Evaluation of annual financial statements

The audit and risk committee has reviewed and discussed the audited annual financial statements to be included in the annual report. Members have:

- reviewed the Brand South Africa's compliance with legal and regulatory provisions;
- reviewed changes in accounting policies and practices;
- reviewed the entities compliance with legal and regulatory provisions; and
- reviewed significant adjustments resulting from the audit.

The audit and risk committee concur with and accept the Auditor-General of South Africa's report on the annual financial statements, and are of the opinion that the audited annual financial statements should be accepted and read together with the report of the Auditor-General of South Africa.

Internal Audit

The Audit and Risk committee is satisfied that the internal audit function is operating effectively and that it has addressed the risks pertinent to Brand South Africa and its audits.

Auditor-General of South Africa

The audit and risk committee has met with the Auditor-General of South Africa to ensure that there are no unresolved issues.



Rachel Kalidass
Chairperson of the Audit and Risk Committee
Date: 31 August 2021

Brand South Africa Trust Annual Financial Statements for the year ended 31 March 2021

Statement of Financial Position

| | Note(s) | March 2021 R | March 2020 Restated* R |
|--|---------|-------------------|------------------------------|
| Assets | | | |
| Current Assets | | | |
| Prepayments and deposits | 9 | 4,223,374 | 976,307 |
| Receivables from exchange transactions | 10 | 923,669 | 1,226,920 |
| Cash and cash equivalents | 12 | 26,432,171 | 25,859,971 |
| | | 31,579,214 | 28,063,198 |
| Non-Current Assets | | | |
| Property, plant and equipment | 3 | 3,412,871 | 5,174,329 |
| Intangible assets | 4 | 7,806,404 | 9,292,910 |
| Heritage assets | 5 | 170,556 | 170,556 |
| Other deposits | 6 | 1,068,097 | 1,068,097 |
| | | 12,457,928 | 15,705,892 |
| | | 44,037,142 | 43,769,090 |
| Total Assets | | | |
| Liabilities | | | |
| Current Liabilities | | | |
| Operating lease liability | 7 | 231,195 | 796,297 |
| Payables from exchange transactions | 14 | 18,948,820 | 16,544,288 |
| Provisions | 13 | 8,890,450 | 10,128,369 |
| | | 28,070,465 | 27,468,954 |
| | | 28,070,465 | 27,468,954 |
| Total Liabilities | | | |
| Net Assets | | | |
| Accumulated surplus | | 15,966,677 | 16,300,136 |

The accounting policies on pages 94 to 108 and the notes on pages 109 to 133 form an integral part of the annual financial statements.



Brand South Africa Trust Annual Financial Statements for the year ended 31 March 2021

Statement of Financial Performance

| | Note(s) | March 2021 R | March 2020 Restated* R |
|---|---------|----------------------|------------------------------|
| Revenue | | | |
| Revenue from exchange transactions | | | |
| Other income | 16 | 158,419 | 674,654 |
| Partnership income | 16 | - | 300,000 |
| Finance income | 17 | 1,032,465 | 1,335,633 |
| Total revenue from exchange transactions | | 1,190,884 | 2,310,287 |
| Revenue from non-exchange transactions | | | |
| Transfer revenue | | | |
| Government grants & subsidies | 15 | 179,501,000 | 207,914,000 |
| Total revenue | 15 | 180,691,884 | 210,224,287 |
| Expenditure | | | |
| Employee related costs | 18 | (70,380,818) | (68,647,932) |
| Activation fees | 20 | (26,651,611) | (56,439,163) |
| Depreciation and amortisation | 3&4 | (3,860,922) | (4,711,168) |
| Lease rentals on operating lease | 22 | (3,955,019) | (4,000,404) |
| Debt Impairment | 11 | - | (179,000) |
| Research fees | 20 | (2,799,645) | (3,103,332) |
| Branding and collateral | 20 | (2,342,762) | (3,008,156) |
| Media buy | 20 | (31,741,795) | (17,441,349) |
| Loss on foreign exchange | 22 | (47,586) | (280,657) |
| Agency fees | 20 | (8,704,351) | (8,393,995) |
| General expenses | 19 | (30,540,838) | (39,789,423) |
| Total expenditure | | (181,025,347) | (205,994,579) |
| Surplus / (Deficit) for the year | | (333,460) | 4,229,708 |

Brand South Africa Trust Annual Financial Statements for the year ended 31 March 2021

Statement of Changes in Net Assets

Balance at 01 April 2019

Surplus for the year

Total changes

Balance at 01 April 2020

Deficit for the year

Total changes

Balance at 31 March 2021

| Accumulated surplus R | Total net assets R |
|--------------------------|-----------------------|
| 12,070,428 | 12,070,428 |
| 4,229,708 | 4,229,708 |
| 4,229,708 | 4,229,708 |
| 16,300,137 | 16,300,137 |
| (333,460) | (333,460) |
| (333,460) | (333,460) |
| 15,966,677 | 15,966,677 |



Brand South Africa Trust Annual Financial Statements for the year ended 31 March 2021

Cash Flow Statement

Cash flows from operating activities**Receipts**

Grant allocation

Finance income

Other receipts

Total receipts**Payments**

Employee costs

Suppliers

Total payments**Net cash inflows from operating activities****Cash flows from investing activities**

Purchase of property, plant and equipment

Purchase of other intangible assets

Net cash outflows from investing activities**Net increase (decrease) in cash and cash equivalents**

Cash and cash equivalents at the beginning of the year

Cash and cash equivalents at the end of financial year

| Note(s) | March 2021 R | March 2020 Restated* R |
|---------|-------------------|------------------------------|
| | 179,501,000 | 207,914,000 |
| | 1,123,858 | 1,313,906 |
| | 158,419 | 974,654 |
| | 180,783,277 | 210,202,560 |
| | (72,497,372) | (68,007,053) |
| | (107,100,748) | (139,702,956) |
| | (179,598,120) | (207,710,009) |
| 24 | 1,185,157 | 2,492,551 |
| 3 | (612,958) | (2,701,106) |
| 4 | - | (598,000) |
| | (612,958) | (3,299,106) |
| | 572,199 | (806,555) |
| | 25,859,971 | 26,666,526 |
| 12 | 26,432,170 | 25,859,971 |

Brand South Africa Trust Annual Financial Statements for the year ended 31 March 2021

Statement of Comparison of Budget and Actual Amounts

| | Approved budget R | Adjustments R | Final Budget R | Actual amounts on comparable basis R | Difference between final budget and actual R | Reference |
|--|-------------------------|---------------------|----------------------|---|--|-----------|
| Statement of Financial Performance | | | | | | |
| Revenue | | | | | | |
| Revenue from exchange transactions | | | | | | |
| Other income | - | - | - | 158,419 | 158,419 | |
| Finance income | - | - | - | 1,032,465 | 1,032,465 | |
| Total revenue from exchange transactions | - | - | - | 1,190,884 | 1,190,884 | |
| Revenue from non- exchange transactions | | | | | | |
| Transfer revenue | | | | | | |
| Government grants & subsidies | 216,064,000 | (36,563,000) | 179,501,000 | 179,501,000 | - | |
| Total revenue from non- exchange transactions | 216,064,000 | (36,563,000) | 179,501,000 | 179,501,000 | - | |
| Expenditure | | | | | | |
| Personnel | (76,124,000) | 5,743,182 | (70,380,818) | (70,380,818) | - | |
| Brand Communication and Reputation Costs | (111,298,000) | 29,658,776 | (81,639,224) | (80,082,181) | 1,557,043 | (i) |
| Capital Expenditure | (3,274,000) | 2,661,042 | (612,958) | (612,958) | - | |
| Operating Expenses | (25,368,000) | (1,500,000) | (26,868,000) | (26,653,840) | 214,160 | (ii) |
| Total expenditure | (216,064,000) | 36,563,000 | (179,501,000) | (177,729,797) | 1,771,203 | |
| Reconciliation | | | | | | |
| Basis difference | | | | | | |
| Depreciation & amortisation | | | | (3,860,922) | | |
| Loss on foreign exchange | | | | (47,586) | | |
| Capital expenditure | | | | 612,958 | | |
| Actual Amount in the Statement of Financial Performance | | | | (333,460) | | |

(i) The variance in Brand Communication and Reputation costs was mainly caused by the cancellation of events due to the COVID-19 outbreak and a sizeable number of events were held online as opposed to on-the ground activations.

(ii) The operational costs variance is immaterial and is attributable to professional fees and consultations which could not be ascertained beforehand.

The accounting policies on pages 94 to 108 and the notes on pages 109 to 133 form an integral part of the annual financial statements.



Brand South Africa Trust Annual Financial Statements for the year ended 31 March 2021

Accounting Policies

1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 91(1) of the Public Finance Management Act (Act 1 of 1999).

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these annual financial statements, are disclosed below.

1.1 Presentation currency

These annual financial statements are presented in South African Rand, which is the functional currency of the entity.

1.2 Going concern assumption

These annual financial statements have been prepared based on the expectation that the entity will continue to operate as a going concern for at least the next 12 months.

1.3 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

Trade receivables

The entity assesses its trade and other receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, the surplus makes judgments as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

The impairment for trade and other receivables is calculated on an individual basis, based on historical performance, adjusted for specific current economic conditions and other indicators present at the reporting date that correlate with the defaults on the debtor.

Fair value estimation

The carrying value less impairment provision of trade receivables and payables is assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the entity for similar financial instruments.

Impairment testing

The entity reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. These are based on estimated fair values and or value in use for each asset or group of assets.

Provisions

In all provisions raised, management determined an estimate based on the information available.

Useful lives of assets

The entity's management determines the estimated useful lives and related depreciation charges for property, plant and equipment as well as intangible assets. Management adjusts the depreciation charge where useful lives are different from previously estimated useful lives.

Allowance for doubtful debts

On debtors an impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the debtors carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, computed at initial recognition.

Brand South Africa Trust Annual Financial Statements for the year ended 31 March 2021

Statement of Financial Position

1.4 Property, plant and equipment

Property, plant and equipment are tangible non-current assets that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one period.

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits or service potential associated with the item will flow to the entity; and
- the cost of the item can be measured reliably. Property, plant and equipment is initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Items such as spare parts, standby equipment and servicing equipment are recognised when they meet the definition of property, plant and equipment.

Property, plant and equipment are depreciated on the straight line basis over their expected useful lives. Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

The useful lives of items of property, plant and equipment have been assessed as follows:

| Item | Depreciation method | Average useful life |
|---------------------------------|---------------------|---------------------|
| Leasehold improvements | Straight line | Lease term |
| Furniture and fixtures | Straight line | 10 - 17 years |
| Motor vehicles | Straight line | 5 years |
| Office equipment | Straight line | 5 - 13 years |
| IT equipment | Straight line | 2 - 10 years |
| Finance leased office equipment | Straight line | Lease term |

The depreciable amount of an asset is allocated on a systematic basis over its useful life.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation method used reflects the pattern in which the asset's future economic benefits or service potential are expected to be consumed by the entity. The depreciation method applied to an asset is reviewed at least at each reporting date and, if there has been a significant change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate.



Brand South Africa Trust Annual Financial Statements for the year ended 31 March 2021

Statement of Financial Position

1.4 Property, plant and equipment (continued)

Brand South Africa assesses at each reporting date whether there is any indication that the entity expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the entity revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

The depreciation charge for each period is recognised in surplus / deficit unless it is included in the carrying amount of another asset.

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus/deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

Brand South Africa separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the financial statements.

1.5 Intangible assets

An intangible asset is recognised when:

- it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the entity; and
- the cost or fair value of the asset can be measured reliably.

Brand South Africa assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

Where an intangible asset is acquired through a non-exchange transaction, its initial cost at the date of acquisition is measured at its fair value as at that date.

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

An intangible asset arising from development (or from the development phase of an internal project) is recognised when:

- it is technically feasible to complete the asset so that it will be available for use or sale.
- there is an intention to complete and use or sell it.
- there is an ability to use or sell it.
- it will generate probable future economic benefits or service potential.
- there are available technical, financial and other resources to complete the development and to use or sell the asset.

- the expenditure attributable to the asset during its development can be measured reliably.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

| Item | Depreciation method | Average useful life |
|--------------------------------|---------------------|---------------------|
| Computer software and licences | Straight line | 3-10 years |
| Mobile application | Indefinite | |

Intangible assets are derecognised:

- on disposal; or
- when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of intangible assets is included in surplus/ deficit when the asset is derecognised.

Brand South Africa Trust Annual Financial Statements for the year ended 31 March 2021

Statement of Financial Position

1.6 Heritage assets

Class of heritage assets means a grouping of heritage assets of a similar nature or function in an entity's operations that is shown as a single item for the purpose of disclosure in the annual financial statements.

Heritage assets are assets that have a cultural, environmental, historical, natural, scientific, technological or artistic significance and are held indefinitely for the benefit of present and future generations.

Recognition

The entity recognises a heritage asset as an asset if it is probable that future economic benefits or service potential associated with the asset will flow to the entity, and the cost or fair value of the asset can be measured reliably.

Initial measurement

Heritage assets are measured at cost.

Where a heritage asset is acquired through a non-exchange transaction, its cost is measured at its fair value as at the date of acquisition.

Subsequent measurement

After recognition as an asset, a class of heritage assets is carried at its cost less any accumulated impairment losses.

Impairment

The entity assesses at each reporting date whether there is an indication that heritage assets may be impaired. If any such indication exists, the entity estimates the recoverable amount or the recoverable service amount of the heritage asset.

Transfers

Transfers from heritage assets are only made when the particular asset no longer meets the definition of a heritage asset.

Transfers to heritage assets are only made when the asset meets the definition of a heritage asset.

Derecognition

The entity derecognises heritage asset on disposal, or when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of a heritage asset is included in surplus or deficit when the item is derecognised (unless the Standard of GRAP on leases requires otherwise on a sale and leaseback).

1.7 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity.

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Derecognition is the removal of a previously recognised financial asset or financial liability from an entity's Statement of Financial Position.

A derivative is a financial instrument or other contract with all three of the following characteristics:

- Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract (sometimes called the 'underlying').
- It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors.

A financial asset is:

- cash;
- a residual interest of another entity; or
- a contractual right to:
 - receive cash or another financial asset from another entity; or
 - exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.



Brand South Africa Trust Annual Financial Statements for the year ended 31 March 2021

Statement of Financial Position

1.7 Financial instruments (continued)

A financial liability is any liability that is a contractual obligation to:

- deliver cash or another financial asset to another entity; or
- exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the entity.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Liquidity risk is the risk encountered by the entity in the event of difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

A financial asset is past due when a counterparty has failed to make a payment when contractually due.

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument.

Financial instruments at amortised cost are non-derivative financial assets or non-derivative financial liabilities that have fixed or determinable payments, excluding those instruments that:

- Brand South Africa designates at fair value at initial recognition.

Financial instruments at cost are investments in residual interests that do not have a quoted market price in an active market, and whose fair value cannot be reliably measured.

Classification

Brand South Africa has the following types of financial assets (classes and category) as reflected on the face of the Statement of Financial Position or in the notes thereto:

| Class | Category |
|--|--|
| Cash and cash equivalents | Financial asset measured at fair value |
| Receivables from exchange transactions | Financial asset measured at fair value |
| Other financial assets | Financial asset measured at amortised cost |

Brand South Africa has the following types of financial liabilities (classes and category) as reflected on the face of the Statement of Financial Position or in the notes thereto:

| Class | Category |
|-------------------------------------|--|
| Payables from exchange transactions | Financial liability measured at fair value |

Initial recognition

Brand South Africa recognises a financial asset or a financial liability in its Statement of Financial Position when the entity becomes a party to the contractual provisions of the instrument.

Subsequent measurement of financial assets and financial liabilities

The entity measures all financial assets and financial liabilities after initial recognition using the following categories:

- Financial instruments at fair value.

All financial assets measured at amortised cost, or cost, are subject to an impairment review.

Gains and losses

A gain or loss arising from a change in the fair value of a financial asset or financial liability measured at fair value is recognised in surplus or deficit for the year.

For financial assets and financial liabilities measured at amortised cost or cost, a gain or loss is recognised in surplus or deficit when the financial asset or financial liability is derecognised or impaired, or through the amortisation process.

Brand South Africa Trust Annual Financial Statements for the year ended 31 March 2021

Statement of Financial Position

1.7 Financial instruments (continued)

Impairment and uncollectibility of financial assets

Brand South Africa assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets measured at amortised cost:

If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in surplus or deficit for the year.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is by adjusting an allowance account. The reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in surplus or deficit for the year.

Financial assets measured at cost:

If there is objective evidence that an impairment loss has been incurred on an investment in a residual interest that is not measured at fair value because its fair value cannot be measured reliably, the amount of the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed.

Derecognition

Financial assets

The entity derecognises financial assets using trade date accounting. The entity derecognises a financial asset only when:

- the contractual rights to the cash flows from the financial asset expire, are settled or waived; Brand South Africa transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- Brand South Africa, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, Brand South Africa :
 - derecognise the asset; and
 - recognise separately any rights and obligations created or retained in the transfer.

The carrying amounts of the transferred asset are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. Newly created rights and obligations are measured at their fair values at that date. Any difference between the consideration received and the amounts recognised and derecognised is recognised in surplus or deficit in the period of the transfer.

If Brand South Africa transfers a financial asset in a transfer that qualifies for derecognition in its entirety and retains the right to service the financial asset for a fee, it recognise either a servicing asset or a servicing liability for that servicing contract. If the fee to be received is not expected to compensate the entity adequately for performing the servicing, a servicing liability for the servicing obligation is recognised at its fair value. If the fee to be received is expected to be more than adequate compensation for the servicing, a servicing asset is recognised for the servicing right at an amount determined on the basis of an allocation of the carrying amount of the larger financial asset.

If, as a result of a transfer, a financial asset is derecognised in its entirety but the transfer results in the entity obtaining a new financial asset or assuming a new financial liability, or a servicing liability, the entity recognise the new financial asset, financial liability or servicing liability at fair value.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in surplus or deficit.



Brand South Africa Trust Annual Financial Statements for the year ended 31 March 2021

Statement of Financial Position

1.7 Financial instruments (continued)

If the transferred asset is part of a larger financial asset and the part transferred qualifies for derecognition in its entirety, the previous carrying amount of the larger financial asset is allocated between the part that continues to be recognised and the part that is derecognised, based on the relative fair values of those parts, on the date of the transfer. For this purpose, a retained servicing asset is treated as a part that continues to be recognised. The difference between the carrying amount allocated to the part derecognised and the sum of the consideration received for the part derecognised is recognised in surplus or deficit for the year.

If a transfer does not result in derecognition because Brand South Africa has retained substantially all the risks and rewards of ownership of the transferred asset, Brand South Africa continues to recognise the transferred asset in its entirety and recognise a financial liability for the consideration received. In subsequent periods, Brand South Africa recognises any revenue on the transferred asset and any expense incurred on the financial liability. Neither the asset, and the associated liability nor the revenue, and the associated expenses are offset.

Financial liabilities

Brand South Africa removes a financial liability (or a part of a financial liability) from its Statement of Financial Position when it is extinguished – i.e. when the obligation specified in the contract is discharged, cancelled, expires or waived.

An exchange between an existing borrower and lender of debt instruments with substantially different terms is accounted for as having extinguished the original financial liability and a new financial liability is recognised. Similarly, a

substantial modification of the terms of an existing financial liability or a part of it is accounted for as having extinguished the original financial liability and having recognised a new financial liability.

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in surplus or deficit. Any liabilities that are waived, forgiven or assumed by another entity by way of a non-exchange transaction are accounted for in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers).

Presentation

Interest relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit for the year.

Losses and gains relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit for the year.

A financial asset and a financial liability are only offset and the net amount presented in the Statement of Financial Position when the entity currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

In accounting for a transfer of a financial asset that does not qualify for derecognition, the entity does not offset the transferred asset and the associated liability.

Statutory receivables are receivables that arise from legislation, supporting regulations, or similar means, and require settlement by another entity in cash or another financial asset.

Carrying amount is the amount at which an asset is recognised in the Statement of Financial Position.

The cost method is the method used to account for statutory receivables that requires such receivables to be measured at their transaction amount, plus any accrued interest or other charges (where applicable) and, less any accumulated impairment losses and any amounts derecognised.

Nominal interest rate is the interest rate and/or basis specified in legislation, supporting regulations or similar means.

The transaction amount (for purposes of this Standard) for a statutory receivable means the amount specified in, or calculated, levied or charged in accordance with, legislation, supporting regulations, or similar means.

1.8 Tax

Tax expenses

Brand South Africa is exempt from taxation by the South African Revenue Services (SARS) in terms of Section 10 (1) (ca)(1) of the Income Tax 58 of 1962 as amended.

Brand South Africa Trust Annual Financial Statements for the year ended 31 March 2021

Statement of Financial Position

1.9 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

When a lease includes both land and buildings elements, the entity assesses the classification of each element separately.

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

1.10 Employee benefits

Employee benefits are all forms of consideration given by Brand South Africa in exchange for service rendered by employees.

A qualifying insurance policy is an insurance policy issued by an insurer that is not a related party (as defined in the Standard of GRAP on Related Party Disclosures) of Brand South Africa, if the proceeds of the policy can be used only to pay or fund employee benefits under a defined benefit plan and are not available to Brand South Africa's own creditors (even in liquidation) and cannot be paid to Brand South Africa, unless either:

- the proceeds represent surplus assets that are not needed for the policy to meet all the related employee benefit obligations; or

- the proceeds are returned to Brand South Africa to reimburse it for employee benefits already paid.

Termination benefits are employee benefits payable as a result of either:

- Brand South Africa's decision to terminate an employee's employment before the normal retirement date; or
- an employee's decision to accept voluntary redundancy in exchange for those benefits.

Other long-term employee benefits are employee benefits (other than post-employment benefits and termination benefits) that are not due to be settled within twelve months after the end of the period in which the employees render the related service.

Vested employee benefits are employee benefits that are not conditional on future employment.

Composite social security programmes are established by legislation and operate as multi-employer plans to provide post-employment benefits as well as to provide benefits that are not consideration in exchange for service rendered by employees.

A constructive obligation is an obligation that derives from Brand South Africa's actions where by an established pattern of past practice, published policies or a sufficiently specific current statement, Brand South Africa has indicated to other parties that it will accept certain responsibilities and as a result, Brand South Africa has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

Short-term employee benefits

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled within twelve months after the end of the period in which the employees render the related service.

Short-term employee benefits include items such as:

- wages, salaries and social security contributions;
- short-term compensated absences (such as paid annual leave and paid sick leave) where the compensation for the absences is due to be settled within twelve months after the end of the reporting period in which the employees render the related employee service;
- bonus, incentive and performance related payments payable within twelve months after the end of the reporting period in which the employees render the related service; and
- non-monetary benefits (for example, medical care, and free or subsidised goods or services such as housing, cars and cellphones) for current employees.

When an employee has rendered service to Brand South Africa during a reporting period, the entity recognise the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

- as a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, Brand South Africa recognise that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset.



Brand South Africa Trust Annual Financial Statements for the year ended 31 March 2021

Statement of Financial Position

1.10 Employee benefits continued

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The entity measures the expected cost of accumulating compensated absences as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The entity recognise the expected cost of bonus, incentive and performance related payments when Brand South Africa has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made. A present obligation exists when the Brand South Africa has no realistic alternative but to make the payments.

Post-employment benefits

Post-employment benefits are employee benefits (other than termination benefits) which are payable after the completion of employment.

Post-employment benefit plans are formal or informal arrangements under which Brand South Africa provides post-employment benefits for one or more employees.

Post-employment benefits: Defined contribution plans

Defined contribution plans are post-employment benefit plans under which Brand South Africa pays fixed contributions into a Sanlam umbrella fund and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

When an employee has rendered service to Brand South Africa during a reporting period, Brand South Africa recognises the contribution payable to a defined contribution plan in exchange for that service:

- as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the reporting date, an entity recognise that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the contribution in the cost of an asset.

Where contributions to a defined contribution plan do not fall due wholly within twelve months after the end of the reporting period in which the employees render the related service, they are discounted. The rate used to discount reflects the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the obligation.

1.11 Provisions and contingencies

Provisions are recognised when:

- Brand South Africa has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the Brand South Africa settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

Brand South Africa Trust Annual Financial Statements for the year ended 31 March 2021

Statement of Financial Position

1.11 Provisions and contingencies continued

A provision is used only for expenditures for which the provision was originally recognised. Provisions are not recognised for future operating surplus / (deficit). If an entity has a contract that is onerous, the present obligation (net of recoveries) under the contract is recognised and measured as a provision.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 26.

1.12 Commitments

Items are classified as commitments when an entity has committed itself to future transactions that will normally result in the outflow of cash.

Disclosures are required in respect of unrecognised contractual commitments.

Commitments for which disclosure is necessary to achieve a fair presentation should be disclosed in a note to the financial statements, if both the following criteria are met:

- Contracts should be non-cancellable or only cancellable at significant cost (for example, contracts for computer or building maintenance services); and
- Contracts should relate to something other than the routine, steady, state business of the entity – therefore salary commitments relating to employment contracts or social security benefit commitments are excluded.

1.13 Revenue from exchange transactions

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

An exchange transaction is one in which the entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

Revenue arising from the use by others of entity assets yielding interest, royalties and dividends or similar distributions is recognised when:

- It is probable that the economic benefits or service potential associated with the transaction will flow to the entity, and
- The amount of the revenue can be measured reliably.

Interest is recognised, in surplus or deficit, using the effective interest rate method.

Royalties are recognised as they are earned in accordance with the substance of the relevant agreements.

Dividends or similar distributions are recognised, in surplus or deficit, when the entity's right to receive payment has been established.

Service fees included in the price of the product are recognised as revenue over the period during which the service is performed.

1.14 Revenue from non-exchange transactions

Revenue comprises gross inflows of economic benefits or service potential received and receivable by an entity, which represents an increase in net assets, other than increases relating to contributions from owners.

Conditions on transferred assets are stipulations that specify that the future economic benefits or service potential embodied in the asset is required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.

Control of an asset arise when Brand South Africa can use or otherwise benefit from the asset in pursuit of its objectives and can exclude or otherwise regulate the access of others to that benefit.

Recognition

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.



Brand South Africa Trust Annual Financial Statements for the year ended 31 March 2021

Statement of Financial Position

1.14 Revenue from non-exchange transactions continued

The entity satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

Measurement

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the entity.

When, as a result of a non-exchange transaction, Brand South Africa recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability. Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.

1.15 Finance income

Finance income is recognised on a time-proportion basis using the effective interest method.

1.16 Borrowing costs

Borrowing costs are interest and other expenses incurred by an entity in connection with the borrowing of funds. Borrowing costs are recognised as an expense in the period in which they are incurred.

1.17 Translation of foreign currencies

Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in Rands, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At each reporting date:

- foreign currency monetary items are translated using the closing rate;
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous annual financial statements are recognised in surplus or deficit in the period in which they arise.

When a gain or loss on a non-monetary item is recognised directly in net assets, any exchange component of that gain or loss is recognised directly in net assets. When a gain or loss on a non-monetary item is recognised in surplus or deficit, any exchange component of that gain or loss is recognised in surplus or deficit for the year.

Cash flows arising from transactions in a foreign currency are recorded in Rands by applying to the foreign currency amount the exchange rate between the Rand and the foreign currency at the date of the cash flow.

1.18 Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.

1.19 Fruitless and wasteful expenditure

Fruitless expenditure means expenditure which was made in vain and could have been avoided had reasonable care been exercised.

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the Statement of Financial Performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

Brand South Africa Trust Annual Financial Statements for the year ended 31 March 2021

Statement of Financial Position

1.20 Irregular expenditure

Irregular expenditure as defined in section 1 of the PFMA is expenditure other than unauthorised expenditure, incurred in contravention of or that is not in accordance with a requirement of any applicable legislation, including -

- (a) this Act; or
- (b) the State Tender Board Act, 1968 (Act No. 86 of 1968), or any regulations made in terms of the Act; or
- (c) any provincial legislation providing for procurement procedures in that provincial government.

National Treasury practice note no. 4 of 2008/2009 which was issued in terms of sections 76(1) to 76(4) of the PFMA requires the following (effective from 1 December 2018):

Irregular expenditure that was incurred and identified during the current financial and which was condoned before year end and/or before finalisation of the financial statements must also be recorded appropriately in the irregular expenditure register. In such an instance, no further action is also required with the exception of updating the note to the financial statements.

Irregular expenditure that was incurred and identified during the current financial year and for which condonement is being awaited at year end must be recorded in the irregular expenditure register. No further action is required with the exception of updating the note to the financial statements.

Where irregular expenditure was incurred in the previous financial year and is only condoned in the following financial year, the register and the disclosure note to the financial statements must be updated with the amount condoned.

Irregular expenditure that was incurred and identified during the current financial year and which was not condoned by the National Treasury or the relevant authority must be recorded appropriately in the irregular expenditure register. If liability for the irregular expenditure can be attributed to a person, a debt account must be created if such a person is liable in law. Immediate steps must thereafter be taken to recover the amount from the person concerned. If recovery is not possible, the accounting officer or accounting authority may write off the amount as debt impairment and disclose such in the relevant note to the financial statements. The irregular expenditure register must also be updated accordingly. If the irregular expenditure has not been condoned and no person is liable in law, the expenditure related thereto must remain against the relevant programme/expenditure item, be disclosed as such in the note to the financial statements and updated accordingly in the irregular expenditure register.

1.21 Segment information

A segment is an activity of an entity:

- that generates economic benefits or service potential (including economic benefits or service potential relating to transactions between activities of the same entity);
- whose results are regularly reviewed by management to make decisions about resources to be allocated to that activity and in assessing its performance; and
- for which separate financial information is available.

Reportable segments are the actual segments which are reported on in the segment report. They are the segments identified above or alternatively an aggregation of two or more of those segments where the aggregation criteria are met.

Measurement

The amount of each segment item reported is the measure reported to management for the purposes of making decisions about allocating resources to the segment and assessing its performance. Adjustments and eliminations made in preparing the entity's financial statements and allocations of revenues and expenses are included in determining reported segment surplus or deficit only if they are included in the measure of the segment's surplus or deficit that is used by management. Similarly, only those assets and liabilities that are included in the measures of the segment's assets and segment's liabilities that are used by management are reported for that segment. If amounts are allocated to reported segment surplus or deficit, assets or liabilities, those amounts are allocated on a reasonable basis.

If management uses only one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities in assessing segment performance and deciding how to allocate resources, segment surplus or deficit, assets and liabilities are reported in terms of that measure. If management uses more than one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities, the reported measures are those that management believes are determined in accordance with the measurement principles most consistent with those used in measuring the corresponding amounts in the entity's financial statements.



Brand South Africa Trust Annual Financial Statements for the year ended 31 March 2021

Statement of Financial Position

1.22 Budget information

Brand South Africa is typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, appropriation or similar arrangements.

General purpose financial reporting by Brand South Africa shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The approved budget is prepared on an accrual basis and presented by economic classification linked to performance outcome objectives.

The approved budget covers the fiscal period from 01/04/2020 to 31/03/2021.

The annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of comparison of budget and actual amounts.

Comparative information is not required.

1.23 Related parties

Management are those persons responsible for planning, directing and controlling the activities of the entity, including those charged with the governance of the entity in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are considered to be those family members who may be expected to influence, or be influenced by, that management in their dealings with the entity.

Only transactions with related parties not at arm's length or not in the ordinary course of the business are disclosed.

1.24 Events after reporting date

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

Brand South Africa will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

Brand South Africa will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

Brand South Africa Trust Annual Financial Statements for the year ended 31 March 2021

Statement of Financial Position

2. New standards and interpretations

2.1 Standards and interpretations effective and adopted in the current

In the current year, the entity has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

| Standard/ Interpretation: | Effective date: Years beginning on or after | Expected impact: |
|---|--|------------------------------------|
| • GRAP 1 (revised): Applying the Probability Test on Initial Recognition of Revenue | 01 April 2020 | The impact of the is not material. |

2.2 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 2021 or later periods:

| Standard/ Interpretation: | Effective date: Years beginning on or after | Expected impact: |
|--|--|--|
| • GRAP 25 Employee benefits | Not yet confirmed | Unlikely there will be a material impact |
| • GRAP 104 Financial Instruments (Amended) | Not yet confirmed | Unlikely there will be a material impact |

IGRAP 20: Accounting for Adjustments to Revenue

As per the background to this Interpretation of the Standards of GRAP, there are a number of legislative and regulatory processes that govern how entities levy, charge or calculate revenue, in the public sector. Adjustments to revenue already recognised in terms of legislation or similar means arise from the completion of an internal review process within the entity, and/or the outcome of an external appeal or objection process undertaken in terms of legislation or similar means. Adjustments to revenue include any refunds that become payable as a result of the completion of a review, appeal or objection process. The adjustments to revenue already recognised following the outcome of a review, appeal or objection process can either result in a change in an accounting estimate, or a correction of an error.

As per the scope, this Interpretation of the Standards of GRAP clarifies the accounting for adjustments to exchange and non-exchange revenue charged in terms of legislation or similar means, and interest and penalties that arise from revenue already recognised as a result of the completion of a review, appeal or objection process. Changes to the measurement of receivables and payables, other than those changes arising from applying this Interpretation, are dealt with in accordance with the applicable Standards of GRAP. The principles in this Interpretation may be applied, by analogy, to the accounting for adjustments to exchange or non-exchange revenue that arises from contractual arrangements where the fact patterns are similar to those in the Interpretation.

The interpretation sets out the issues and relating consensus with accounting for adjustments to revenue.



Brand South Africa Trust Annual Financial Statements for the year ended 31 March 2021

Statement of Financial Position

2. New standards and interpretations (continued)

GRAP 1 (amended): Presentation of Financial Statements

Amendments to this Standard of GRAP, are primarily drawn from the IASB's Amendments to IAS 1. Summary of amendments are:
Materiality and aggregation

The amendments clarify that:

- information should not be obscured by aggregating or by providing immaterial information;
- materiality considerations apply to all parts of the financial statements; and
- even when a Standard of GRAP requires a specific disclosure, materiality considerations apply.

Statement of financial position and statement of financial performance

The amendments clarify that the list of line items to be presented in these statements can be disaggregated and aggregated as relevant and additional guidance on subtotals in these statements.

Notes structure

The amendments add examples of possible ways of ordering the notes to clarify that understandability and comparability should be considered when determining the order of the notes and to demonstrate that the notes need not be presented in the order listed in GRAP 1.

The objective of this Standard is to prescribe the accounting and disclosure requirements for investments in controlled entities, joint ventures and associates when an entity prepares separate financial statements.

It furthermore covers Definitions, Preparation of separate financial statements, Disclosure, Transitional provisions and Effective date.

The effective date of the standard is for years beginning on or after 01 April 2020.

The entity expects to adopt the standard for the first time in the 2020/2021 annual financial statements.

Brand South Africa Trust Annual Financial Statements for the year ended 31 March 2021

Notes to the Annual Financial Statements

3. Property, plant and equipment

| | March 2021 | | | March 2020 | | |
|------------------------|--------------------|--|-------------------|--------------------|--|-------------------|
| | Cost/ Valuation | Accumulated depreciation and accumulated impairment | Carrying value | Cost/ Valuation | Accumulated depreciation and accumulated impairment | Carrying value |
| | R | R | R | R | R | R |
| Leasehold property | 1,443,991 | (1,372,049) | 71,942 | 1,443,991 | (1,156,221) | 287,770 |
| Furniture and fixtures | 2,389,385 | (1,955,883) | 433,502 | 2,389,385 | (1,665,796) | 723,589 |
| Motor vehicles | 1,055,976 | (998,825) | 57,151 | 1,055,976 | (787,629) | 268,347 |
| Office equipment | 4,518,710 | (2,714,096) | 1,804,614 | 4,381,879 | (1,940,960) | 2,440,919 |
| IT equipment | 6,052,193 | (5,006,531) | 1,045,662 | 5,576,066 | (4,122,362) | 1,453,704 |
| Total | 15,460,255 | (12,047,384) | 3,412,871 | 14,847,297 | (9,672,968) | 5,174,329 |

Reconciliation of property, plant and equipment - 31 March 2021

| | Opening balance | Additions | Depreciation | Total |
|------------------------|------------------|----------------|--------------------|------------------|
| Leasehold property | 287,770 | - | (215,828) | 71,942 |
| Furniture and fixtures | 723,589 | - | (290,087) | 433,502 |
| Motor vehicles | 268,347 | - | (211,196) | 57,151 |
| Office equipment | 2,440,919 | 136,831 | (773,136) | 1,804,614 |
| IT equipment | 1,453,704 | 476,128 | (884,170) | 1,045,662 |
| | 5,174,329 | 612,959 | (2,374,417) | 3,412,871 |

Reconciliation of property, plant and equipment - 31 March 2020

| | Opening balance | Additions | Depreciation | Total |
|------------------------|------------------|------------------|--------------------|------------------|
| Leasehold property | 503,597 | - | (215,827) | 287,770 |
| Furniture and fixtures | 983,268 | 24,209 | (283,888) | 723,589 |
| Motor vehicles | 479,543 | - | (211,196) | 268,347 |
| Office equipment | 1,158,838 | 1,960,241 | (678,160) | 2,440,919 |
| IT equipment | 1,900,817 | 716,656 | (1,163,769) | 1,453,704 |
| | 5,026,063 | 2,701,106 | (2,552,840) | 5,174,329 |

Pledged as security

There are no assets that are pledged as a security and no restrictions are attached to the entity's assets.



Brand South Africa Trust Annual Financial Statements for the year ended 31 March 2021

Notes to the Annual Financial Statements

4. Intangible assets

| | 31 March 2021 | | | 31 March 2020 | | |
|--------------------------|--------------------|---|-------------------|---------------------|---|------------------|
| | Cost/ Valuation | Accumulated amortisation and accumulated impairment | Carrying value | Cost / Valuation | Accumulated amortisation and accumulated impairment | Carrying value |
| Computer software, other | 15,046,776 | (7,665,372) | 7,381,404 | 15,046,776 | (6,178,866) | 8,867,910 |
| Mobile application | 425,000 | - | 425,000 | 425,000 | - | 425,000 |
| Total | 15,471,776 | (7,665,372) | 7,806,404 | 15,471,776 | (6,178,866) | 9,292,910 |

Reconciliation of intangible assets - 31 March 2021

| | Opening balance | Amortisation | Total |
|--------------------|------------------|--------------------|------------------|
| Computer software | 8,867,910 | (1,486,506) | 7,381,404 |
| Mobile application | 425,000 | - | 425,000 |
| | 9,292,910 | (1,486,506) | 7,806,404 |

Reconciliation of intangible assets - 31 March 2020

| | Opening balance | Additions | Amortisation | Total |
|--------------------|-------------------|----------------|--------------------|------------------|
| Computer software | 10,853,239 | 173,000 | (2,158,329) | 8,867,910 |
| Mobile application | - | 425,000 | - | 425,000 |
| | 10,853,239 | 598,000 | (2,158,329) | 9,292,910 |

Other information

Intangible assets with indefinite lives:

| | | |
|--------------------|---|---------|
| Mobile application | - | 425,000 |
|--------------------|---|---------|

The useful life of the mobile application is considered to be indefinite. The mobile application is used for external organisational events and in-house activities, which form an integral part of the entity's mandate. It is not bound by any expiry period as it will be in use for as long as the entity exists, furthermore, there is no foreseeable limit to the period over which this asset is expected to provide service potential for the entity.

The above consideration is in line with GRAP 31, furthermore, the mobile application is reviewed at each reporting period to determine whether events and circumstances continue to support an indefinite useful life assessment. If the circumstances do not support this assessment, the change in the useful life assessment from indefinite to finite shall be accounted for as a change in an accounting estimate in accordance with GRAP 3.

Brand South Africa Trust Annual Financial Statements for the year ended 31 March 2021

Notes to the Annual Financial Statements (continued)

5. Heritage assets

| | 31 March 2021 | | | 31 March 2020 | | |
|-----------------|-------------------------|--|------------------------|-------------------------|--|------------------------|
| | Cost/ Valuation R | Accumulated impairment losses R | Carrying value R | Cost/ Valuation R | Accumulated impairment losses R | Carrying value R |
| Art Collections | 170,556 | - | 170,556 | 170,556 | - | 170,556 |

Reconciliation of heritage assets – 31 March 2021

| | Opening balance | Total |
|-----------------|-----------------|---------|
| Art Collections | 170,556 | 170,556 |

Reconciliation of heritage assets – 31 March 2020

| | Opening balance | Total |
|-----------------|-----------------|---------|
| Art Collections | 170,556 | 170,556 |

Heritage assets

The heritage assets comprise of works of art such as collage mirrors, beaded mirrors, beaded sable, sculptures, paintings and jewelled bowls. These items were classified as heritage assets because they meet the definition criteria of GRAP 103. The cost of heritage assets is based on purchase price of the asset subsequently measured using cost model.

6. Other deposits

At cost

Deposits paid on leased property

| | March 2021 R | March 2020 R |
|----------------------------------|-----------------|-----------------|
| Deposits paid on leased property | 1,068,097 | 1,068,097 |

Other deposits represents amounts paid over by Brand South Africa as a collateral on the office space rental. The counterparties have an obligation to return the deposits to Brand South Africa at the end of the lease on 31 July 2021. These are carried at cost and have not been discounted. There are no other significant terms and conditions associated with the use of collateral.



Brand South Africa Trust Annual Financial Statements for the year ended 31 March 2021

Notes to the Annual Financial Statements (continued)

7. Operating lease asset (accrual)

Current liabilities

| March 2021 R | March 2020 R |
|------------------|------------------|
| | |
| (231,195) | (796,297) |

8. Employee benefit obligations**Defined contribution plan**

It is the policy of Brand South Africa to provide retirement benefits to all its permanent employees. Brand South Africa operates a defined contribution provident fund, which is subject to the Pensions Fund Act. The Fund is administered by Sanlam as an Umbrella Fund because of its size. Under the current arrangement, both the employer and employee contribute 7.5% of retirement funding with the employer funding the operating costs over and above the retirement contributions.

Brand South Africa is under no obligation to cover any unfunded benefits.

The amount recognised as an expense for defined contribution plans
Total number of employees participating in the plan

| March 2021 R | March 2020 R |
|-----------------|-----------------|
| 3,768,135 | 3,572,597 |
| 44 | 44 |

9. Prepayments and deposits

Computer licences
Legal fees – Security bond

| | |
|------------------|----------------|
| 843,408 | 976,307 |
| 3,379,966 | - |
| 4,223,374 | 976,307 |

Legal fees – Security bond relates to a security bond filed with the Labour Court in order to stay the execution of the CCMA arbitration award, pending a final determination on the merits of the case by the Labour Court.

Brand South Africa Trust Annual Financial Statements for the year ended 31 March 2021

Notes to the Annual Financial Statements (continued)

10. Receivables from exchange transactions

Trade debtors
Income accrued
Staff debt
Other receivables
Allowance for doubtful debts

| | March 2021 R | March 2020 R |
|--|-----------------|------------------|
| | 846,277 | 1,004,545 |
| | 62,571 | 153,965 |
| | 14,821 | 68,210 |
| | 22,375 | 22,575 |
| | (22,375) | (22,375) |
| | 923,669 | 1,226,920 |
| | | |
| | - | 1,004,545 |
| | 846,277 | - |

Trade receivable ageing

Trade receivables: Current
Trade receivables: +180 days

The receivables in the 180 days ageing category relate to an amount that was paid for a SAFTA event that was cancelled in the previous year. The amount will be recovered immediately after year-end in the next SAFTAs event to be held in May 2021, hence there is no impairment provision at year end.

Reconciliation of provision for impairment of trade receivables

Opening balance
Amounts written off as uncollectible

| | | |
|--|---------------|---------------|
| | 22,375 | 157,375 |
| | - | (135,000) |
| | 22,375 | 22,375 |



Brand South Africa Trust Annual Financial Statements for the year ended 31 March 2021

Notes to the Annual Financial Statements (continued)

11. Debt impairment

Debt impairment

12. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand

Bank balances

Credit quality of cash at bank and short term deposits, excluding cash on hand

Credit rating

Nedbank: Ba1

| | March 2021 R | March 2020 R |
|--|-------------------|-------------------|
| | - | 179,000 |
| | | |
| | 1,420 | 3,822 |
| | 26,430,751 | 25,856,149 |
| | 26,432,171 | 25,859,971 |
| | | |
| | 26,430,751 | 25,856,149 |

Brand South Africa Trust Annual Financial Statements for the year ended 31 March 2021

Notes to the Annual Financial Statements (continued)

13. Provisions**Reconciliation of provisions – 31 March 2021**

| | Opening Balance | Additions | Utilised during the year | Reversed during the year | Total |
|-----------------|-------------------|------------------|--------------------------|--------------------------|------------------|
| Leave provision | 2,803,513 | 1,732,423 | (311,357) | – | 4,224,579 |
| Bonus provision | 7,324,856 | 4,665,871 | (7,166,732) | (158,124) | 4,665,871 |
| | 10,128,369 | 6,398,294 | (7,478,089) | (158,124) | 8,890,450 |

Reconciliation of provisions – 31 March 2020

| | | | | | |
|-----------------|------------------|------------------|--------------------|------------------|-------------------|
| Leave provision | 2,813,542 | 1,586,895 | (1,596,924) | – | 2,803,513 |
| Bonus provision | 6,886,687 | 6,365,153 | (5,600,136) | (326,848) | 7,324,856 |
| | 9,700,229 | 7,952,048 | (7,197,060) | (326,848) | 10,128,369 |

The leave provision relates to employees' accumulated leave at year end. The provision is based on the assumption that employees will commute leave on demand and on resignation.

The bonus provision relates to Brand South Africa's best estimate for performance related bonus payment at year end. The performance bonuses have been determined using the Brand South Africa's performance bonus policy.

14. Payables from exchange transactions

Trade payables
Salary related payables
Accrued operating expenses

Total**Ageing of trade payables**

Trade payables – Current

| | March 2021 R | March 2020 R |
|----------------------------|-------------------|-------------------|
| Trade payables | 11,622,840 | 9,284,590 |
| Salary related payables | 995,405 | 411,059 |
| Accrued operating expenses | 6,330,575 | 6,848,639 |
| Total | 18,948,820 | 16,544,288 |
| Trade payables – Current | 11,622,842 | 9,284,591 |



Brand South Africa Trust Annual Financial Statements for the year ended 31 March 2021

Notes to the Annual Financial Statements (continued)

15. Total Revenue

| |
|--------------------------------------|
| Other income |
| Partnership income – related parties |
| Finance income |
| Government grant |

The amount included in revenue arising from exchanges of goods or services are as follows:

| |
|--------------------------------------|
| Other income |
| Partnership income – related parties |
| Finance income |

The amount included in revenue arising from non-exchange transactions is as follows:

| |
|-----------------------------------|
| Transfer revenue |
| Government grants – unconditional |

16. Other income

| |
|--------------------------------------|
| Amounts recovered |
| Partnership Income – related parties |

17. Finance Income**Interest revenue**

| |
|------------------------|
| Cash and bank deposits |
|------------------------|

The total interest income earned by Brand South Africa is from both current and call accounts at an average interest rate of 5% per annum (2020: 5%) as well as interest earned from financial instruments carried at amortised cost whose average interest is 3% (2020: 3%). Brand South Africa invests its money with Nedbank which has a Ba1 rating.

| March 2021 R | March 2020 R |
|--------------------|--------------------|
| 158,419 | 674,654 |
| – | 300,000 |
| 1,032,465 | 1,335,633 |
| 179,501,000 | 207,914,000 |
| 180,691,884 | 210,224,287 |
| 158,419 | 674,654 |
| – | 300,000 |
| 1,032,465 | 1,335,633 |
| 1,190,884 | 2,310,287 |
| 179,501,000 | 207,914,000 |
| 158,419 | 674,654 |
| – | 300,000 |
| 158,419 | 974,654 |
| 1,032,465 | 1,335,633 |

Brand South Africa Trust Annual Financial Statements for the year ended 31 March 2021

Notes to the Annual Financial Statements (continued)

18. Employee related costs

| | March 2021 R | March 2020 R |
|--|-------------------|-------------------|
| Basic | 49,319,429 | 48,426,328 |
| Bonus | 4,665,871 | 5,653,137 |
| Medical aid – company contributions | 675,605 | 644,759 |
| UIF | 105,981 | 102,929 |
| WCA | 298,368 | 313,125 |
| SDL | 387,734 | 519,924 |
| Defined contribution plans | 3,768,135 | 3,572,200 |
| Travel, motor car, accommodation, subsistence and other allowances | 54,748 | 156,798 |
| Overtime payments | 3,715 | 4,890 |
| Long-service awards | 380,000 | – |
| Acting allowances | 4,739,227 | 2,683,354 |
| Travel allowance | 424,726 | 1,136,323 |
| Cost of living allowance – COLA | 5,557,279 | 5,434,165 |
| | 70,380,818 | 68,647,932 |

Remuneration of Acting Chief Executive Officer – T.G Manzini (09 Apr 2019 – 31 Mar 2021)

| | | |
|---|------------------|------------------|
| Annual Remuneration | 1,591,209 | 1,494,545 |
| Acting Allowance | 1,767,166 | 1,748,015 |
| Contributions to UIF, Medical and Pension Funds | 1,785 | 1,636 |
| Performance bonus | 279,716 | – |
| Reimbursive expenses | 38,115 | – |
| | 3,677,991 | 3,244,196 |

Remuneration of Acting Chief Executive Officer – T. Kunene-Msimang (13 Aug 2018 – 08 Apr 2019)

| | | |
|---|----------|----------------|
| Annual Remuneration | – | 85,943 |
| Leave payout | – | 225,631 |
| Contributions to UIF, Medical and Pension Funds | – | 297 |
| | – | 311,871 |



Brand South Africa Trust Annual Financial Statements for the year ended 31 March 2021

Notes to the Annual Financial Statements (continued)

18. Employee related costs (continued)**Remuneration of Director: Governance, Legal & Secretariat – S.S Nyoni**

| | |
|---|--|
| Annual Remuneration | |
| Performance Bonuses | |
| Contributions to UIF, Medical and Pension Funds | |
| Long service award | |

Remuneration of Chief Executive Officer – L.M Makhubela (Contract ended 31 July 2020)

| | |
|---|--|
| Annual Remuneration | |
| Contributions to UIF, Medical and Pension Funds | |
| Performance Bonuses | |
| Leave payout | |

Remuneration of Acting Chief Financial Officer – K. Seripe (7 Mar 2019 – to date)

| | |
|---|--|
| Annual Remuneration | |
| Acting Allowance | |
| Performance Bonuses | |
| Contributions to UIF, Medical and Pension Funds | |
| Long service award and pay progression | |
| Reimbursive expenses | |

| March 2021 R | March 2020 R |
|------------------|------------------|
| | |
| 1,790,378 | 1,716,778 |
| 292,430 | 247,822 |
| 159,505 | 152,545 |
| 27,871 | - |
| 2,270,184 | 2,117,145 |
| | |
| 1,306,158 | 3,789,349 |
| 744 | 1,785 |
| 70,612 | - |
| 1,092,683 | - |
| 2,470,197 | 3,791,134 |
| | |
| 1,045,166 | - |
| 1,430,901 | 940,154 |
| 174,646 | - |
| 120,978 | - |
| 20,673 | - |
| 6,937 | - |
| 2,799,301 | 940,154 |

Brand South Africa Trust Annual Financial Statements for the year ended 31 March 2021

Notes to the Annual Financial Statements (continued)

18. Employee related costs (continued)**Remuneration of Acting Chief Marketing Officer – T.D Modise (01 Apr 2020 – 30 Sep 2020)**

Annual Remuneration

Acting Allowance

Performance Bonuses

Contributions to UIF, Medical and Pension Funds

Long service award and pay progression

Reimbursive expenses

Remuneration of Acting Chief Marketing Officer – J Smith-Hohn (01 Oct 2020 – 31 Mar 2021)

Annual Remuneration

Acting Allowance

Performance Bonuses

Contributions to UIF, Medical and Pension Funds

Long service award and pay progression

Remuneration of Director: Corporate Services – K Kisoonduth

Annual Remuneration

Contributions to UIF, Medical and Pension Funds

Performance Bonuses

Pay progression

Remuneration of Acting Chief Marketing Officer – S Ntombela (11 Feb 2019 – 31 Mar 2020)

Acting Allowance

Remuneration of Chief Financial Officer – N Thomas (Terminated employment on 04 December 2019)

Annual Remuneration

Contributions to UIF, Medical and Pension Funds

| | March 2021 R | March 2020 R |
|--|------------------|------------------|
| | 1,149,327 | - |
| | 677,374 | - |
| | 185,466 | - |
| | 87,984 | - |
| | 26,334 | - |
| | 2,803 | - |
| | 2,129,288 | - |
| | 1,267,742 | - |
| | 575,174 | - |
| | 245,489 | - |
| | 96,865 | - |
| | 22,502 | - |
| | 2,207,772 | - |
| | 1,612,587 | 1,597,202 |
| | 162,011 | 175,183 |
| | 318,708 | - |
| | 24,346 | - |
| | 2,117,652 | 1,772,385 |
| | - | 957,319 |
| | - | 928,275 |
| | - | 203,119 |
| | - | 1,131,394 |



Brand South Africa Trust Annual Financial Statements for the year ended 31 March 2021

Notes to the Annual Financial Statements (continued)

19. General expenses

| | March 2021 R | March 2020 R |
|---|-------------------|-------------------|
| Advertising | 7,132,860 | 1,226,318 |
| Auditor's remuneration | 4,609,716 | 2,958,146 |
| Bank charges | 76,918 | 104,890 |
| Computer expenses | 4,091,222 | 2,421,985 |
| Consulting and professional fees - Other | 3,463,004 | 3,698,039 |
| Consumables | 19,586 | 378,085 |
| Courier & Delivery expenses | 115,625 | 60,655 |
| Consulting and professional fees -Legal fees | 1,356,524 | 2,926,642 |
| Insurance | 337,353 | 331,959 |
| Conferences and Seminars | 32,619 | 494,013 |
| Motor vehicle expenses | 88,073 | 68,953 |
| Placement fees | 1,070,839 | 928,800 |
| Printing and stationery | 12,494 | 432,537 |
| Repairs and maintenance | 299,108 | 58,598 |
| Security | - | 24,013 |
| Staff Wellness expenses | 60,070 | 16,138 |
| Subscriptions and membership fees | 378,310 | 1,044,610 |
| Telephone and internet | 3,115,860 | 3,556,542 |
| Staff training and development | 1,076,064 | 1,243,584 |
| Travel and subsistence-domestic | 346,697 | 6,007,352 |
| Travel and subsistence- overseas | 362,460 | 4,688,411 |
| Water and electricity | 1,460,043 | 1,438,799 |
| Other operating expenses | 45,475 | 220,821 |
| Removal and storage costs | 18,224 | 34,103 |
| Independent audit and risk committee remuneration | - | 74,400 |
| Board remuneration | 961,994 | 865,040 |
| Venue expenses | 9,700 | 4,485,990 |
| | 30,540,838 | 39,789,423 |

Brand South Africa Trust Annual Financial Statements for the year ended 31 March 2021

Notes to the Annual Financial Statements (continued)

20. Brand, Communication and Reputation costs

| |
|---|
| Research fees (i) |
| Branding and collateral (ii) |
| Media buy (iii) |
| Agency – Digital management |
| Agency – Reputation management |
| Agency – Public relations & communication (iv) |
| Activation fees – Domestic and International activities (v) |

| March 2021 R | March 2020 R |
|-------------------|-------------------|
| 2,799,645 | 3,103,332 |
| 2,342,762 | 3,008,156 |
| 31,741,795 | 17,441,349 |
| 1,141,621 | 340,750 |
| 2,017,098 | 3,292,331 |
| 5,545,632 | 4,760,914 |
| 26,651,611 | 56,439,163 |
| 72,240,164 | 88,385,995 |

- (i) Research fees decreased due to the cancellation of the tender for International perception study.
- (ii) Branding and Collateral decreased due to the BRICS and SAPBA events that did not take place in the current year.
- (iii) Media buy increased in line with the new norm of virtual events and the COVID-19 outbreak necessitated enhanced communication interventions and reputation management activities.
- (iv) Public relations and communications increased due to the appointment of service providers through which the reputation and public relations funds were utilised.
- (v) Activations also decreased due to the significant budget cuts and the utilization of online platforms. The prior year reflects standard budget allocation and spend.

21. Auditor's remuneration

| |
|----------------|
| External audit |
| Internal audit |

| | |
|------------------|------------------|
| 2,728,876 | 1,536,137 |
| 1,880,840 | 1,422,009 |
| 4,609,716 | 2,958,146 |



Brand South Africa Trust Annual Financial Statements for the year ended 31 March 2021

Notes to the Annual Financial Statements (continued)

22. Operating surplus / deficit

Operating surplus / (deficit) for the year is stated after accounting for the following:

Operating lease charges

Premises

- Contractual amounts-Office rental JHB

Equipment

- Contractual amounts

Loss on exchange differences

Depreciation and Amortisation expense

Employee costs

23. Repairs and maintenance

– Office building

– Motor vehicles

| | March 2021 R | March 2020 R |
|--|------------------|------------------|
| | | |
| | 3,783,604 | 3,756,309 |
| | 171,415 | 244,095 |
| | 3,955,019 | 4,000,404 |
| | 47,586 | 280,657 |
| | 3,860,922 | 4,711,168 |
| | 70,380,818 | 68,647,932 |
| | | |
| | 299,108 | 28,569 |
| | - | 30,029 |
| | 299,108 | 58,598 |

Brand South Africa Trust Annual Financial Statements for the year ended 31 March 2021

Notes to the Annual Financial Statements (continued)

24. Cash generated from operations

(Deficit) / Surplus for the year

Adjustments for:

Depreciation and amortisation

Loss on foreign exchange

Movement in financial assets

Movements in lease liability

Movements in provisions

Movement in lease assets

Changes in working capital:

Prepayments

Receivables from exchange transactions

Payables from exchange transactions

25. Commitments

Authorised and approved expenditure

Already contracted for but not provided for

- Open Purchase orders
- Tenders
- Request for quotations (RFQ)

Total commitments

Already contracted for but not provided for

Operating leases – as lessee (expense)

Operating lease payments represent rentals payable by Brand South Africa for its office space located at 103 Central Street Houghton. The lease for the building for the Houghton office was renewed for a further 5 years on the 01 August 2016 to 31 July 2021.

| | March 2021 R | March 2020 R |
|---|-------------------|-------------------|
| (Deficit) / Surplus for the year | (333,460) | 4,229,708 |
| Adjustments for: | | |
| Depreciation and amortisation | 3,860,922 | 4,711,168 |
| Loss on foreign exchange | 47,586 | - |
| Movement in financial assets | - | (30,294) |
| Movements in lease liability | (565,102) | (233,365) |
| Movements in provisions | (1,237,919) | 754,987 |
| Movement in lease assets | - | 7,985 |
| Changes in working capital: | | |
| Prepayments | (3,247,027) | (295,030) |
| Receivables from exchange transactions | 303,251 | 648,146 |
| Payables from exchange transactions | 2,356,906 | (7,300,754) |
| | 1,185,157 | 2,492,551 |
| | | |
| Authorised and approved expenditure | | |
| Already contracted for but not provided for | | |
| • Open Purchase orders | 406,278 | 6,745,976 |
| • Tenders | 7,064,283 | 17,048,422 |
| • Request for quotations (RFQ) | 4,294,158 | 1,862,374 |
| | 11,764,719 | 25,656,772 |
| Total commitments | | |
| Already contracted for but not provided for | 11,764,719 | 25,656,772 |



Brand South Africa Trust Annual Financial Statements for the year ended 31 March 2021

Notes to the Annual Financial Statements (continued)

25. Commitments (continued)**Minimum lease payments due – Office building**

- within one year
- in second to fifth year inclusive

Minimum lease payments due – Office equipment

- within one year
- in second to fifth year inclusive

| March 2021 R | March 2020 R |
|------------------|------------------|
| 1,491,105 | 4,350,196 |
| – | 1,491,105 |
| 1,491,105 | 5,841,301 |
| 122,028 | 91,702 |
| 115,535 | 23,255 |
| 237,563 | 114,957 |

Operating lease payments for office equipment represent rentals payable by Brand South Africa for leasing PABX telephone lines for a period of 3 years from 1 July 2018 until 30 June 2021 and printing machines.

26. Contingencies

Brand South Africa terminated two contracts with service providers during the last two financial years. The cases are pending before the Arbitration Foundation of Southern Africa and High Court respectively.

The entity's legal representatives and management consider the prospects of success of both actions taken against Brand South Africa to be remote. The estimate of the financial impact for the termination of both contracts is R12,000,000.

Brand South Africa has been issued with a claim from the Department of Labour for an alleged non-compliance with the Employment Equity Act. The entity's legal representatives and management consider the prospects of success of the case against Brand South Africa to be remote. The estimate of the financial impact for this claim is R1,530,000.

In addition, there are currently two pending legal proceedings against the entity by two former Brand South Africa employees. The cases are pending before the Labour Court. The entity's legal representatives and management consider the prospects of success of both actions taken against Brand South Africa to be remote. The cases are expected to be resolved within the next financial year.

The estimated financial impact on one of the cases is R933,832 while the other is not determinable. However, the entity has filed a security bond to the sum of R3,379,966 with the Labour Court in order to stay the execution of the CCMA arbitration award, pending a final determination on the merits of the case by the Labour Court.

Brand South Africa Trust Annual Financial Statements for the year ended 31 March 2021

Notes to the Annual Financial Statements (continued)

27. Related parties

Related party

The Presidency
 South African Broadcasting Corporation (SABC)
 The Government Printing Works
 National Treasury
 Proudly South African
 Department of Trade and Industry
 Council for Scientific and Industrial Research (CSIR)
 Department of International Relations and Cooperation (DIRCO)
 Members of key management
 Media, Information and Communication Technologies (MICT) SETA
 Media Development and Diversity Agency (MDDA) Government Communication and Information System (GCIS)

Executive authority
 Strategic Partner trade related activities
 Refer to note 18
 Strategic Partner trade related activities
 Entity of the same Executive Authority Executive Authority

Related party balances

Amounts included in accounts receivables regarding related parties

Department of International Relations and Cooperation
 National Film and Video Foundation (NFVF)

Transfer payments

The Presidency through GCIS

Related party transactions

Amounts included in Other Income regarding related parties

MICT SETA

Transactions with all the related parties are at arms length. The amounts outstanding are unsecured, interest free and repayable within 30 days.

| | March 2021 R | March 2020 R |
|--|-----------------|-----------------|
| | – | 10,330 |
| | 844,742 | 844,742 |
| | 179,501,000 | 207,914,000 |
| | 31,328 | 495,655 |



Brand South Africa Trust Annual Financial Statements for the year ended 31 March 2021

Notes to the Annual Financial Statements (continued)

28. Remuneration of independent ARCO members

The board term ended on 31 May 2019 and the newly elected board commenced on the 13th of November 2019. There were no independent ARCO members in the current year.

Luyanda Mangquku

Thuli Mashanda

| March 2021 R | March 2020 R |
|-----------------|-----------------|
| – | 38,000 |
| – | 36,400 |

29. Remuneration of board members

The Brand South Africa board members are paid fees as per the National Treasury circular relating to committee fees.

Non-Executive

Current board members – service term commenced on 13 November 2019

Thandi Tobias – Pokolo (Chairperson)

Andrew Madella

Bushang Modipane

Rachel Kalidass

Sisanda Nkoala

Tebogo Mamorobela (Suspended 20 April 2020)

Mlungisi Johnson

Stavros Nicolaou

Muditambi Ravele

Loretta Jacobus

Keabetswe Modimoeng (Deputy Chairperson) (Resigned 23 June 2020)

Johannes Sebulela

Ylva Rodny-Gumede

Geoffrey Rothschild (Term ended 05 December 2020)

| | |
|------------------|----------------|
| 233,840 | 50,544 |
| 131,783 | 30,966 |
| 156,487 | 27,949 |
| 186,361 | 42,557 |
| 152,841 | 33,348 |
| 2,382 | 26,202 |
| 130,608 | 26,202 |
| 122,180 | 31,284 |
| 127,467 | 31,155 |
| 115,316 | 17,885 |
| – | – |
| 140,016 | 25,740 |
| 143,405 | 36,144 |
| 114,729 | 28,585 |
| 1,757,415 | 408,561 |

Brand South Africa Trust Annual Financial Statements for the year ended 31 March 2021

Notes to the Annual Financial Statements (continued)

29. Remuneration of independent ARCO members

Previous board members – service term ended 31 May 2019

| | |
|--|--|
| Khanyisile Kweyama (Chairperson) | |
| Babalwa Ngonyama | |
| Mpho Makwana | |
| Given Sibiyi | |
| Stavros Nicolaou | |
| Janine Hills | |
| Kuseni Dlamini | |
| Lehlohonolo Bonoko | |
| Geoffrey Rothschild | |
| Muditambi Ravele | |
| Mzimkulu Malunga | |
| Rashid Lombard | |
| Thembisile Kunene-Msimang (Acting CEO 13 Aug 2018 – 08 Apr 2019) | |

| March 2021 R | March 2020 R |
|-----------------|-----------------|
| | 69,984 |
| | 20,822 |
| | 16,966 |
| | 13,846 |
| | 62,975 |
| | 40,800 |
| | 11,910 |
| | 37,426 |
| | 23,820 |
| | 52,008 |
| | 14,480 |
| | 9,528 |
| | 21,236 |
| | 395,801 |

30. Risk management

Financial risk management

Brand South Africa'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.

Brand South Africa's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on Brand South Africa's financial performance. Risk management is carried out by management under policies approved by the accounting authority. The entity identifies, evaluates and hedges financial risks in close co-operation with Brand South Africa's operating units. The accounting authority provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.



Brand South Africa Trust Annual Financial Statements for the year ended 31 March 2021

Notes to the Annual Financial Statements (continued)

30. Risk management (continued)

Liquidity risk

Brand South Africa's risk to liquidity is a result of the funds available to cover future commitments. Brand South Africa manages liquidity risk through an ongoing review of future commitments.

Credit risk

The entity is exposed to credit risk mainly on cash deposits, cash equivalents, and trade debtors. Brand South Africa only deposits cash in a major bank with high quality credit standing.

Trade receivables are concentrated around a few major government departments. These are assessed to be high quality as they usually pay up their accounts within thirty (30) days of invoicing.

Financial instrument

Nedbank call account
Nedbank current account
Receivables from exchange transactions

| | March 2021 R | March 2020 R |
|--|-----------------|-----------------|
| | 16,144,922 | 18,105,461 |
| | 10,285,829 | 7,750,688 |
| | 946,044 | 1,249,295 |

Market risk

Interest rate risk

Brand South Africa's income and operating cash flows are largely independent of changes in market interest rates even though it generates investment revenue from excess cash deposited in the call account.

Foreign exchange risk

Brand South Africa operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar, Chinese Yuan Renminbi (CNY), Swiss Franc (CHF) and the UK pound. Foreign exchange risk arises from future commercial transactions and liabilities.

Foreign currency exposure at Statement of Financial Position date

Liabilities

Current, GBP 86 600 (2020 : GBP 10,000)

| | |
|-----------|---------|
| 1,309,306 | 221,811 |
|-----------|---------|

Exchange rates used for conversion of foreign items were:

Brand South Africa reviews its foreign currency exposure, including commitments on an ongoing basis.



Brand South Africa Trust Annual Financial Statements for the year ended 31 March 2021

Notes to the Annual Financial Statements (continued)

31. Going concern

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

Brand South Africa is expected to continue operating as a going concern inspite of the COVID-19 pandemic. There are no indications from the Executive Authority that the approved grant allocation for the financial year 2021/2022 will be stopped and the entity will continue to pursue its mandate in the foreseeable future.

The entity is pending a merger with SA Tourism. The process of the merger has not been finalised, nor is there any indication when this will take place. The pending merger has placed a moratorium on the filling of vacant positions. The pending merger does not contain material uncertainty to the entity's going concern as the Executive Authority has approved grant allocation for the organisation until 2024/25 financial year.

32. Fruitless and wasteful expenditure details

Opening balance as previously reported

Correction of prior period error

Opening balance as restated

Add: Expenditure identified – current

Less: Amount written off – current

Closing balance

| March 2021 R | March 2020 R |
|-----------------|-----------------|
| 267,935 | 1,499,055 |
| - | (1,236,280) |
| 267,935 | 262,775 |
| 6,510 | 5,160 |
| (111,018) | - |
| 163,427 | 267,935 |

Details of fruitless and wasteful expenditure

Booking Services cancelled

Penalties for late registration of Compensation fund – written off

Unauthorised leave taken by an employee – written off

| Amounts |
|------------------|
| 6,510 |
| (61,424) |
| (49,594) |
| (111,018) |



Brand South Africa Trust Annual Financial Statements for the year ended 31 March 2021

Notes to the Annual Financial Statements (continued)

33. Irregular expenditure

Opening balance as previously reported

Irregular expenditure incurred in the current year

Opening balance as restated

Less: Amounts condoned

Closing balance

| March 2021 R | March 2020 R |
|-------------------|-------------------|
| 32,784,572 | 25,452,839 |
| - | 7,331,733 |
| 32,784,572 | 32,784,572 |
| (2,074,494) | - |
| 30,710,078 | 32,784,572 |

34. Events after the reporting date

As at 31 March 2021, the entity was awaiting an approval for the retention of surplus funds amounting to R4,229,708 from National Treasury. Owing to that, the entity raised a contingent liability pending the results of the application.

Subsequent to the financial year end, a report was received from National Treasury allowing the entity to retain the surplus funds relating to the preceding financial period. Consequently, the contingent liability was cleared.

Further to the above, the entity had a lease contract for office building expiring on 31 July 2021. This contract was extended after year end with terms and conditions regarding lease deposit kept the same. The lease deposit was therefore kept under non-currents assets.

35. Segment information

General information

Identification of segments

Brand South Africa is organised and reports to management on geographic basis: South Africa, China, USA and UK. Management uses these same segments for determining strategic objectives. Segments were aggregated for reporting purposes.

Information reported about these segments is used by management as a basis for evaluating the segment performances and for making decisions about the allocation of resources. The disclosure of information about these segments are also considered appropriate for external reporting purposes.

Types of services by segment

All four segments perform administrative, communication, reputation and brand management services

Brand South Africa Trust Annual Financial Statements for the year ended 31 March 2021

Notes to the Annual Financial Statements (continued)

35. Segment information (continued)

Segment surplus or deficit, assets and liabilities 31 March 2021

| | South Africa | USA | UK | Total |
|---|--------------------|------------------|------------------|--------------------|
| Revenue | | | | |
| Revenue from non-exchange transactions | 179,501,000 | - | - | 179,501,000 |
| Interest revenue | 1,032,465 | - | - | 1,032,465 |
| Other income | 158,419 | - | - | 158,419 |
| Total segment revenue | 180,691,884 | - | - | 180,691,884 |
| Entity's revenue | | | | 180,691,884 |
| Expenditure | | | | |
| Salaries and wages | 65,037,994 | 3,005,453 | 2,337,371 | 70,380,818 |
| Other expenses | 106,161,413 | 1,721,819 | 2,761,294 | 110,644,526 |
| Total segment expenditure | 171,199,407 | 4,727,272 | 5,098,665 | 181,025,344 |
| Total segmental surplus | | | | (333,460) |
| Assets | | | | |
| Segment assets | 44,037,142 | - | - | 44,037,142 |
| Total assets as per Statement of Financial Position | | | | 44,037,142 |
| Liabilities | | | | |
| Segment liabilities | 28,070,465 | - | - | 28,070,465 |
| Total liabilities as per Statement of Financial Position | | | | 28,070,465 |

Other information

Capital expenditure

South Africa

612,958



Brand South Africa Trust Annual Financial Statements for the year ended 31 March 2021

Notes to the Annual Financial Statements (continued)

35. Segment information (continued)

Segment surplus or deficit, assets and liabilities – 2020

| | South Africa | China | USA | UK | Total |
|---|--------------------|------------------|------------------|------------------|--------------------|
| Revenue | | | | | |
| Revenue from non-exchange transactions | 207,914,000 | - | - | - | 207,914,000 |
| Interest revenue | 1,335,633 | - | - | - | 1,335,633 |
| Other income | 974,654 | - | - | - | 974,654 |
| Total segment revenue | 210,224,287 | - | - | - | 210,224,287 |
| Entity's revenue | | | | | 210,224,287 |
| Expenditure | | | | | |
| Salaries and wages | 59,202,886 | - | 4,845,599 | 4,599,447 | 68,647,932 |
| Other expenses | 130,263,937 | 1,105,226 | 2,295,759 | 3,681,725 | 137,346,647 |
| Total segment expenditure | 189,466,823 | 1,105,226 | 7,141,358 | 8,281,172 | 205,994,579 |
| Total segmental surplus/(deficit) | | | | | 4,229,708 |
| Assets | | | | | |
| Segment assets | 43,769,090 | - | - | - | 43,769,090 |
| Total assets as per Statement of Financial Position | | | | | 43,769,090 |
| Liabilities | | | | | |
| Segment liabilities | 27,468,954 | - | - | - | 27,468,954 |
| Total liabilities as per Statement of Financial Position | | | | | 27,468,954 |
| Other information | | | | | |
| Capital expenditure | | | | | 3,299,106 |

Brand South Africa Trust Annual Financial Statements for the year ended 31 March 2021

Notes to the Annual Financial Statements (continued)

36. Prior period errors

The financial statements have been restated to correct the misstatements that were recorded in the previous financial period. The nature of misstatements for different account balances is described below:

- 1. Commitments** – The balance of commitments was updated with an amount of R754,910 which was erroneously omitted in the previous year commitment register. The correction of this error has no impact on the face of the financial statements as it only relates to disclosure notes.
- 2. Provision for doubtful debts** – The provision for doubtful debts previously disclosed with other provisions has been reclassified to the impairment allowance account and included as part of trade and other receivables in line with GRAP 104.
- 3. Provision for leave** – The prior year leave provision was overstated by leave days which were not deducted from the closing balance of the prior year, therefore this resulted in a restatement of the opening balance.
- 4. Other deposits** – Lease deposit was reclassified from financial assets to other deposits resulting in recognition at cost from present value.

The correction of the error(s) results in adjustments as follows:

Statement of financial position

Provisions for doubtful debts
 Impairment allowance
 Leave provision
 Other deposits
 Opening Accumulated surplus or deficit

| | 2021 R | 2020 R |
|--|-----------|-----------|
| | – | (22,375) |
| | – | 22,375 |
| | – | (510,103) |
| | – | (41,829) |
| | – | 551,933 |



PART E
PERFORMANCE RESULTS





Brand South Africa 2020/2021 Annual Performance Report

PROGRAMME 1: ADMINISTRATION

| Outcome | Output | Output Indicators | Baseline 2019/2020 | Target 2020/2021 | Actual Annual Performance 2020/2021 | Variance Explanation | |
|--|--|--|-----------------------------|---|--|--|--|
| 1.Improved Reputation of Brand South Africa as an entity | 1.1. Develop a distinctive Brand South Africa corporate identity | 1.1.1. Approved organisational corporate identity | No baseline - New indicator | Approved Organisational corporate identity | Target not met: The target not met in this fiscal due to funds being re-channelled to COVID-19 initiatives. | The target was not achieved in quarter 1 of the 2020/2021 financial year. The target was not included in the revised Brand South Africa 2020/2021 Annual Performance Plan in response to COVID-19 which was implemented from 08 July 2020. | |
| | 1.2. Sound corporate governance | 1.2.1. Number of Board meetings in compliance with corporate governance principles | No baseline - New indicator | 4x quorate Board meetings | Target met: 4x quorate Board meetings held | No variance | |
| | | 1.2.2. Approved policy governance checklist | No baseline - New indicator | Approved Policy governance checklist | Target met: Approved Policy governance checklist | No variance | |
| | | 1.2.3. Number of Policy and Procedure awareness workshops conducted | No baseline - New indicator | 8x organisational policies and procedures workshops | Target met (exceeded): 9x organisational policies and procedures workshops | An opportunity arose for the Human Capital unit to conduct an additional workshop to the Governance, Legal & Board Secretariat department. | |

| Outcome | Output | Output Indicators | Baseline 2019/2020 | Target 2020/2021 | Actual Annual Performance 2020/2021 | Variance Explanation | |
|---------|---|--|--|--|---|---|--|
| | 1.3. Sound financial and procurement environment | 1.3.1. Unqualified audit opinion on financial information, with no other matters | Unqualified audit opinion on financial information | An unqualified audit opinion in financial statements and other matters | Target met: An unqualified audit opinion in financial statements and other matters | No variance | |
| | | 1.3.2. Percentage of valid payments made to suppliers within 30 days from the date of receipt of an invoice | No baseline – New indicator | 100% of valid payments made to suppliers within 30 days from the date of receipt of an invoice | Target met: 100% of valid payments made to suppliers within 30 days from the date of receipt of an invoice | No variance | |
| | | 1.3.3. Percentage spend on B-BBEE level 1 suppliers | No baseline – New indicator | 30% spend on B-BBEE level 1 suppliers | Target met (exceeded): 68% spend on B-BBEE level 1 suppliers | Brand Agencies had a significant contribution to the on B-BBEE level 1 suppliers spend. | |
| | | 1.3.4. Percentage achievement of Supply Chain Management compliance checklist | No baseline – New indicator | 100% achievement of SCM compliance checklist | Target met: SCM Compliance achieved with administrative and procedural review report | SCM Compliance achieved with administrative and procedural review report in quarter 1 of the 2020/2021 financial year. The target was not included in the revised Brand South Africa 2020/2021 Annual Performance Plan in response to COVID-19 which was implemented from 08 July 2020. | |



| Outcome | Output | Output Indicators | Baseline 2019/2020 | Target 2020/2021 | Actual Annual Performance 2020/2021 | Variance Explanation |
|---|----------------------------|------------------------------------|-----------------------------|-----------------------------|--|---|
| 1. Improved Reputation of Brand South Africa as an entity | 1.4. An employer of choice | 1.4.1. Approved operating model | No baseline – New indicator | Approved operating model | Target not met: A service provider is still to be appointed through the SCM process. The target has been revised to cater for the delay in 2020/2021. | <p>The evaluation of the work-study tender was put on hold due to the lockdown restrictions put in place by government in Quarter 1. The files for the tender responses from the services providers were too large to be presented virtually.</p> <p>The Minister in the Presidency sent a letter to Brand South Africa on 02 December 2020 advising that the review of the structure should be put on hold pending the reconfiguration process. The Supply Chain Management Unit communicated the matter to National Treasury accordingly.</p> <p>The target was not included in the revised Brand South Africa 2020/2021 Annual Performance Plan in response to COVID-19 which was implemented from 08 July 2020.</p> |
| | | 1.4.2. Approved retention strategy | No baseline – New indicator | Approved retention strategy | Target not met: The Retention Strategy was consulted at the Management Committee (MANCO) meeting and is currently on the Human Capital, Remuneration, Social and Ethics Committee (HCRSEC) agenda awaiting recommendation to the Board for approval | <p>The target was not included in the revised Brand South Africa 2020/2021 Annual Performance Plan in response to COVID-19 which was implemented from 08 July 2020 since the target was included in the Revised 2020/2021 Corporate Services Operational Plan approved on 28 July 2021.</p> |

| Outcome | Output | Output Indicators | Baseline 2019/2020 | Target 2020/2021 | Actual Annual Performance 2020/2021 | Variance Explanation | |
|---|---------------------------------|---|---|---|--|--|--|
| 1. Improved Reputation of Brand South Africa as an entity | | 1.4.3. Vacancy Rate of less than 10% | No baseline – New indicator | Vacancy Rate of less than 10% | Target not met: The vacancy rate for the period under review is at 14,04%. | The target is not achieved due to the moratorium on the filling of permanent positions, imposed by the Executive Authority on 9 October 2020 in view of the reconfiguration process between Brand South Africa, SA Tourism and Invest SA. | |
| | 1.5. Sound corporate planning | 1.5.1. Approved Annual Performance Plan | No baseline – New indicator | Approved 2021/2022 Annual Performance Plan | Target met: The 2021/2022 Annual Performance Plan was approved by the Board of Trustees and submitted to the Executive Authority on 29 January 2021 for tabling in Parliament | No variance | |
| | | 1.5.2. Percentage overall organisational performance rating | 72% overall organisational performance rating | 91% overall organisational performance rating | Target not met: 86% overall organisational performance rating | The non-achievement of targets was impacted by various factors such as: <ul style="list-style-type: none"> • The moratorium on the filling of posts due to the reconfiguration process in progress; • Budget cut where the funds were redirected to COVID-19 initiatives; and • COVID-19 restrictions put in place by the government. | |
| | 1.6. Legal compliance | 1.6.1. Compliance to applicable legislation | No baseline – New indicator | 4x reports to the Board of Trustees on the applicable legislative framework | Target met: 4x reports to the Board of Trustees on the applicable legislative framework | No variance | |
| | 1.7. An enabling IT environment | 1.7.1. Approved IT Strategy | No baseline – New indicator | Approved IT Strategy | Target met: Approved IT Strategy | No variance | |
| | 1.8. Sound risk management | 1.8.1. Compliance to the risk management framework | No baseline – New indicator | 3x quarterly risk management reports | Target met: 3x quarterly risk management reports | No variance | |



PROGRAMME 2: BRAND, MARKETING AND REPUTATION MANAGEMENT

| Outcome | Outputs | Output Indicators | Baseline 2019/2020 | Target 2020/2021 | Actual Annual Performance 2019/2020 | Variance Explanation | |
|--|---|---|--|--|--|--|--|
| 2. Increased attractiveness and thereby competitiveness of the Nation Brand | 2.1. Showcase the Nation Brand strengths domestically | 2.1.1. Number of marketing campaigns that illustrate the attractiveness of the Nation Brand to domestic audiences | No baseline – New indicator | 4x marketing campaigns that illustrate the attractiveness of the Nation Brand to domestic audiences | Target met (exceeded): 6x marketing campaigns that illustrate the attractiveness of the Nation Brand to domestic audiences | Strategic collaborations utilised to further showcase the Nation Brand | |
| | 2.2. Showcase the Nation Brand strengths internationally | 2.2.1. Number of marketing campaigns that illustrate the attractiveness of the Nation Brand to international audiences | No baseline – New indicator | 4x marketing campaigns that illustrate the attractiveness of the Nation Brand to international audiences | Target met (exceeded): 6x marketing campaigns that illustrate the attractiveness of the Nation Brand to international audiences | The Place Brand Observer was a 2019 partnership that continued to profile the Nation Brand during 2020 as added value. | |
| | 2.3. Integrated Nation Brand reputation programmes implemented for strategic platforms domestically | 2.3.1. Number of integrated reputation & communication activities implemented for strategic platforms domestically | No baseline – New indicator | 3x integrated reputation & communication activities implemented for strategic platforms domestically | Target met: 3x integrated reputation & communication activities implemented for strategic platforms domestically | No Variance | |
| | 2.4. Integrated Nation Brand reputation programmes implemented for strategic platforms internationally | 2.4.1. Number of integrated reputation & communication activities implemented for strategic platforms internationally | No baseline – New indicator | 3x integrated reputation & communication activities implemented for strategic platforms internationally | Target met (exceeded): 4x integrated reputation & communication activities implemented for strategic platforms internationally | Due to the external dependencies of strategic platforms hosted internationally, the annual target was exceeded by one activity deemed strategic enough to support during Quarter 2, namely the Women4Africa Virtual Summit | |
| | 2.5. Develop insights to inform Nation Brand strategy | 2.5.1. Domestic perceptions research activities | 4x quarterly domestic perceptions research conducted | 1x domestic perceptions research study conducted | Target met: 1x domestic perceptions research study conducted | No Variance | |

| Outcome | Outputs | Output Indicators | Baseline 2019/2020 | Target 2020/2021 | Actual Annual Performance 2019/2020 | Variance Explanation | |
|--|---|---|---|--|--|---|--|
| 2. Increased attractiveness and thereby competitiveness of the Nation Brand | | 2.5.2. Nation brand performance monitoring activities | x12 Number of Nation Brand Performance activities | 15x internal analysis pieces produced | Target not met: 13x internal analysis pieces produced | COVID-19 pandemic led to delays in the release of indices by external/3rd parties. | |
| | | 2.5.3. South African global reputation study activities | No baseline – New indicator | Initiate development, and procurement of SAGP study | Target met: Initiate development, and procurement of SAGP study | No Variance | |
| | | 2.5.4. Number of research reference groups conducted | No baseline – New indicator | 4x research reference groups | Target met: 4x research reference groups conducted | No Variance | |
| | | 2.5.5. Approved Reputation Management strategy implemented | No baseline – New indicator | Develop and implement Reputation Management strategy | Target met: Develop and implement Reputation Management strategy | No Variance | |
| | 2.6. Enhanced Strategic Communications Programme internationally and domestically | 2.6.1. Increase in positive tonality for BSA-generated coverage from previous 2-year average baseline | 100x positive communication pieces published | <ul style="list-style-type: none"> • 60x positive communication pieces • 8x positive thought leadership pieces • 4x positive webinars | Target met: (exceeded) <ul style="list-style-type: none"> • 68x positive communication pieces • 10x positive thought leadership pieces • 7x positive webinars | Target Met and exceeded due to a need and opportunities to respond to COVID19 and the interventions required. | |



| Outcome | Outputs | Output Indicators | Baseline 2019/2020 | Target 2020/2021 | Actual Annual Performance 2019/2020 | Variance Explanation | |
|--|---|---|--|---|---|--|--|
| | | 2.6.2. Number of articles produced from media relations tours and engagements | No baseline – New indicator | 8x content pieces published emanating from media engagements | Target met (exceeded): 10x content pieces published emanating from media engagements | The target was met and exceeded due to the following tactical opportunities: <ul style="list-style-type: none"> • The New Miss SA Brunch media engagement was a tactical opportunity initiated by the Office of the Deputy Minister. • Additional support had to be provided for the Mpumalanga media tour activation led by the Stakeholder Relations Department. | |
| | | 2.6.3. Reactive communication activities implemented | No baseline – New indicator | Review and respond to relevant issues impacting on the Nation Brand in line with the reputation management strategy | Target met: 4x Reputation management reports produced | No variance | |
| | | 2.6.4. Percentage of amplified Nation Brand messaging through increased user engagement on digital platforms | 6.8% increase in users who engage with Brand SA content on its digital platforms | 15% growth in user engagement on social media platforms | Target met: 15% growth in user engagement on social media platforms | No variance | |
| 3. Increased Nation Brand advocacy and active citizenship | 3.1. Domestic activities targeted at promoting nation brand pride and patriotism | 3.1.1. Number of implemented Play Your Part activities in each province | 10x PYP activities implemented | 9x provincial PYP activities implemented | Target met (exceeded): 16x provincial PYP activities implemented | Target met and exceeded due to the #PPP (Prepare, Protect, Prosper) campaign PPP campaign and a virtual series that were created in response to the COVID-19 pandemic. | |

| Outcome | Outputs | Output Indicators | Baseline 2019/2020 | Target 2020/2021 | Actual Annual Performance 2019/2020 | Variance Explanation | |
|---|--|--|---|---|--|---|--|
| 3. Increased Nation Brand advocacy and active citizenship | 3.2. Collaboration with civil society, government, business & PYP Ambassadors to achieve PYP awareness | 3.2.1. Number of activities implemented with civil society, government, business & PYP Ambassadors | 63x PYP ambassador engagements (online or offline) achieved in promoting the Nation Brand | 60x PYP ambassador engagement activities implemented with civil society, government, business & PYP Ambassadors | Target met (exceeded): 80x PYP ambassador engagement activities implemented with civil society, government, business & PYP Ambassadors | Target met and exceeded due the Ambassadors that were active in supporting the PYP programme during the Covid19 pandemic | |
| | 3.3. Promote Constitutional Awareness | 3.3.1. Number of constitutional awareness campaigns | 17x marketing platforms utilised for the constitutional awareness campaign | 4x constitutional awareness campaigns | Target not met: 3x constitutional awareness campaigns | A campaign was not implemented due to re-channelling of funds to COVID-19 interventions as requested by the National Treasury | |
| | | 3.3.2. Number of constitutional awareness activations | 13x activations utilised to promote constitutional awareness | 10x constitutional awareness activations | Target met: 10x constitutional awareness activations | No variance | |
| | 3.4. International activities targeted at promoting Nation Brand pride and patriotism | 3.4.1. Number of Global South Africans activities implemented in key markets | 15x Brand SA-led GSA activations | 17 x Global South Africans activations implemented | Target met (exceeded): 19 x Global South Africans activations implemented | During the course of the 2020/21 financial year, two tactical opportunities were identified that were deemed strategic enough to support, particularly in the China market, where the continued vacancy of the Country Head position posed coupled with COVID-19 related travel restrictions affected the organisation's ability to maintain visibility in the market | |



PROGRAMME 3: STAKEHOLDER RELATIONS

| Outcome | Outputs | Output Indicators | Baseline 2019/2020 | Target 2020/2021 | Actual Annual Performance 2020/2021 | Variance Explanation |
|---|---|--|--|---|---|--|
| 4. Aligned Nation Brand execution and experience domestically and internationally | 4.1. Review and Implement stakeholder relations strategy | 4.1.1. Approved Stakeholder Relations strategy | No baseline – New indicator | Reviewed and Implemented annual Stakeholder Relations Strategy | Target met: Reviewed and Implemented annual Stakeholder Relations Strategy | No variance |
| | 4.2. Strategic partnerships with public sector; business & civil society stakeholders in order to promote the South African Nation Brand domestically | 4.2.1. Collaborative activities with public sector stakeholders domestically | 17x coordinated activities implemented in partnership with state institution stakeholders in collaboration with Global Markets for international partner | 14x collaborative activities implemented in partnerships with public sector stakeholders domestically | Target met: 14x collaborative activities implemented in partnerships with public sector stakeholders domestically | No Variance |
| | | 4.2.2. Collaborative activities with civil society stakeholders domestically | 15x coordinated activities implemented in partnership with civil society stakeholders | 12x collaborative activities implemented in partnerships with civil society stakeholders domestically | Target met (exceeded) 14x collaborative activities implemented in partnerships with civil society stakeholders domestically | The annual target was exceeded due to the SACC activity strategically important as it was aimed at encouraging adherence to COVID-19 safety guidelines and the collaboration with Dumisani Chauke Netball Foundation that was in response to community needs |
| | | 4.2.3. Collaborative activities with business stakeholders domestically | 17x coordinated activities implemented in partnership with private sector stakeholders | 12x collaborative activities implemented in partnerships with business stakeholders domestically | Target met (exceeded): 14x collaborative activities implemented in partnerships with business stakeholders domestically | Brand South Africa leveraged on the following opportunities: <ul style="list-style-type: none"> • Collaboration with Multichoice on anti GBV activity; and • The opportunity to encourage entrepreneurship during Global Entrepreneur Week |

| Outcome | Outputs | Output Indicators | Baseline 2019/2020 | Target 2020/2021 | Actual Annual Performance 2020/2021 | Variance Explanation | |
|--|--|---|---|---|---|--|--|
| 4. Aligned Nation Brand execution and experience domestically and internationally | | 4.2.4. Number of Nation Brand Forums/SACF held | No baseline – New indicator | 1x Nation Brand Forum / SACF held | Target not met: The project will not be implemented during this fiscal due to funds being re-channelled to COVID-19 initiatives | The target was not included in the revised Brand South Africa 2020/2021 Annual Performance Plan in response to COVID-19 which was implemented from 08 July 2020. | |
| | 4.3. Strategic partnerships with public sector; business and/or civil society stakeholders in order to promote the South African Nation Brand internationally | 4.3.1. Collaborative activities with public sector, business and/or civil society stakeholders internationally | No baseline – New indicator | 17x collaborative activities implemented in partnerships with public sector, business and/or civil society stakeholders internationally | Target met (exceeded): 20x collaborative activities implemented in partnerships with public sector, business and/or civil society stakeholders internationally | The initial target - 20x activities – was revised to 17x activities early in the year due to uncertainty regarding the ability of the entity to implement activities amid the COVID-19 pandemic, particularly in Quarter 1. South Africa as well as the Country Offices in the UK and USA were faced with lockdowns that prohibited gatherings. During the course of the year, and having adapted to new ways of implementing activities using online/virtual platforms, the entity was able to catch up on targets not achieved in Q1 as per original APP. | |
| | 4.4. Conduct Nation Brand alignment training | 4.4.1. Number of Nation Brand alignment trainings delivered | 7x Nation Brand alignment training workshops implemented in provinces (1x per province) | 4x provincial Nation Brand alignment trainings | Target met: 4x provincial Nation Brand alignment trainings conducted | No variance | |



| Outcome | Outputs | Output Indicators | Baseline 2019/2020 | Target 2020/2021 | Actual Annual Performance 2020/2021 | Variance Explanation | |
|---------|---|--|-----------------------------|-----------------------------------|---|--|--|
| | | 4.4.2. Assessment of Nation Brand alignment training | No baseline - New indicator | 4x stakeholder impact surveys | Target not met: 3x stakeholder impact surveys conducted | Quarter 2 target not met due to lack of response from participants. The survey was distributed electronically as there were no physical workshops during the year. The format of the survey was adjusted to include a desktop assessment, which resulted in a more comprehensive assessment. | |
| | 5. Initiate the development of the Nation Brand alignment policy document | 5.1.1. Status of discussion paper on Nation Brand alignment policy | No baseline - New indicator | Discussion paper approved by EXCO | Target met: Discussion paper submitted to and approved by EXCO | No variance | |

Legends

Target not met

Target met



Inspiring new ways

BRAND SOUTH AFRICA

103 Central Street
Houghton 2198
Johannesburg, Gauteng
South Africa
Tel: +27 11 712 5000
Fax: +27 11 483 0124
Email: info@brandsouthafrica.com

BRAND SOUTH AFRICA CHINA

15F Office 1503, China World Tower
1 Jianguomenwai Avenue
Chaoyang District, Beijing
100004, P.R. China
Tel and Fax: 86 10 5737 2431/2432
Cell: + 86 131 6107 3044

WEBSITES:

www.brandsouthafrica.com
www.southafrica.info
www.medioclubsouthafrica.com
www.playyourpart.co.za

BRAND SOUTH AFRICA UK

Millennium Bridge House,
2 Lambeth Hill, London
EC4V 4GG
Tel +44 (0)207 002 7114
Cell: +44 207 002 4095
RP153/2021
ISBN: 978-0-621-49446-4