



Forging **Relationships:**Inspiring Creativity



Inspiring new ways





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GENERAL INFORMATION

ABOUT BRAND SOUTH AFRICA

The Brand South Africa Trust (Brand South Africa) was established in 2002 in terms of the Trust Property Control Act No.57 of 1988, as amended. Brand South Africa is further listed as a Schedule 3A Public Entity in terms of the Public Finance Management Act No.1 of 1999 (PFMA).

Brand South Africa reports to the Department of Communications (DoC) as its Executive Authority, and from which it receives its annual budget. It aims to support the National Priorities and Outcomes as detailed in the National Development Plan, Vision 2030, and the aligned Medium Term Strategic Framework (MTFS), specifically in support of South Africa's National Objectives of inclusive economic growth, job creation, poverty alleviation, and social cohesion.

The annual 2017/2018 plan reflects the performance indicators, annual and quarterly targets and budget allocations for performance against the strategic goals, strategic objectives, and Strategic Objective targets reflected in the Strategic Plan, which outlines the high-level strategic framework of Brand South Africa as follows:

PURPOSE AND PRIMARY OBJECTIVE:

In terms of the Trust Deed, the Board of Brand South Africa provides strategic direction and leadership to Brand South Africa to ensure its long-term sustainability and impact; and in order to fulfil its responsibilities, the Board is supported by the Chief Executive Officer and management team who implement the Board-approved strategic plan and policies.

In terms of these objectives, Brand South Africa aims to:

Make an indirect contribution to 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.

This aim will be achieved as Brand South Africa fulfils its mandate:

To manage South Africa's Nation Brand reputation in order to improve the county's global attractiveness and competitiveness.

The Brand South Africa mandate is delivered through two strategic programmes, namely:

- 1. Brand Marketing and Reputation Management; and
- 2. Stakeholder Relations





OUR 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 image of the Nation Brand domestically and internationally: and
- Seeking to build individual alignment to the Nation Brand in South Africa and pride and patriotism among South Africans.



1. DETERMINATION

Ability to refuse to give up despite the challenges

2. INTEGRITY

Hones and strong moral principles

3. DIVERSITY

Acceptance and respect of our diversity

4. INNOVATION

Constantly challenging the status quo

5. CO-OPERATION

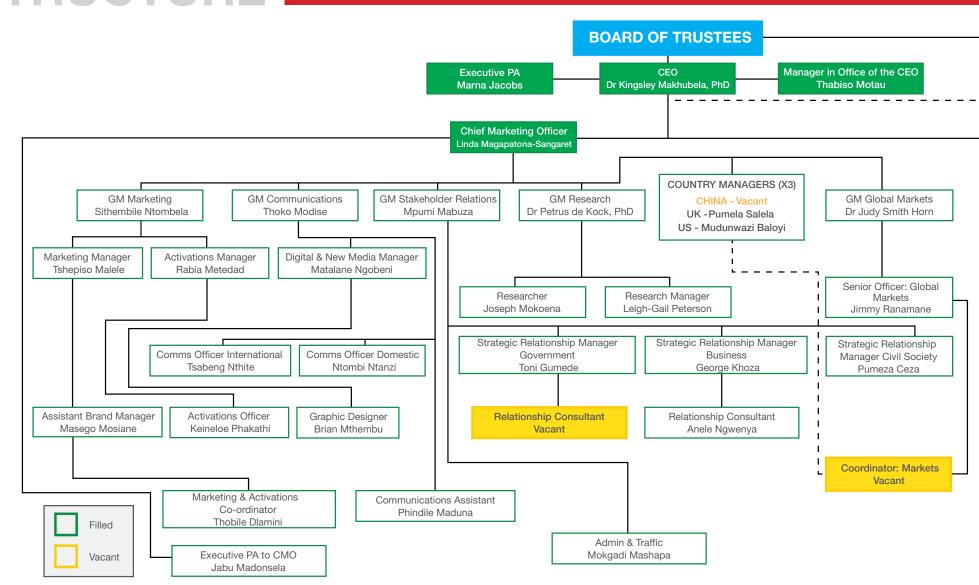
Working together towards a common goal

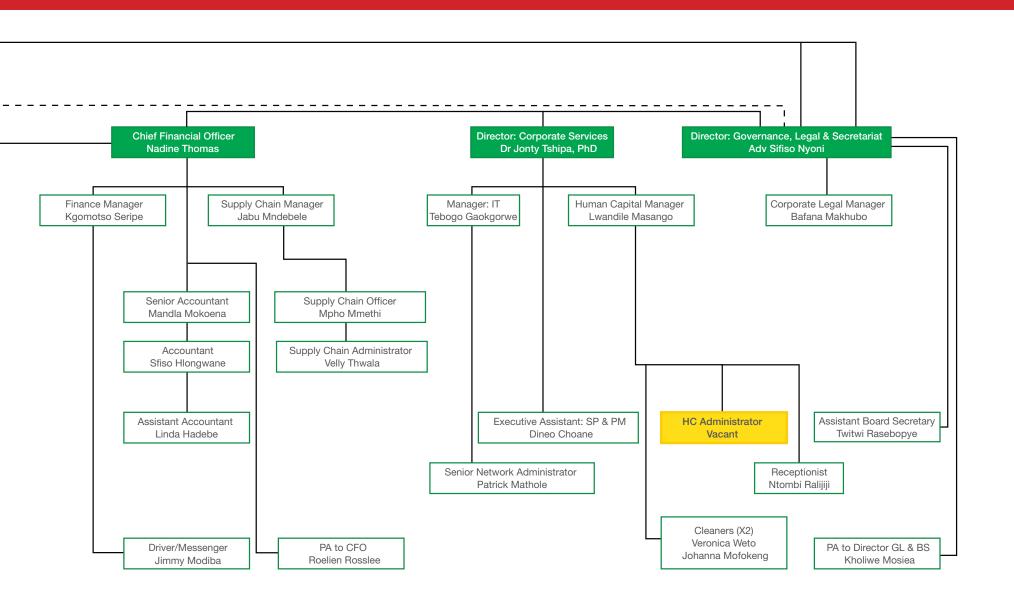
6. UBUNTU

Respect, compassion and humanity.

DID - I - C - U

BRAND SOUTH AFRICA STRUCTURE ORGANISATIONAL STRUCTURE AS AT 31 MARCH 2018





MINISTER'S FOREWORD



I am honoured to present this annual report covering Brand South Africa's activities from 1 April 2017 to 31 March 2018.

During the past financial year, Brand South Africa participated in numerous strategic international and domestic engagements, which played a pivotal role in building a strong image and reputation of South Africa.

During the same period South Africa celebrated the centenary of the birth of freedom struggle stalwart Oliver Reginald Kaizana Tambo, after whom our largest and busiest port of entry, the OR Tambo International Airport, is named. His struggle legacy and exemplary patriotism lives on in South Africans who are resilient and passionate about helping the country reach its full potential.

It is therefore fitting that this report is presented as we commemorate the centenary of two other outstanding leaders and freedom fighters, whose efforts helped to shape South Africa into the country that it is today – former President Nelson Rolihlahla Mandela, and Mama Albertina Nontsikelelo Sisulu. The centenary celebrations of these great activists inspire us all as a people and the world over, to build on their legacies and strive to build a better country and world for the benefit of all humanity.

Brand South Africa has continuously worked towards implementing proactive and coordinated marketing, communication, and reputation management strategies, to position the Nation Brand positively. The understanding is that as you work collectively to position the country as a globally competitive destination, it is equally important to encourage a spirit of pride and patriotism among the millions of people in South Africa. This has proven critical to ensuring a socially cohesive nation.

Through domestic imperatives, the organisation seeks to leverage on efforts that encourage pride in national identity and a proactive attitude in all who live in South Africa. People living in South Africa must also be encouraged to be aware of the role that the constitution plays in their individual lives and its impact on society as a whole.

To this end, Brand South Africa ran several campaigns targeted at young people, to drive the promotion of constitutional awareness. These have resulted in award winning campaigns that have reached millions of South Africans.

Commemorated days of national and international significance, such as the 23rd anniversary of the nation's young democracy on Freedom Day, the 61st anniversary of the 1956 Women's March, and the international 16 Days of Activism Against Gender-Based Violence were used to raise awareness on human rights enshrined in South Africa's Constitution.

Internationally, South Africa's interaction with the global community is premised on its commitment to creating a better South Africa, in a better Africa, in a better world. As a key participant in international bodies, South Africa carries the hopes and goals of the continent. As the only African country represented in the G-20 and BRICS, South Africa champions the African development agenda.

This will see South Africa taking over the BRICS presidency from China in 2018, while holding the same positions for both the South African Development Community (SADC) and the Indian Ocean Rim Association (IORA).

This report details how Brand South Africa has worked collaboratively with stakeholders to position and promote the Nation Brand at the aforementioned domestic and international platforms to drive the marketing of South Africa as a desirable country brand, with a growing and imperative role in regional and world affairs.

LOOKING TO THE FUTURE

In the year ahead, Brand South Africa will continue to create a conducive environment for engagements with stakeholders in government, business and civil society, domestically and internationally. The aim with such engagements will be to profile South Africa as an attractive investment destination and a reliable trade partner. Brand South Africa will furthermore through its domestic and international programmes support the call as set out by President Cyril Ramaphosa in the SONA address, which is to bring a USD100 billion investment into the country over the next five years.

Most importantly, active citizenship remains a priority with the view of ensuring citizens contribute to alleviating socio-economic challenges of our country. Building nation brands, including Brand South Africa, is a long journey which requires a consistent and coordinated effort, and most importantly – buy-in and support from South African citizens. We therefore call on all South Africans to continue playing their part in building our Nation.

APPRECIATION

I would like to extend a word of appreciation to my predecessors Minister Mmamoloko Kubayi and Minister Ayanda Dlodlo, for their roles in leading Brand South Africa and ensuring that the organisation performed well during their respective tenures.

Likewise, to the Board of Trustees, I thank you for your continued commitment to the organisation and our country.

To the Executive, Management and staff of Brand South Africa, congratulations on all of your achievements this year. Keep up the good work.

To South Africans, at home and abroad, I commend you for flying the flag high.

Thank you.



CHAIRPERSON'S REPORT



As the Chairperson of the Board of Trustees, it gives me great pleasure to present this report on Brand South Africa's performance for the 2017–2018 financial year.

We can all be proud, that in this year, the organisation and the country were able to achieve many successes, despite facing a demanding and challenging period with regards to aspects of the country's reputation. The year was one of the most eventful and dynamic in the history of the political landscape of South Africa, since its democratic dispensation in 1994. It saw a sense of renewal of purpose and a collective commitment in strengthening our country, accordingly helping to build a more resilient Nation Brand.

As a collective, we at Brand South Africa together with our stakeholders, continued to strengthen our collaborative efforts to ensure that we get back on our development trajectory of improving the climate for investment and business expansion. Working with and through stakeholders, Brand South Africa managed to accomplish many of its strategic objectives. The Nation Brand depends on the support of three main pillars of stakeholders: civil society, government and business.

A Nation Brand is built by the coordinated actions and efforts of stakeholders, together in communicating a coherent message. An understanding and appreciation of this relationship is crucial in building a country's image and reputation to shape perceptions.

These perceptions have a direct impact on thinking and behaviour because they determine the attractiveness of the country as an investment destination. Domestically, the perceptions citizens have of the Nation Brand, also have a positive or negative impact.

There are encouraging indications that 2018 will be a year of continued positive transformation for South Africa and its people.

South Africa ranks as number four of the most attractive investment destinations in Africa, based on the growth factor of GDP, ease of doing business in the country, and significant population, according to the 2016-2017 Africa Investment Index, by Quantum Global Research Lab.

The year was not without challenges and began on a difficult note when in April 2017, South Africa's sovereign credit rating was downgraded to sub-investment level by S&P and Moody's, then in June 2017, Fitch downgraded the country to a notch

above sub-investment grade. This was followed by the country's declined performance in the 2017-2018 World Economic Forum Global Competitiveness Index (WEF GCI), in September 2017. These results were a wake-up call to the nation and a motivation for Brand South Africa to continue to enhance the understanding of the Nation Brand performance, domestically and internationally.

In light of the above, Brand South Africa hosted a consultation session with economists on recovery strategies from the credit ratings downgrade, under the banner of the South African Competitiveness Forum. The main objective of this consultation session was to gather insights from business stakeholders on interventions needed to enhance the Nation Brand's chances of recovering to an Investment Grade Sovereign Credit Rating.

In October 2017, Brand South Africa hosted business leaders at the second annual Nation Brand Forum, under the theme 'Inspiring Innovation and Business Excellence in the Era of Emerging Markets'. The Forum sought to best define how we can collectively inspire innovation, and utilise the existing business excellence present in the country to better market, profile, and position the country within Emerging Markets.

The National Development Plan (NDP) serves as the long-term socio-economic development roadmap, that envisions a South Africa where everyone feels free, yet bound to others; where everyone embraces their full potential; a country where opportunity is determined not by birth, but by ability, education and hard work.

In line with positioning the Nation Brand as a competitive business and investment destination internationally, Team South Africa embarked on their annual visit to Davos, Switzerland to attend the World Economic Forum in January 2018, with the following objectives:

- To rebuild investor confidence for the country; and
- To reinforce Africa's inclusive growth and development agenda that addresses inequality, poverty and unemployment.

In an ever-changing global environment, every country, every region and city must compete with each other for its share of the world's consumers, tourists, investors, students, entrepreneurs, international sporting and cultural events.

Internationally, stakeholder engagement was supported by various tactical engagements that delivered numerous opportunities to leverage significant media coverage and actively engage with Global South Africans (Global South Africans), investors, and governments to change perceptions of South Africa and to strengthen the Nation Brand reputation.

Positive messaging was also driven at other strategic international platforms, like the Mining Indaba that took place in Cape Town; the ITU Telecommunication Conference in Busan, South Korea; the 37th Southern African Development Community Summit in Pretoria; and the World Economic Forum on Africa, in Durban.

Domestically, the year was both a historic and proud one, as we, together with the world at large, paid tribute to Oliver Reginald Kaizana Tambo for his contributions in South Africa's journey to democracy and freedom. Brand South Africa collaborated with the Adelaide and Oliver Tambo Foundation in the 2017 Oliver Tambo Annual Memorial Lecture on his birthday in October.

Other activities undertaken included launching the second instalment of the #InspiredByMyConstitution campaign. This further entrenched Brand South Africa's work in engaging the youth through the promotion

of the Constitution, using celebrity influencers to communicate the role our constitution plays in the various aspects of their lives.

To ensure that we continue to attract investments for the country, we are making strides through initiatives such as the CEOs Know campaign, which sees Brand South Africa collaboratively implementing measures with stakeholders that promote the attractiveness of the country as an investment destination. Launched in March 2017 – the CEOs Know campaign is run in collaboration with Business Leadership. The campaign probes into the question 'why invest in South Africa' and features various CEOs from multinational corporations based in South Africa, who share insights behind their continued investment into South Africa.

LOOKING TO THE FUTURE

Going forward, Brand South Africa will continue to drive South Africa's competitive positioning as an investment destination of choice, and will strive to strengthen and deepen our stakeholder and partner alignment and integration, through the implementation of various communication, marketing and reputation management strategies.

APPRECIATION

On behalf of the Board of Trustees of Brand South Africa, my appreciation goes to the Minister of Communications, Nomvula Mokonyane and her Deputy Minister, Pinky Kekana and their predecessors Minister Mmamoloko Kubayi and Minister Ayanda Dlodlo, for their continued leadership and support.

To my fellow Trustees and the Brand South Africa team, I thank you for your continued dedication to building a compelling image and reputation of South Africa.

The political will and leadership demonstrated by the South African government, underscores precisely what

is required to help us to reinvigorate our nation in pursuit of our socio-economic development objectives. And as such, we as the Board of Trustees of Brand South Africa, call on all citizens to work towards building our Nation Brand.

It is now incumbent upon each and every single South African to take their rightful place in society, to move our country forward. We must all Play our Part.

Thank you.

Ms Khanyisile Kweyama Chairperson of Board of Trustees, Brand South Africa

ACTING CHIEF EXECUTIVE OFFICER'S REPORT



The year under review, ushered in a renewal of purpose and collective commitment to re-ignite growth to strengthen the economy for a more resilient Nation Brand.

Sustained growth of the economy is a key priority, and government is keen to drive this agenda through the implementation of the National Development Plan.

The year kicked off with South Africa hosting the 27th World Economic Forum (WEF) on Africa in Kwa Zulu-Natal, under the theme 'Driving economic transformation in Africa through inclusive growth models'. This strategic platform convened regional and global leaders from business, government and civil society, to explore solutions that create economic opportunities for all. This platform affords Brand South Africa a unique opportunity to position South Africa as a competitive investment destination.

Brand South Africa and its partners the Department of Mineral Resources (DMR) and the Department of Trade and Industry (the dti), implemented an integrated stakeholder and communication programme at the annual Investing in African Mining Indaba, held in Cape Town in February 2018. The conference brought together leaders from the world's top mining houses, potential investors, African government ministries and other stakeholders from around the world to network, and share insights on how the mining sector can drive investments to capitalise on opportunities available in Africa's mining industry.

We also strengthened our efforts in strategic markets and intensified our reach and involvement through our flagship programme Global South Africans (GSA). To this end, Brand South Africa's Research team extended its fieldwork for the SA Inc. project to key Asian markets – South Korea and Singapore. This decision was based on findings from the organisation's international investor perceptions research, which indicates low levels of familiarity and favourability towards South Africa as an investment destination.

The SA Inc. intervention in Singapore aimed to dig deeper into the reasons for this, identify challenges and opportunities to change and improve perceptions about the country.

To reinforce these international engagements, the year under review also saw Brand South Africa visit strategic African peer markets; namely, Nigeria, Kenya and Uganda, to engage with stakeholders from government, business, civil society and media to showcase the country as a competitive and attractive destination for business, study leisure. Through these engagements, the organisation was able to enhance its understanding on ways to strengthen collaboration between West. East and South Africa.

At home, Brand South Africa continued to encourage active citizenship and promote constitutional awareness.

Brand South Africa, as part of the South African Government's Outcome 14 is required to promote active citizenship as an important building block of nation building, because it contributes towards social cohesion.

We believe that when citizens play their part and participate in activities, big and small, that are aimed at making positive differences in the lives of fellow citizens, they are contributing to sustainable communities. Spearheading these efforts, is the 'Play Your Part' programme which stimulates country pride and patriotism.

This financial year, the 'Play Your Part' flagship programme returned to local TV screens in August 2017. Airing weekly on SABC 2, the 26 episode docu-reality series consistently offered viewers an inspirational insight into the world of active citizenship and volunteerism, by profiling citizens from across the country who are doing extraordinary things to change people's lives for the better.

Presented by 'Play Your Part' ambassador Kabelo Mabalane, this family show continued to empower viewers, young and old, to also get involved in their communities and play their part in uplifting the spirit of South Africa. Episodes featured active citizens and organisations who shared their stories of active citizenship in the areas of literacy, entrepreneurship, education, local cuisine, faith, art, film, and healthcare, among others.

One of the highlights of the year was when Brand South Africa won a Loerie Award for its Arrive Alive radio campaign called After Tears, in the South African non-English performance category. The radio advert was created as part of the 'Play Your Part' initiative, to raise awareness about the dangers of drinking and driving.

We at Brand South Africa, continue to prioritise youth development as a way of empowering them to become strong and responsible leaders so as to be assets in the development of their future. We recognize that young people are an integral part of the South African society who can find solutions to South Africa's social ills. South Africa's population is largely made up of young people with those below the age of 35 years constituting 66% per cent of the total population. As a big part of the population, young people are at the heart of the future of South Africa.

Some of our efforts at Brand South Africa are geared towards addressing the continuous challenges youth face such as poverty, poor access to education, unemployment, increased exposure to risky lifestyles and behaviors, violence and conflict.

This is shown through the various partnerships such as the Sunday Times Generation Next Youth Conference and Exhibition, the Junior Chamber International's Ten Outstanding Young Persons Awards (JCI TOYP), Basha Uhuru Festival, Capricorn FM Youth Seminar, as well as the Mail and Guardian 200 Young South Africans to name a few. We were excited to partner with these initiatives that inspire, educate, and empower young people to play their part and get involved. These partnerships are just some of the platforms upon which Brand South Africa has celebrated and encouraged young South Africans to make a positive difference in their communities.

Members of civil society are an invaluable component in the way in which the Nation Brand is perceived and positioned because its reputation is primarily derived from the activities and strength of civil society groups and individuals. They are at the forefront of how a nation is experienced. Brand South Africa partners with many civil society organisations. In the year under review, these partnerships included the Nelson Mandela Foundation, the Oliver Tambo Foundation; the United Nations (UN); and the Australasian South African Alliance (ASAA).

Brand South Africa collaborated with the Adelaide and Oliver Tambo Foundation on the 2017 Oliver Tambo Annual Memorial Lecture commemorating what would have been the 100th birthday of OR Tambo on 27 October 2017. The objective of this collaboration was to celebrate and honour the legacy of Oliver Tambo and highlight the role that he played in the struggle for a democratic South Africa.

The organisation also continued its long standing partnership with the Nelson Mandela Foundation (NMF). This partnership primarily focuses on the promotion of the 'Play Your Part' programme through the Nelson Mandela International Day and the Nelson Mandela Annual Lecture. Brand South Africa also partnered with the United Nation (UN) in South Africa, to host the launch of an exhibition titled 'The Role of the United Nations in the Struggle for Freedom in South Africa' at the Apartheid Museum; as well as the Australasian- South African Alliance to host the launch a three-month long exhibition titled 'Memories of the Struggle: Australians Against Apartheid' at Constitution Hill. These partnerships are meant to educate South Africans and the world about the contributions made by the international communities in assisting South Africa to eradicate apartheid.

South Africa's private sector is one of the most dynamic and diversified on the African continent. Domestic corporates are active across a number of sectors regionally and internationally – from mining, minerals to electronics and clean technologies. Recognising the size and potential for growth in the South African market, and the country's strategic position as an economic hub, is evidenced by several multinational companies.

To this end, and in relation to strategic government and business partnerships, Brand South Africa once again partnered with the Department of Trade and Industry (the dti) and Proudly South African to recognise business excellence at the 5th South African Premier Business Awards. The awards were sponsored by Old Mutual, Tsogo Sun, Wits Business School and the Johannesburg Stock Exchange who welcomed the opportunity to reward various South African based businesses that promote the spirit of success, innovation, job creation, quality and good business ethics.

ACTING CHIEF EXECUTIVE OFFICER'S REPORT CONTINUED

As a partner, Brand South Africa wanted to recognise the essential role that the private sector plays in the development of a compelling Nation Brand message by creating economic opportunities. Brand South Africa was there to celebrate and acknowledge businesses that excel in displaying active citizenship and nation building in the country through the awarding of a 'Play Your Part' award. This time around the 'Play Your Part' award was awarded to the Clover Mama Afrika Trust which is a group of women who identify women who are making a difference in their communities and helps them to become self-sustaining women through skills so they can derive incomes to support orphaned, abused children, the elderly and the frail.

Brand South Africa, in partnership with the Department of Arts and Culture, the National Arts Council, the South African Embassy in Senegal, the Department of International Relations and Cooperation and the Senegalese Ministry of Arts and Culture, hosted a series of activities to commemorate 30 Years since the Dakar talks in 1987 and a celebration of the Twinning of Robben and Goree Islands. Brand South Africa took the lead in hosting a Colloquium on the theme: The Power of Dialogue – Past, Present and Future and used the opportunity to engage with key partners in the market.

LOOKING TO THE FUTURE

As we collectively move forward with the implementation of the National Development Plan (NDP), we at Brand South Africa know that it is, without a doubt, that this vision will position us in good stead to have a positive national brand narrative.

South Africa remains cognisant of the work that lies ahead to ensure that our country remains an attractive investment destination and competitive nation brand.

Guided by Vision 2030, we at Brand South Africa remain committed to improving our global competitiveness and reputation with the view of delivering on our growth and development imperatives.

A new era has dawned upon South Africa, it is time for South Africans to collectively rise to its challenges and move the country forward.

We at Brand South Africa stand ready to heed this call and are committed to working with all sectors of society to contribute to greater economic growth, reduce poverty, reduce inequality, stimulate growth and increase the competitiveness of our economy.

Let us continue to nurture opportunities to ensure future growth and benefit for all.

APPRECIATION

I extend a big thank you to all our stakeholders, without whom we would not succeed. I'd also like to thank the Board and the Ministry for their guidance and support. Last but not least, our dedicated staff who have been committed to delivering on our mandate throughout the years.

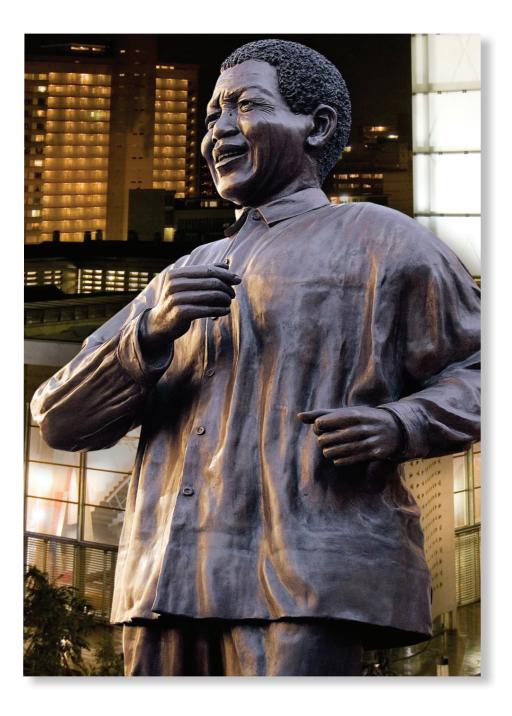
2018 marks the centenary of the birth of Tata Nelson Mandela and Mama Albertina Sisulu, and as such I

encourage all South Africans to take lessons from the life and times of the great struggle stalwarts to promote the values of patriotism, unity, and leadership in all our endeavours.

Thank you.

Le Ce

Ms Thembi Kunene-Msimang Acting Chief Executive Officer



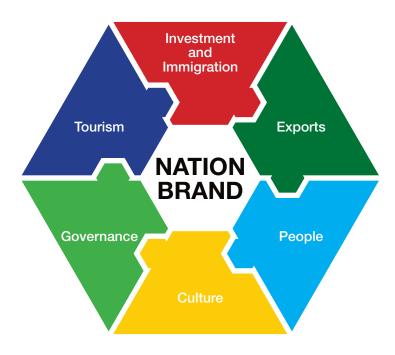




ABOUT THE NATION BRAND UNDERSTANDING THE NATION BRAND

THE NATION BRAND IN CONTEXT

The Nation Brand seeks to present a coherent image and country message to domestic and international audiences. Research studies dedicated to identifying the reputation standings of nations, or Nation Brands, typically measure the reputation of a nation on six key elements that make up the Nation Brand Hexagon. These are investment, governance, people, culture, tourism, and exports.



From this list of attributes tested through reputational studies, it is evident that the reputation of a nation really depends on much more than government activity, policy, or leadership alone. A Nation Brand encompasses all the attributes, strengths and innovations that a nation offers the world in all of its spheres of activity (business, arts, tourism, science, innovation, infrastructure, manufacturing, and governance, to name but a few).

This means that the reputation of the Nation Brand is determined by a multitude of activities driven by the citizens, businesses, universities, civil society, and government institutions.

As such, building a Nation Brand becomes a collective national effort that requires that the nation understands domestic trends, perceptions, and factors that impact on pride and commitment from South Africans themselves to the nation, and to the Nation Brand.

MANAGING THE NATION BRAND

In today's globalised and highly competitive world, individual countries invariably operate as part of the 'global value chain'. Thus, it is imperative that nations compete with one another not just for attention, but more so to ensure that they earn respect and trust. To ensure that they continuously enhance their country's image and reputation for top of mind awareness and to attract investments and tourists. This entails that all value chain players, be it competitors, customers, or even observers, evaluate the nation as a prospective partner to strengthen their own brand equity.

It is important for countries to present themselves in a cohesive and common approach in order to promote a single-minded brand proposition.

Due to its complex and multifaceted nature, managing the Nation Brand requires a considered and coordinated effort among stakeholders. The Nation Brand management, therefore, follows concepts grounded in the brand management literature such as brand identity, brand image, brand positioning, and brand equity. Countries compete for a share of voice in a crowded marketplace for inward investment, trade exports, tourism, and skills attraction and retention.

South Africa has seen major changes throughout this financial year – amid the intense challenges, South Africans have come to see the positive impact of playing an active role in social cohesion and active democracy. While much of this positive sentiment can be attributed to the new president, South Africans, too, have been influenced by an understanding that bravery and championing strong leadership can yield positive results.

ENVIRONMENTAL ANALYSIS

The year under review presented the Nation Brand with several high and low points in terms of its reputation. It can be noted, however, that although the Nation Brand may have faced challenges, it emerged at the financial year-end stronger as a result of inherent strengths in the public-, private-, and civil-society sectors. The competitiveness and reputational profile of the Nation Brand is ultimately a result of a combination of actions taken by a multitude of stakeholders – both internally and externally.

A national reputation and Nation Brand profile is not the result of actions taken by government alone. Hence the domestic and international analyses to follow merely profile some significant developments during the financial year under review to set context for the operating environments in which Brand South Africa had to execute its mandate and overall organisational strategy.

The specific research outputs and engagements reported on in sections to follow should be read as indicators that support the proposition offered here that while challenges may have emerged in the domestic and international operating environments, inherent strengths and resilience in the public and private sectors helped maintain the Nation Brand through some choppy political and economic seas.

DOMESTIC ECONOMIC AND POLITICAL OUTLOOK

During the 2017/18 period the Nation Brand experienced some turbulence in terms of both the internal economic and political landscapes. The financial year started off on a problematic note with a proverbial double blow. In the first two quarters credit ratings agencies downgraded South African sovereign

debt, and the economy entered a technical recession. While the economy recovered in subsequent quarters, negative sentiment in public discourse regarding the general outlook for the country was to a large extent fuelled by both these incidents.

In the case of the credit ratings downgrade Brand South Africa hosted a consultation with major financial sector stakeholders and economists to better understand the reasons for the downgrade, as well as interventions recommended to recover from it. The credit ratings downgrade had major domestic and international implications not only from an economic point of view, but impacted on domestic and international perceptions of the Nation Brand.

While the economic outlook was subdued during much of 2017, the run-up to the ruling party's elective congress during December 2017 was marked by heated public debate and speculation regarding what the outcome thereof would be, and implications it may hold for the Nation Brand.

While these challenges emerged, it has to be indicated that while the Nation Brand may have encountered rough economic and political seas during 2017, several fundamental strengths, or key features remained that bolstered and reinforced it through a challenging period. Key features of this is captured in the section on Nation Brand Performance. Elements from the Nation Brand performance monitoring will be showcased to illustrate that the overall reputation and positioning of the Nation Brand is informed by society, business and government.

As the financial year drew to an end, the inauguration of President Cyril Ramaphosa had a palpable and positive impact on public opinion and the general outlook for the Nation Brand. From a reputational perspective these changes indicate that there may be reason for cautious optimism regarding both the domestic and international outlook for South Africa.

Key issues in the domestic environment included:

- Challenges to the economic outlook with the country moving into a technical recession at the beginning of the year after a credit rating agency downgrade of the country's foreign currency;
- Perception outlook was affected during former President Jacob Zuma's cabinet reshuffle and revelations over the so-called #GuptaLeaks which affected public discourse and impacted negatively on sentiment towards government in particular;
- Perception of the country improved dramatically with economic 'good news' under the belt, boosted by the new administration led by President Cyril Ramaphosa; and
- Challenges to economic transformation dominated by the land reform project, as articulated by President Ramaphosa during SONA.

The end of the financial year was dominated by the issue of land reform and in particular 'land expropriation without compensation' will become a make or break issue for South Africa in coming years.

While the above indicate positive developments in society, be it noted as well that the quarter under review brought issues of violence against women, children, and vulnerable members of society to the fore. The underlying question in this regard pertains to persistently high levels of violence in the South African society.

INTERNATIONAL ENVIRONMENT

The 2017/18 financial year period presented the Nation Brand with several international developments with either direct, or long-term indirect implications. It can by and large be characterised by the following T's, being:

- Tear up agreements;
- Throw away old assumptions;
- Trade wars;
- Terror;
- · Trigger happy regions;
- Transparency (or the lack thereof) of virtual and social media platforms; and
- Trouble in globalisation's paradise.

Notable challenges in the international environment pertain to changing policy orientation of countries in the European and North American contexts. The developments with major implications include:

- Ongoing turbulent changes taking place in a post-Global Financial Crisis world;
- Increasing trade protectionism (witness USA imposition of import tariffs and overtures of trade wars);
- Isolationism and economic nationalism (e.g. BREXIT and increasing popularity of anti-EU political parties in Europe);
- Anti-globalisation;
- Continuation of epically destructive proxy conflicts in crisis-prone regions (witness developments in Ukraine, Syria, Yemen, Somalia, and to a lesser degree Libya). The aforementioned conflicts unfold in regional environments already destabilised by decades of ongoing external (often unilateral)

- interventions, and internal civil and political conflicts in countries such as Iraq, and Afghanistan; and
- North African and Middle Eastern refugee crises, and negative popular backlash in the form of right wing political parties in European jurisdictions.

STRATEGIC OBJECTIVES

Brand South Africa discharges its mandate in terms of managing the Nation Brand with consideration towards the following strategic objectives:

- Enhanced understanding of the Nation Brand performance.
- Improved Nation Brand reputation and perceptions among South Africans.
- Improved Nation Brand reputation and perceptions domestically and internationally.
- 4. Positive positioning of the Nation Brand through media engagement activities.
- 5. Enhanced positioning of the Nation Brand through media engagement activities.
- Enhanced awareness of the Nation Brand identity, image, and competitiveness and Nation Brand value proposition.
- A cohesive approach when promoting and marketing the Nation Brand among targeted stakeholders.
- Strengthened Nation Brand advocacy, domestically and among South Africans living abroad.
- 9. Enhanced relations with Stakeholders towards the promotion of the Nation Brand reputation.

BRAND MARKETING AND REPUTATION MANAGEMENT

Brand South Africa has worked to develop and communicate the Nation Brand identity to advance South Africa's long-term positive reputation and its global competitiveness. This includes a focus to research and monitor sentiment and performance of the Nation Brand, both locally and globally; to track trends and deliver analysis and insights that inform key decision making and communication; and then to communicate the country's value proposition, values, and highlighting the progress made, both pro-actively and reactively.

The core delivery focus here results in accordance with the following strategic goals:

- Goal 1: Proactive and coordinated reputation management of the Nation Brand.
- Goal 2: Proactive and coordinated marketing of the Nation Brand values system and values proposition.
- Goal 3: Proactive and coordinated marketing of the Nation Brand and the Nation Brand identity.

ENHANCED UNDERSTANDING OF THE NATION BRAND PERFORMANCE

Brand South Africa aims to enhance the understanding of the Nation Brand performance through the following initiatives or projects:

- Nation Brand Performance;
- South African Competitiveness Forum 2017;
- Domestic Perceptions Research Study;
- SA Inc. Project; and
- International Investor Perceptions.

Nation Brand Performance

In enhancing the understanding of the Nation Brand performance among stakeholders, Brand South Africa produced a number of reports highlighting South Africa's profile in a diverse array of sectors, and national capabilities. These were shared among stakeholders in the public-, private-, civil- society and the media sectors. In order for Brand South Africa to execute its mandate it needs insight into operating environments, as well as capabilities, strengths, and challenges the Nation Brand faces.

Such analyses inform planning, help to identify issues in the environment that require attention and/or intervention. Brand South Africa share analyses and research insights relevant to audiences and stakeholder groups ranging from municipalities, metros, provinces, the Presidency and national level departments. Nation Brand performance indicators were also extensively shared through a multiplicity of platforms with business, academic, civil society and stakeholders in global markets.

A few snapshots below provide examples of relevant indices and research findings during the 2017/18 period.

The Good Country Index 2017

South Africa in the Good Country Index 2017

Overall Ranking 47/163 Science & Technology 25/163

Culture **65/163**

International Peace and Security 2/163 World Order **25/163**

Planet and Climate Prosperity and Equity

Health and Wellbeing 56/163

But, what is meant by 'good country'? A good country is accordingly defined as '...a country that contributes to the greater good of humanity. A country that serves the interests of its own people, but without harming – and preferably by advancing – the interests of people in other countries too.'

In terms of governance profile, Brand South Africa tracks indicators in a range of indices. Indicators that support the positioning of the Nation Brand as a global leader in transparency and accountability include, for example:

- The Open Budget Index 2017 where South Africa ranks 3/102 nations. This means South Africa is far more open and transparent in its public institutions than some of the most so called 'advanced' nations on the planet; and
- World Press Freedom Index 2017 where South Africa ranks 31/180 nations. This, together with the Open Budget Index, indicates strengths in transparency and public accountability in the context of a democratic constitutional order.

In terms of governance it can furthermore be indicated that during 2017, South Africa maintained its standing on the African continent in terms of governance.







Safety and Rule of Law

7TH



Human Development

Climatescope 2017 - The Clean Energy Country Competitiveness Index

In terms of the movement towards a green economy, it can be indicated that from the perspective of Emerging Markets, South Africa is among the top 10 such markets in the world in terms of implementing renewable energy projects. South Africa ranks 6/71 emerging markets in this index.

According to this index South Africa attracted a total of \$6.10bn worth of investment in the renewable sector between 2010 and 2016. This makes the country the fourth largest recipient of FDI in this sector among emerging markets.

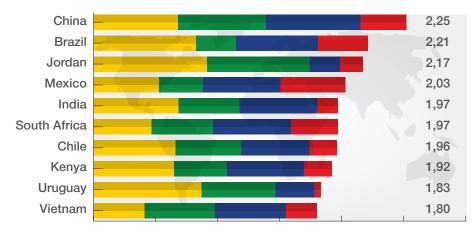


Fig. 1 - Top ten nations in the Climatescope Index

Infrastructure and Logistics Competitiveness

Through several different indices monitored as part of the Nation Brand performance profiling, Brand South Africa finds it easy to position South Africa as a leading emerging market and facilitator of trade in the sub-region. In this regard the following snapshots illustrate performance in these areas.

World Economic Forum Global Competitiveness Index:

- 50/137 for Quality of Roads
- 47/137 for Quality of Railroads
- 37/137 for Quality of Ports.

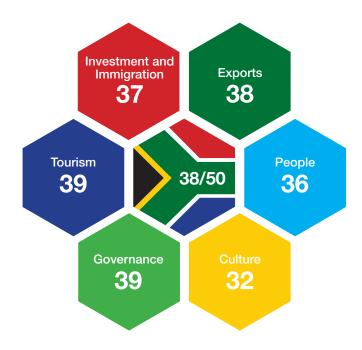
The Ibrahim Index of African Governance and The 2016/17 World Bank Logistics Performance Index

The Ibrahim Index of African Governance places South Africa 6/54 nations in terms of overall infrastructure profile and capability. The 2016/17 World Bank Logistics Performance Index ranks South Africa 20/160 nations in terms of logistics capability. Combined with excellent hard and soft infrastructure, the logistics performance ranking showcases national capabilities and clearly establishes South Africa as regional hub of excellence for transhipment, freight handling, logistics, and related services.

	SOUTH AFRICA'S PERFORMANCE								
PERIOD	PERIOD OVERALL RANK CUSTOMS INFRASTRU		INFRASTRUCTURE	INTERNATIONAL SHIPMENT LOGISTICS, QUALITY AND COMPETENCE		TRACKING AND TRACING	TIMELINE		
2014/15	34	42	38	25	24	41	33		
2016/17	20	18	21	23	22	17	24		

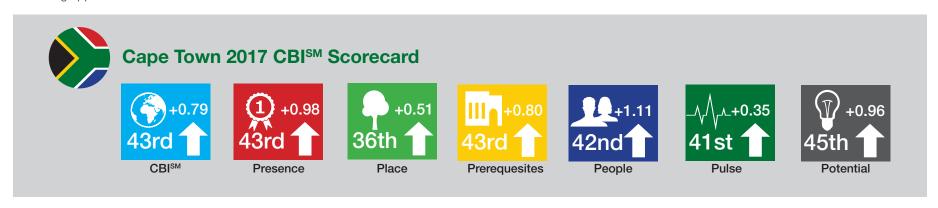
Nation Brand Index 2017

- Ranking 38/50 in 2017, the Nation Brand indicates that South Africa's international standing remains in good shape.
- However, while the above may be the case, it is important to note, when
 reviewing performance in the last number of years, that the following
 markets are proving themselves to be South Africa's closest competitors,
 being Chile, Peru that improves ranking as well as statistical score in the
 study on last year to advance ahead of South Africa.
- Other countries that made significant statistical score improvements are Turkey (39/50), Egypt (40/50), and Indonesia (41/50).
- While these markets still rank behind South Africa, their improvement in this year's statistical measurement indicate that these markets may be building momentum and stand to outpace South Africa's lower statistical improvement on 2017.
- In terms of African nations, South Africa outperforms Nigeria and Kenya with a perception score lead of 3.5 and more on all indices.

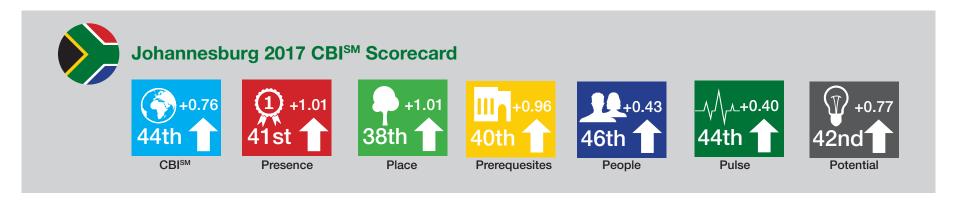


City Brand Index 2017

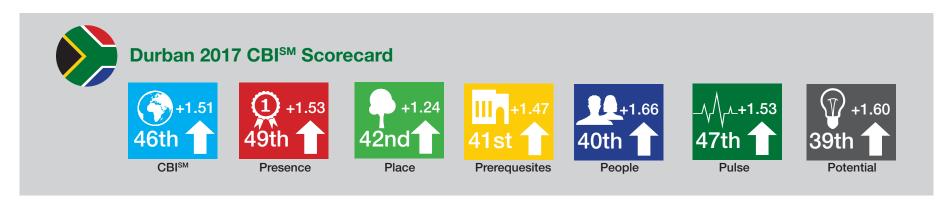
Anholt-GfK Roper City Brands Index, 2017 revealed that South African cities are continuing to maintain or improve their positions, as global citizens have displayed increasing appreciation for the South Africa cities.



- Cape Town secures an overall CBISM rank of 43rd place, same as in 2015.
- Cape Town Hexagon index ranked at 43rd in Presence, 36th in Place, 43rd in Prerequisites, 42nd in People, 41st in Pulse, and 45th in potential.



- Johannesburg continues to rank 44th in CBISM 2017, a position it has held since 2013, with a modest overall score increase this year (+0.76 points, versus the average score gain of +0.91 points). South Africa's largest city is behind Mexico City (42nd), and Cape Town (43rd); but ahead of Istanbul (45th), and Durban (46th).
- The city's strongest asset is the Place Index bolstered by its climate. This year, Johannesburg experienced a three position rank improvement in the Place Index, as well as a one position rank advancement in the Presence, Pulse, and Potential Indices.



- Out of all the South African cities, Durban achieves the most success in improving its image this year up two positions since 2015 with an overall CBISM 2017 rank of 46th place.
- Durban's CBISM 2017 Hexagon index ranked 49th in Presence, 42nd in Place, 41st in Prerequisite, 40th in People, 47th in Pulse, and 39th in Potential.
- Since 2015, Durban's rank has improved by one position in the Presence, Place, and Prerequisites Indices, by two in the Pulse Index, by three in the Potential Index, and by four in the People Index.

Transparency International – Corruption Perceptions Index 2017

While the 2017/18 period saw intense public debate, due to revelations of corruption and unethical behaviour in state institutions, the Corruption Perceptions Index shows a relatively stable image over time.

The index ranks 180 countries and territories by their perceived levels of public sector corruption according to experts and business people. Countries are measured on a scale of 0 (highly corrupt) to 10 (very clean). This year, the index found that more than two-thirds of countries score below 50, with an average score of 43 when compared to recent years.

Following on a year where revelations of corruption dominated news headlines in South Africa it is noteworthy that the country's corruption perceptions score remains quite stable moving from 45 in 2016 to 43 in 2017.

RANK	COUNTRY	2017 SCORE	2016 SCORE	2015 SCORE	2014 SCORE	2013 SCORE	2012 SCORE
71/180	RSA	43	45	44	44	42	43

South Africa also does fairly well compared to the Next 11. Only South Korea is perceived as less corrupt with a score of 54.

RANK /180		2017 SCORE	2016 SCORE	2015 SCORE	2014 SCORE	2013 SCORE	2012 SCORE
51	South Korea	54	53	54	55	55	56
71	RSA	43	45	44	44	42	43
81	Turkey	40	41	42	45	50	49
96	Indonesia	37	37	36	34	32	32
107	Vietnam	35	33	31	31	31	31
111	Phillipines	34	35	35	38	36	34
117	Egypt	32	34	36	37	32	32
117	Pakistan	32	32	30	29	28	27
130	Iran	30	29	27	27	25	28
135	Mexico	29	30	31	35	34	34
143	Bangladesh	28	26	25	25	27	26
148	Nigeria	27	28	26	27	25	27

South African Competitiveness Forum 2017

During the 2017/18 period the research team implemented three South African Competitiveness Forum (SACF) interventions. These included consultations with stakeholders on:

- The credit ratings downgrade and its implications for Nation Brand reputation;
- Consultation with South African corporates, exporters and multinationals on the role they play in shaping the Nation Brand's reputation in international markets; and
- Consultation with mining sector stakeholders on positioning the Nation Brand in the context of mining.

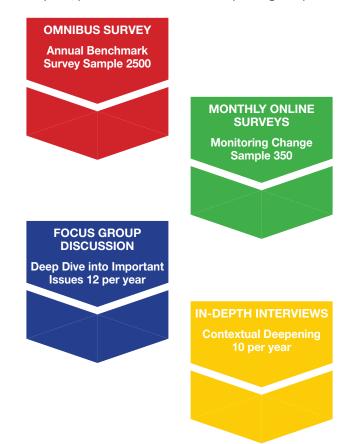


6 June 2017 – participants at the SACF consultation on credit ratings downgrade

Domestic Perceptions Research Study

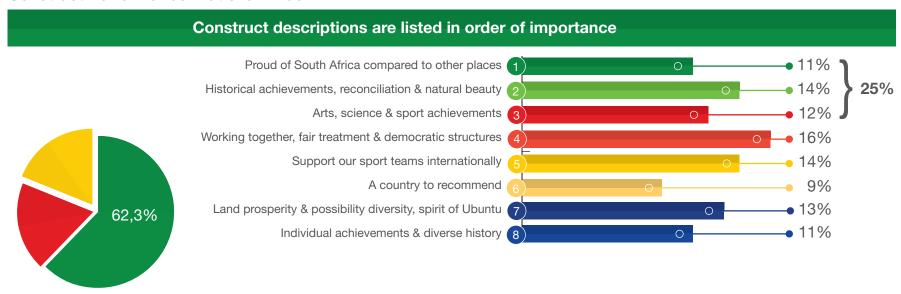
During the financial year under review Brand South Africa appointed a new service provider to conduct the Domestic Perceptions Research projects. This provided an opportunity to review and expand the project. The new model adopted includes both quantitative and qualitative elements.

The project delivers +/- 6,000 research records per year. This enables Brand South Africa to better understand trends and perceptions among South Africans and how this impacts on pride, patriotism and Nation Brand profiling and positioning.



Construct/Index Performance according to 2017 Omnibus Survey

Construct Performance: National Pride



Construct Performance: Social Cohesion



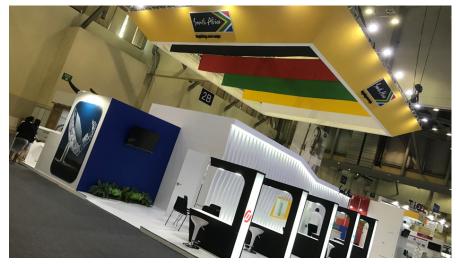
Construct Performance: Active Citizenship



SA Inc. Project

Through the SA Inc. project, Brand South Africa aims to develop deeper insight into perceptions of South Africa in international markets. During the period under review the research unit implemented an SA Inc. intervention in all four quarters. Notable is the interventions during Q3 and Q4 focused on Asian markets. Based on global economic and geopolitical shifts, Asia presents a major opportunity for expansion of sources of FDI, and trade partnerships with South Africa.

During Q2 Brand South Africa supported the Department of Telecommunications & Postal Services at the 2017 International Telecommunications Union Forum & Expo in South Korea. The research unit utilised this as an opportunity to engage with Asian stakeholders and gauge levels of awareness, and perceptions of South Africa. Following on the intervention in South Korea, during Q3 the organisation engaged in research in Singapore to assess the Nation Brand's profile, and perceptions thereof in this important Asian market.

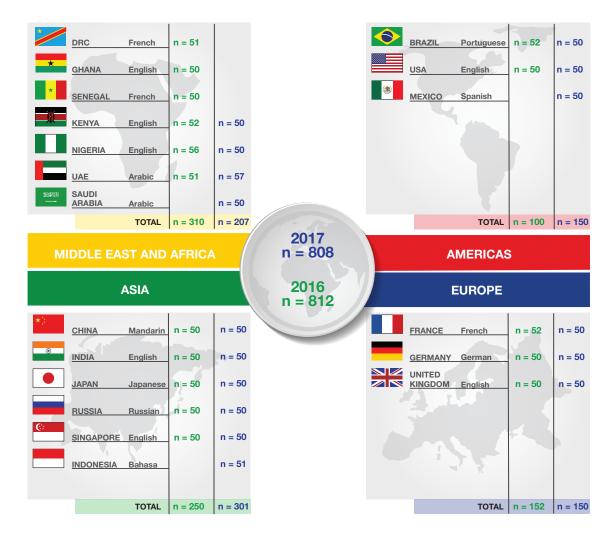


South African pavilion at the ITU 2017 in South Korea

International Investor Perceptions

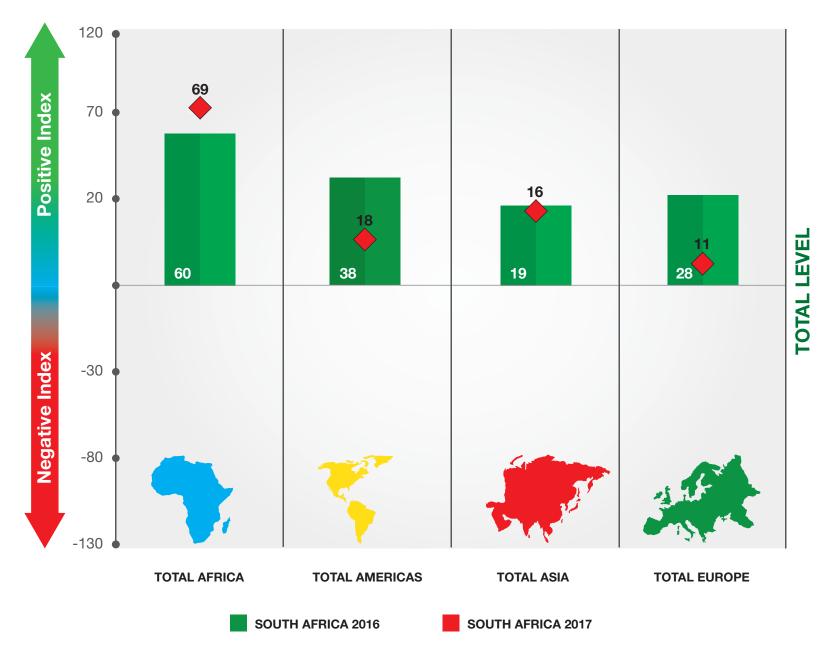
The international investor perceptions research in 2017 indicated interesting trends. In the European environment some reputational challenges emerged, with investor concerns increasing due to perceptions of the internal political situation in the country. BRICS members, India and Russia show a steadily improving perception of South Africa as an investment destination. On average BRICS members' perceptions of South Africa have been improving over time, with work remaining to be done in China to increase awareness, and to contextualise the unique profile of South Africa in the market.

Target markets for the 2017 study outlined in the image below:



Country Reputation Index: Total Level 2016 vs 2017

South Africa has a better reputation index among fellow Africans, this is in comparison to America, Asia and Europe who rated South Africa lower.



IMPROVED NATION BRAND REPUTATION PERCEPTION AMONG SOUTH AFRICANS

The objective of this programme is to improve the reputation, perceptions and awareness of the Nation Brand among targeted audiences and promote a cohesive and unified approach when marketing South Africa outside of its borders. It also aims to contribute towards building social cohesion and active citizenship among South Africans.

Brand South Africa contributes towards the promotion of the South African Constitution.

'Play Your Part'

Brand South Africa's flagship programme, 'Play Your Part' (PYP), inspires, profiles, and encourages South Africans to become active citizens and contribute positively to South Africa's future. The programme speaks to the Nation Brand pride, patriotism, and social cohesion.

The 'Play Your Part' TV Series continued to air episodes on SABC 2. A total number of 33 stories of ordinary people doing extra ordinary work in their communities were being told on the PYP documentary which was a success with over 21-million audience reach since 26 August 2017. The episodes are promoted on the Brand South Africa's

website, social media pages and to the Brand South Africa staff through weekly episode synopses. It is also worth noting that the 'Play Your Part' TV series continues to flight on SAA regional flights in the country and the continent generating broader awareness levels.

Through the 'Play Your Part' platform the entity was able to excite the youth and get them to contribute positively towards their communities.

The 'Play Your Part' Ambassadors Programme

Promoting advocacy remains one of the imperative strategic objectives for Brand South Africa. It is for this reason that Brand South Africa continues to champion the 'Play Your Part' Ambassadors Programme.

"We aim to educate

and empower people

to take care of their own health











































A total number of 200 ordinary South Africans who have contributed immensely in the development of their communities volunteered as PYP ambassadors.













'Play Your Part' Ambassadors, from top to bottom, left to right: Thabang Mabapa, Vumile Msweli, Zukiswa Wanner, Lethabo Motsoaledi, Jozi Cats (Chris & Anthony)

The 'Play Your Part' radio campaign wins the Loeries award

Brand South Africa's creativity was also celebrated at the Loerie awards whereby one of the 'Play Your Part' radio adverts, promoting road safety, won a gold. This was a great awareness and organisational profile for the entity.



Brand South Africa Road Safety radio advert wins at Pendorings

The winning advert aimed to promote the message of road safety with a no drinking and driving message during the Easter holiday season.

The platform provided good promotion & awareness for Brand South Africa and its 'Play Your Part' programme.



CONSTITUTIONAL AWARENESS PROGRAMME

Brand South Africa is identified within the MTSF as a delivery partner of Outcome 14 (Social Cohesion) with the mandate to create awareness of the Constitution. The programme aims to highlight the fruits of Freedom and popularise the Constitution as well as to use it as a tool to encourage active citizenship among South Africans.

CONSTITUTIONAL AWARENESS ACTIVATIONS Basha Uhuru Programme

Brand South Africa collaborated with Constitution Hill, the National Department of Arts and Culture, the GGDA, and Nando's on the delivery of a week long youth programme under the banner of Basha Uhuru. Through its diverse arts, culture, and heritage programmes, the youth were invited to inspire

each other through the arts and express how they experienced freedom. The activity was attended by approximately 8,000 people through the week. The programme included conversations around Freedom (dialogue), Expressions of Freedom (exhibition), Visions of Freedom (film screening), and Sounds of Freedom (radio).

A total of nine activations to promote constitutional awareness were hosted in various provinces throughout the year. These include student dialogues at universities and various activations executed in collaboration with Constitution Hill. Some of the key activations that were executed during the year under review include:

Hangberg Community Engagement

The organisation collaborated with the award winning web film influencer, Imraan Christian in the community of Hangberg to inspire constitutionalism, tolerance and constructive expression among the youth. Imraan Christian, a visual artists and influencer who has worked with Brand South Africa to create one of the three constitutional awareness web-films, worked together with the team on the actual design of the engagement. This series of activations was centred around using the arts to trigger community dialogue.

The day unfolded with portraits of people from the Hangberg community where Imraan Christian worked with his team to shoot, print and strategically place these on the walls and fences of Hangberg. Over 200 community members participated in the activation.

Human Rights Programme

As part of Brand South Africa's Constitutional Awareness programme, to inspire constitutionalism, tolerance and constructive expression among the



Imraan Christian

youth, one of the ways in which Brand South Africa will deliver on this part of its mandate is through a collaboration with Constitution Hill, for the delivery of the annual Human Rights programme.

The programme included an engagement with civil society organisations, African Human Rights Film screening and an African Human Rights book session as well as the We the People Walk. The programme took place over three days, and an estimated 8,000 people attended.

Mbaxa Heritage Programme

Brand South Africa, in collaboration with the Eastern Cape Department of Arts and Culture, Buffalo City Local Municipality and Seeds of Mbaxa (a local culture and heritage promotion organisation) delivered the Heritage Commemorations in Mbaxa Location, a village outside of King Williams Town in the Eastern Cape Province, themed 'Identity and the Constitution.' The event programme included a talk on Identity and the Constitution as well as a cultural/traditional talent show. Not only is the Constitution the guiding law on South African Nation Brand values, but it also supports and protects the heritage and culture of all who live in South Africa. An estimated 120 community members attended.

THE CONSTITUTIONAL AWARENESS WEB FILMS

The constitutional awareness programme took an approach of using real life examples of South African youth, showcasing how the constitution has benefited them, essentially communication the fruits of the constitution.

The first web film was done by Imraan Christian from Cape Town, who showcased how the freedom of expression benefited him to use photography as an inspiration and a tool of communicating critical socio-

economic issues. He also empowers others with photography skills.

The second instalment of the web film was done by Gemini Major from Malawi and his anchor message was African Unity and how the South African Constitution also protects those not from South Africa.

The third instalment was delivered by Dr Latoya Makhene who also shared how the South African Constitution allows people to choose their religion. Her being a sangoma doesn't discriminate her professional work.

Brand South Africa was able to reach about 12-million South Africans with this message which was flighted on strategic youth channels such as Channel O, Mzansi Magic, and SABC. It is exciting to note that two of the web films (Imraan Christian and Gemini Major's) were chosen as the 'adverts of the year' by MarkLives. com, a marketing and advertising online magazine that recognises outstanding performance and creativity in the creative industry.

IMPROVED NATION BRAND REPUTATION PERCEPTIONS

Domestic and International Activations

Strategic Goal 3: Proactive and coordinated communication of the Nation Brand value proposition.

Content and communication programmes that engage with issues that are strategic to the reputation of the Nation Brand.

Several domestic and international events and platforms were supported through communications and public relations (PR) activities.

International events and platforms included:

- WEF Africa and WEF Davos:
- BRICS 2018 Chairship Announcement Media Launch;
- ITU Hosting Announcement; and
- Mining Indaba.

Domestically, days of significance supported were:

- Freedom Day;
- Africa Day;
- Youth Day;
- Women's Day:
- Mandela Day;
- Heritage Day; and
- Universal Children's Day.

USA Market: Content and Communication Programme

During the 2017/18 fiscal year, Brand South Africa, in partnership with Foreign Policy(FP), continued to develop and publish the South Africa Now! newsletters in the USA. The newsletters featured positive stories about South Africa's competitiveness, and was circulated to subscribers on a monthly basis.

In monitoring the performance of the newsletters specific to traffic-driving contwnt, it appears that readers find interest in articles on South African economic and social innovations. Not far behind are interest pieces or 'People and Culture ' spotlights. In order to grow the list of subscribers, a quick 2-3 question surveys were used, giving users a chance to



Gemini Major

provide feedback on important questions related to South Africa as well as giving them am opportunity to provide their email addresses to sign up for the newsletters.

Overall, newsletter subscribers have grown by 8% over the 2017/18 fiscal year, from 841 to 906. The digital ads link to the registration page for the South Africa Now! newsletters: https://foreignpolicy.com/southafrica-now/

Digital Content: USA Market

Brand South Africa in partnership with FP magazine undertook several digital advertising campaigns involving South Africa's sponsorship campaign of content; South Africa's run-of-site campaign; South Africa's native ad campaign; and FP Editors' Picks newsletter.

The digital adverts (linking to the registration page for South Africa Now!: https://foreignpolicy.com/south-africa-now/) totalled 571,842 impressions, with 590 total clicks, constituting a phenomenal .10% click-through rate (CTR) overall, which is 3x-4x higher than average advertising campaigns. You can see the evidence of this in FP's tracking software below.

The South Africa Now! newsletters were distributed online to a USA Global South African's database. Digital campaigns were run on the Foreign Policy magazine and National Press Club websites. The newsletters also received coverage on an FP magazine podcast.



Dr Latoya Makhene

BRAND SOUTH AFRICA'S DIGITAL ADVERTISING CAMPAIGN

	TOTAL IMPRESSIONS	TOTAL CLICKS	TOTAL CTR	DELIVERY INDICATOR
South African Fixed Ad 2017-2018	932	1	0.11%	N/A
South Africa ROS 2017-2018	99,087	85	0.09%	127.94%
TOTALS	100,019	86	0.09%	-

Print Advertising

The print versions of the newsletters are regularly circulated at events hosted by Brand South Africa, for example, the Brand South Africa advertisement was placed in the January 2018 issue of Foreign Policy, which was distributed to subscribers and a special distribution at the World Economic Forum in Davos, where more than 2,000 copies of the magazine were displayed in hotels. Moving forward, FP will continue to build advertising components that coincide with important events for South Africa such as Days of National Significance, when more readers are looking for specific information related to South Africa and are even more likely to utilise Brand South Africa's resources. Foreign Policy Magazine has a normal reach of 70,000+ readers per issue. The issue was distributed to subscribers and had a special distribution at the World Economic Forum in Davos, where more than 2,000 copies of the magazine were displayed in hotels. Moving forward, FP will continue to build advertising components that coincide with important events for South Africa such as Days of National Significance, when more readers are looking for specific information related to South Africa and are even more likely to utilise Brand South Africa's resources. Foreign Policy Magazine has a normal reach of 70,000+ readers per issue.

UK Market: Content and Communication Programme

Global South Africa Newsletter

- During the period under review, Brand South Africa in the UK published 24 newsletters which were intended for Global South Africans.
- As at March 2018, the total subscriber base to the newsletter stood at 4,772.

Management of Global South Africa digital content on Brand South Africa UK website. Twitter @Glosaf Facebook

Glosaf Newsletter Subscribers on Mailchimp:

TWITTER @GLOSAF

FOLLOWERS	TOTAL NO. OF TWEETS
866	2088
1,313	3477 (+125)
1,336	3515 (+38)
1,364	3563 (+48)
1,408	3647 (+84)
1,439	3760 (+113)
1,581	3,876

FACEBOOK

LIKES	OVERVIEW	
1,073		
1,716	3,941 people reached with 698 engagements	
1,727	1,582 people reached with 264 engagements	
1,741	1,691 people reached with 315 engagements	
1,772	8,690 people reached with 1,162 engagements	
1,808	9,645 people reached	

GLOBAL SOUTH AFRICA NEWSLETTER SUBSCRIBERS ON MAILCHIMP

UK & EUROPE	UK MEDIA	AVE. OPEN RATE (15% INDUSTRY AVE)
1,015	23	24.1%
5,541	40	24.4%
5,453	39	24.4%
5,364	41	24.2%
5,248	41	24% opens with 4.5% clicks

China Market: Content and Communication Programmes

With the aim of driving positive, Nation Brand-enhancing news about South African the local market, Brand South Africa worked with its local public relations agency in China to develop content for the purposes of issuing press releases to local media as well as populating its Chinese digital platforms – for which a detailed weekly content plan has been developed.

- Given the market's particular focus on crime in South Africa, (a challenge that has also been reported by SA Tourism), Brand South Africa's China office has developed and already begun implementing a plan to feature highlights of South Africa's crime fighting capabilities, along with the Minister of Police's announced strategy of deploying high-ranking police officials to key locations around the country. Similarly, positively positioned stories will form part of the content plan on an ongoing basis so as to gradually shift the crime-related narrative in the market.
- Brand South Africa also supported a local publication, China Business News (Yicai), by scheduling a telephonic interview with Minister Jeff Radebe whilst he was at WEF Davos. The article was subsequently published in February 2018.
- Brand South Africa continued to receive media coverage relating to the 20th anniversary of diplomatic relations between South Africa and China, based on a press release issued in January 2018. In addition, coverage of Brand South Africa's one-on-one interview with China Economic Times (which was conducted on the side-lines of the SA Tourism media roadshow) was received during the first week of February 2018. In total, the approximate advertising value received during the month of February was RMB 10,000 (ZAR 194,000 as per OANDA) despite the extended Chinese New Year holiday period that took place in February 2018.
- Media coverage reports developed and issues include, to name but a few,
 'Great South Africans Who Made Their Mark in the World', 'South Africa's New
 Roadmap for Investor-friendly Mining' were issued during the fiscal year
 Further coverage is expected to be achieved on some of the releases, given
 the fact that a number of the media titles that were targeted are long-lead in
 nature.

 In addition to the development and issuing of press releases, further public relations opportunities were leveraged by arranging and conducting a media interview session for the acting Country Head: China with Capital Magazine and China Economic Net. Overall coverage in excess of ZAR R1-million was achieved.

Strategic media collaboration with Mapo Radio

- Brand South Africa worked with Beijing-based podcast radio station Mapo Radio to feature South African artists on their programme and showcase them to their Chinese audience – thereby contributing towards the Nation Brand whilst also potentially opening up a market for these artists in China.
- Mapo Radio's programmes are aired mainly through Podcasts, Lizhi FM and their own official website platform. Mapo is a non-profit online radio organisation (with a community of 323,624 on Weibo) that has been operating since 2009 and has accumulated approximately 1,000 hours of programming. The station's main format is interviews with independent musicians and artists who may one day come to perform in China.
- Brand South Africa has put forward a number of South African artists and connected them with Mapo in order for the interviews to be conducted. Among other South African artists, an interview with Cape Town-based visual artist Imraan Christian was published.
- Brand South Africa and Mapo have continued to engage on an ongoing basis to identify more artists, musicians and cultural festivals in South Africa that may be appealing to Mapo's audience.

MEDIA ENGAGEMENTS

Media engagement activities were undertaken to positively position the Nation Brand and to strengthen relations with the media, domestically and internationally.

Domestic Media Tours

Coega Media Tours

In line with its mandate to position South Africa positively and manage the reputation of the Nation Brand by showcasing South Africa as an attractive investment and tourism destination, Brand South Africa hosted international, national, and regional mainstream and community media at the Coega SEZ (special economic zone) in the Eastern Cape from 24-25 August 2017. The tour highlighted proof point areas of South African's competitiveness in the business and tourism environment. The media tour aimed to profile provincial tourism programmes as well as the CDC's prime special economic zone. Journalists from nine different news outlets were invited to join the media tour. Seven of the nine news agencies were international outlets.

WEF Africa Media Tour

Brand South Africa hosted media in promotion of WEF Africa 2017, in Durban. Ethekwini Tourist sites were showcased as well as the Dube Trade Port.

China Market: Media Engagement

 Brand South Africa's Beijing office, working in conjunction with the local PR agency, hosted an engagement with journalists from five media houses (21st Century Business Herald, Beijing Morning Post, China Daily, go.huanqui.com and Iqiyi.com) on the side-lines of the seminar on Investing in South Africa, in Beijing. Media stakeholders who have been identified as being strategic to Brand South Africa's work in China were invited for a session with Brand South Africa's acting Country Manager for the purpose of re-establishing positive relations; positioning the organisation as the custodians of Nation Brand-related communication; as well as sharing the organisation's initiatives in the market.

One-on-one as well as group interviews were conducted as part of the engagement.

 Brand South Africa's China office worked with the Communications and Stakeholder units to assist a senior reporter from 21st Century Business Herald's International Affairs & Global Finance desk with the facilitation of an interview whilst on a working trip to South Africa. 21st Century Business Herald is a Chinese daily newspaper bringing the most up-to-date news on business, economic and political issues of interest to the business community all over China. It enjoys a high circulation of 631,800 copies per day.

The journalist sought to interview a business person who has facilitated business between South Africa and China, as part of a report on the experiences of Chinese businesses in South Africa.

 As part of its ongoing efforts to ensure that positive, brand-enhancing news about South Africa is published in the local market, Brand South Africa has been working with its PR agency to develop and issue press releases to local media. A release was issued in November.

The release issued in November centered on Brand South Africa's presence in China and the investment seminar generated 21 clippings for the month. Coverage was received predominantly on online publications (with 252,832,726 visitors), with the advertising equivalent value of RMB 127,000. Additional releases for the remainder of the financial year (up to end of March 2018) have been identified and will be issued periodically to ensure that South Africa is featured in the media on a regular basis.

With the aim of driving positive, Nation Brandenhancing news about South Africa in the local market, Brand South Africa worked with its PR agency to develop another press release for issuing to local media. The release that was issued in December 2018 focused on the re-enforcement of South Africa's status as a competitive, dynamic and investor-friendly destination on eve of the 20th anniversary of establishing diplomatic and trade ties with China. In line with this position, the release also made reference to, among others, the roll-out of the InvestSA One-Stop-Shop, the country's sound regulatory framework that serves to protect investors, as well as the commercial and legal practices that are in line with the rest of the developed world.

USA Market: Media Engagements

United Nations Correspondents Association (UNCA) Annual Awards Gala at Cipriani, Wall Street, New York

Brand South Africa participated at the annual UN Correspondents Association gala by securing a VIP table for 10 held on 15 December 2017 in New York City. The UNCA awards is a non-profit organiation devoted to encouraging and rewarding excellence in journalism. Founded in 1948, UNCA is an association that represents 250 journalists covering UN activities at the UN headquarters in New York.

- 2017 was the Association's 22nd Annual Awards, and was used to equally celebrate the UN Secretary General Antonio Guterres' first vear of his mandate at the United Nations. He attended as the event guest of honour for the evening. The event hosted just over 600 guests that included international journalists, UN ambassadors and diplomats, high level UN officials including Under Secretaries General, UN Staff, NGOs and Corporations, There were over 1,000 printed copies of the UNCA Awards Journal available that featured a full page colour advertisement of Brand South Africa, as well as listing of Brand South Africa as a supporter of the event thereby giving the brand huge visibility and recognition.
- The programme included opening speeches by the President of the UN Correspondents Association, Mr Sherwin Bryce Pease, and the President of the UN General Assembly, Mr Miroslav Lajcak. The evening highlights were the comedic performance by the host of the 'The Opposition' show Mr Jordan Klepper, and Ms Angelina Jolie, UNHCR Special Envoy who was the recipient of the 2017 UNCA Global Citizen of the Year award.
- Despite the fact that the event was closed to media reporting, People Magazine with a following that runs into millions published a full story on Angelina Jolie receiving the award (http://people.com/movies/angelinajolie-united nations-correspondents awards-four-children/)

Brand South Africa CEO Networking Reception with influencers at South African Consulate Offices

 Brand South Africa CEO undertook a working visit to the USA, accompanied by the Manager in the Office of the CEO from 3-8 December

- 2017. This followed a Board Resolution earlier in the year for the CEO to embark on a visit to the organisation's overseas office in the United States of America in order to acquaint himself with the operations on site.
- In addition to other key engagements arranged for the delegation, a networking reception with key influencers was also held at the South African Consulate offices in New York. The CEO used the opportunity to address a concept that has crept into the discourse in South Africa but with negative consequences, that is, political instability. He spoke at length on the matter resulting in him distinguishing between political contestation and political instability, that the two are not the same and mutually exclusive.
- The networking event was also addressed by Ambassador Jerry Matjila who used the opportunity to welcome guests to give context from where South Africa has come, and to emphasise the need to highlight the good stories of our achievements as individuals but also as a nation. The event attracted 47 participants out of 62 confirmations (inclement weather and the suspension of the metro rail that evening were cited as causes for others failing to turn up).
- The event provided the CEO with a platform to position the Nation Brand by highlighting key messages that enhance the attractiveness of South Africa as a leader in business and innovation in the continent of Africa to key influencers and third party endorsers. Furthermore, the event also provided the CEO with an opportunity to quell the noise around the political instability concept which is confused with our noisy democracy which is maturing, and such political contestation are to be expected.

On 15 February 2018, Mr Sisa Ntshona, Chief Executive Officer of SA Tourism was joined by Brand South Africa and the South Africa Consul General in New York to attend a briefing with USA-based media on the Cape Town drought.

The objective was informed by the need to visit and meet with several media houses to explain and contextualise the water crisis. Measures underway to avert Day Zero were explained, including the setup of desalination plants, and the short-term sacrifices by Cape Town residents.

At the meeting it was also agreed that the Ambassador in Washington DC should engage the State Department concerning the Advisory Note issued regarding travel to South Africa, which includes a cautionary note about the water shortage in Cape Town, ultimately sending a negative message about the country. It was further agreed that Brand South Africa would continue to assist SA Tourism's Country Head in the USA to convene media briefings and issue press releases to clarify the matter on a continuous basis.

Issues responded to

Brand South Africa responded to a number of issues in the environment affecting perceptions on the Nation Brand. These included:

- BRICS Media Launch on South Africa's Chairmanship: On 30 January, one media interview on South Africa's Chairmanship of BRICS for Brand South Africa GM: Research on Power FM, reaching just under 100,000 listeners.
- South Africa's Chairmanship of BRICS: An opinion editorial produced bylined by the CEO.
 Dr Kingsley Makhubela and published on 1 February in the Business Day with a readership of 83,000.

- The passing of Hugh Masekela: On 23 January, Brand South Africa facilitated two media interviews on the passing of Hugh Masekela in conjunction with the Minister of Finance on SABC TV.
- The resignation of President Jacob Zuma: A press statement following the resignation of President Jacob Zuma was drafted and released and also published on the Brand South Africa website. On the back of this statement, Brand South Africa's CEO, Dr Kingsley Makhubela had an interview on eNCA on 15 February 2018, with a reach of 2.5-million.
- Welcoming President Cyril Ramaphosa's new era: A press statement on welcoming President Ramaphosa's new era of a more prosperous and equitable society, was issued on 20 February 2018. On the back of this statement, Brand South Africa's CEO, Dr Kingsley Makhubela had four interviews on CNBC Africa, SABC Channel Africa, Power FM and EWN, with a combined identity, image, and the Nation Brand reach of over 1.3-million.
- The strength of South African Reputation: On 1 March 2018, Brand South Africa's CEO, Dr Kingsley Makhubela had an interview on Kyknet on the strength of the Nation Brand. KykNet reaches 25,000 viewers.
- South Africa's positive outlook for the 2018/2019 financial year: On 29 March 2018, an opinion editorial titled 'South Africans are fiercely committed to the growth and development of our country' was published in the Business Day.

• World Economic Forum 2018: An opinion editorial by-lined by Brand South Africa's CEO, Dr Kingsley Makhubela titled 'Africa's greatest economic opportunity is trading with itself' was published on the World Economic Forum's digital platforms in the form of a blog on 16 January 2018. A second opinion editorial titled 'Setting the compass to navigating new trade routes' was published on 1 February 2018 as a post WEF 2018 article in the Business Day. A third and last opinion editorial titled 'Fourth Industrial Revolution Holds the Key to Growth in South Africa' was published in the Sunday Independent on 2 February in the Business Report, reaching 923,000 readers.

Media Partnerships/Public Relations

BBC Online

10 Articles of the BBC.com media partnership went live. BBC through its digital platform BBC.com has created a Brand South Africa branded content hub which carries Inspiring New Ways feature articles. Articles are arranged to position South Africa's competitive strengths that pursue the successful attainment of the country's National Development Goals.

CNBC Africa

Brand South Africa through its partnership with CNBC Africa conducted the production of the CEO round table discussions. CNBC Africa also assisted Brand South Africa with coverage of the WEF 2018 and Investing in African Mining Indaba in January and February 2018 respectively.

The partnership also provided an element of daily squeeze backs through messaging positioning the country positively. Business Roundtables in 3 markets in the continent were also facilitated in Nigeria, Kenya and Uganda

SAFM

Brand South Africa through the agency (FCB) partnered with SAfm for coverage of the Investing in African Mining Indaba.

Base Media

The Communications Team appointed Base Media on 1 May 2017 as the media monitoring agency for Brand South Africa.

This assists in measuring and tracking media coverage of the country domestically and internationally across all platforms.

FTI Consulting

FTI Consulting was also appointed in August 2017 to provide PR support for the organisation internationally. Services included PR services for the ITU Conference in South Korea, WEF Davos and other markets.

TIME Inc.

In January 2018, Brand South Africa leveraged its partnership with TIME Inc. to secure an engagement session, for Minister Rob Davies with Mr Edward Felsenthal, Global - Editor-in-Chief of TIME Inc., and with the Vice President of EMEA region for TIME Inc. Mr Rupert Turnbull.

This was an unpaid for engagement which gave South Africa the opportunity to contextualise any real or perceived challenges in the country.

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CNBC networking session Nairobi, (from left) - Joseph Mokoena (Brand South Africa), Thoko Modise (GM - Comms, Brand South Africa), Koleka Mqulwane (SA High Commissioner to Kenya), Dr Petrus de Kock (GM - Research, Brand South Africa)

ENHANCED AWARENESS OF NATION BRAND IDENTITY, IMAGE AND COMPETITIVENESS AND NATION BRAND VALUE PROPOSITION THROUGH DOMESTIC AND INTERNATIONAL ACTIVITIES

PROMOTION OF THE NATION BRAND ON DOMESTIC PLATFORMS

This speaks to Brand South Africa's efforts in selling South Africa to South Africans.

Brand South Africa contributes towards promoting pride and patriotism through the celebration of national days of significance. During the fiscal period under review the following were commemorated.

Youth Day

A day commemorating the Soweto Uprising in the country in order to recognise the role of the youth in the liberation of South Africa from the apartheid regime. A youth audio visual was created where youth were sharing what it means to be young in 2018. This public service announcement audio visual was then aired on SABC, reaching an audience of approximately 4-million across SABC channels. The video was also flighted on Brand South Africa-owned social media platforms where it enjoyed a reach of 50,000 views.

Freedom Month

Brand South Africa celebrated 24 years of freedom and commemorated the post-apartheid elections held in 1994. The activation made use of social media banners through a digital campaign that reached approximately:

Organic Reach: 2,180Paid Impressions: 303,574

• Engagements: 3,689

• Retweets: 101

Africa Month

A public service announcement audio visual was flighted on SABC 2 with the message of promoting African unity. The campaign was also aired on Brand South Africa-owned platforms. Overall reach achieved on SABC was approximately 3-million.

Service Month

Brand South Africa partnered with New Jerusalem Children's Home and played its part and contributed towards the refurbishment of the children's home. This was done in partnership with the South African Hockey (SAHA).

Universal Children and 16 days of activism

There were a number of incidents reported on mother and child abuse. Brand South Africa proactively put together a campaign that was stressed the important of protecting children. The campaign was published in various newspaper and on community radio stations. For 16 days of activism a social media campaign was launched with a very strong call to action programme

Generation Next

This is a youth platform that celebrates brand loyalty among South African youth. Brand South Africa collaborated with the youth platform, Sunday Times Gen Next. The objective was to introduce Brand South Africa to the youth as well as promote pride and active citizenship. The movement aims to educate and inspire the youth of South Africa and also celebrate the coolest brands as voted for by the youth. It is a platform where insights into youth brand preference and consumer behaviour were delivered.





DISCOP

The creative art industry is an important pillar to South Africa especially when one considers the role it plays in our democracy. It is for this reason that Brand South Africa partnered with DISCOP.

DISCOP is a South Africa television and film festival which was founded in 1991 and is a platform that markets content producers. It is a strategic platform where media sellers and buyers connect, build relationships, pitch projects and make deals in Africa and the Middle East - two of the world's fastest growing marketplaces. Brand South Africa showcased its Nation Brand strength in the film industry as well as its value proposition at DISCOP was which was attended by international audiences. Brand South Africa was further afforded a speaker platform as well as a branding opportunity. This resulted in the audience reach of 20,000 as well as the publication Variety.com community reach which boasts 17-million unique monthly visitors (Source: Google Analytics, 2015).

PROMOTION OF THE NATION BRAND ON INTERNATIONAL PLATFORMS

It is important for the Nation Brand to remain visible in the international markets thus ensuring top of mind awareness of South Africa.

SA Exhibition in Paris

Brand South Africa leveraged on an international platform with an objective of enhancing awareness of the Nation Brand identity, image, and value proposition. This platform gave Brand South Africa the opportunity to promote the Nation Brand using the pillar Culture and Heritage. The exhibition in Paris was supported by the Department of Arts & Culture, South African Tourism, and Gauteng Growth & Development and showcased the South African way of life which was communicated through handmade garments, such as handbags and clothing exhibited.

The garments also showed the creative spirit and energy of the Nation Brand, especially its international design and cultural capitals Johannesburg and Cape Town.

Toronto Film Festival

'The Number', a South African produced film, was selected to screen at the Toronto International Film Festival; Brand South Africa utilised this achievement as an opportunity to promote the Nation Brand to key stakeholders. The event highlighted the talent of South Africa's creativity to world-renowned producers and directors, as well as showcasing South Africa as a desirable filming destination. Individuals from key USA studios, producers, and distributors, as well as the Canadian Trade Commission from Pretoria (Nuala Lawlor), Wesgro, Videovision, IDC, dti, and NFVF were all present for this world screening of a locally produced film.

South African Hockey Association

Brand South Africa partnered with the Nelson Mandela Foundation and the South African Hockey Association to promote pride and patriotism among South Africans by working collaboratively with stakeholders in government, business, and civil society for Nelson Mandela International Day 2017. The activation reached 29,400 followers on SA Hockey's Twitter page, 7942 followers on SA Women's Hockey Facebook page, and a total of 20 media interviews facilitated by Brand South Africa between the respective partners.





City Nation Place

Brand South Africa once again participated in the City Nation Place Forum & Awards that took place in London from 8 and 9 November 2017. In its third year, the forum and awards is a platform that recognises place branding and place marketing entities from different countries and cities. Organisations are invited to attend the conference and participate in workshops comprised of several plenary sessions — some of which focused on the evolution of a place brand, city diplomacy and developing a nation brand strategy.

Brand South Africa was provided with a speaking platform where South Africa's Nation Brand case study was shared among international audiences. This platform afforded Brand South Africa an audience of 170-million through Euro News, 170 delegates from 37 countries and a Power FM interview with a reach of 83,000. This initiative also assisted in strategically positioning Brand South Africa as a go to Nation Brand agency on the continent with expertise on issues of the Nation Brand.

CEOs Know Campaign

In order to promote the Nation Brand as an investment destination, Brand South Africa launched an online campaign called 'CEOs knows'. The campaign approach looks at providing insights to frequently asked questions from potential investors. The intention is to promote Brand South Africa content by strategically using search engine optimisation (SEO) to ensure that the content appears in the top five of responses to questions asked on Google. The video clips of CEO interviews will be promoted online.



CEO of South African Tourism, Mr Sisa Ntshona, interview for CEOs Know Campaign

USA Market: Marketing Initiatives

Africa Gathering 2017 in celebration of Heritage Day, New York

Brand South Africa in collaboration with the New Africa Network hosted the Africa Gathering 2017 reception on 21 September 2017 to celebrate Heritage Day on the margins of the UN General Assembly meetings. Premier of Gauteng, Mr David Makhura was the guest speaker. The event was well attended by global business leaders, diplomats, African government

officials, entrepreneurs, investors, philanthropists, social influencers and media personalities. The objective was to provide an exclusive networking opportunity for visiting delegations, business leaders and USA investors to connect and create future business opportunities.

Brand South Africa introduced the Premier of Gauteng and his delegation and explained the linkages with the need to celebrate heritage by investing in the African continent, especially by those who are of African descent. The Premier did an outstanding job of promoting South Africa and its heritage to the audience, resulting in positive disposition towards South Africa. His message of successful business and attractive opportunities for doing business in South Africa was further endorsed by members of his delegation who all spoke about their own businesses and the success they have experienced over the years.

A key highlight and outcome of the networking reception came from the Bloomberg Group who is interested in hosting a visiting delegation to Gauteng to be hosted by Premier Makhura in 2018. The event also received publicity through the New Africa Network platform and on Twitter and LinkedIn.

African Immigrants Heritage Celebration

On 22 September 2017, Brand South Africa participated in the African Immigrants Heritage celebration reception hosted by the Mayor's office of the City of New York, featuring the Brand South Africa Global South Africans (GSA) initiative. The Mayor's office unites the people of New York City by celebrating and recognising the diverse culture, unique heritage, and distinct identities that make New York City the epicentre of the world which is home to some of the world's most vibrant ethnic communities. The event created an opportunity for community

involvement, service, networking and engagement to advance and strengthen the vibrancy of the city.

The celebration brought immigrants of African origin in New York City together to celebrate heritage month. Brand South Africa's Global South Africa initiative was featured with the USA Country Head sharing information on its objectives to foster patriotism to the Nation Brand. The message was received by over 1,132 people who were in attendance, contributing to enhanced brand awareness. The USA Country Manager also gave interviews with local television stations that have a following of over 7-million people.

UK Market: Marketing Initiatives

UK Market: South Africa Armed Forces Day

On 21 February 2018, Brand South Africa participated in the commemoration of South African Armed Forces Day in Southampton, England and at the South Africa High Commission in Trafalgar Square in London.

The Holly Brook Memorial in Southampton is of particular significance to South Africa, as it bears the names of the men of the SS Mendi, a troopship which sank in the English Channel south of the Isle of Wight during the First World War, taking 646 people, most of whom were black South African troops down with it. A wreath was laid by the South African contingent, comprising a representative from the South African National Defense Force, the Acting SA High Commissioner to the UK, Defense Attachés and Brand South Africa. The city was represented by the Sheriff of Southampton, a Councilor within the Local Government, who also laid a wreath on behalf of the community of Southampton. The memorial service in London was attended by Defense Attaches from various foreign missions in the UK.

COHESIVE APPROACH TO STRENGTHENING AND MARKETING THE NATION BRAND AMONG TARGETED STAKEHOLDERS

Nation Brand Alignment Training Programme

Brand South Africa uses the Nation Brand Alignment Training programme to educate and guide key stakeholders in the nuances of communicating a nation brand on multiple platforms.

For the year under review, the programme was implemented in eight provinces reaching over 150 institutions. Brand South Africa observed an increase in the number of requests for additional Nation Brand Alignment Training and as a result the annual target of institutions to be trained was exceeded in this financial year. More efforts will be placed on monitoring compliance in the 2018/9 fiscal year.

Global South Africans Programme

Brand South Africa launched the Global South African (GSA) programme in the conviction that all South Africans are a priceless resource for the country as it strives to promote its global competitiveness and attractiveness. The programme aims to enlist the talent, experience and credibility of South Africans living abroad – whether permanently or temporarily – to help realise the country's vision. Through this network, the organisation aims to keep South Africans updated on the developments in the country and to involve them directly in efforts to promote and market the Nation Brand.

During the 2017/18 Financial Year, Brand South Africa hosted a number of GSA engagements in its Country Offices and key strategic markets. In attempts to promote and grow a Global South African community,

Brand South Africa produced a call to action audio visual asking Global South Africans to play their part and be advocates for the Nation Brand. This AV was aired on Brand South Africa-owned social media platforms.

• Rugby 7 dinner with Blitzbokke

Brand South Africa in the UK partnered with the J9 Foundation UK to host an exclusive dinner with South African Rugby 7 known as Blitzbokke on 17 May 2017. Sponsored by J9 Foundation, the event was geared towards increasing the Brand South Africa Facebook following in the UK.

Brand South Africa's UK office ran a competition where individuals stood a chance to win a seat at the exclusive Rugby 7 dinner by tagging as many of their friends as possible, informing them about the exclusive dinner. The UK Country Manager had negotiated a table for 10 people to attend the dinner at no cost to Brand South Africa. The campaign achieved the intended objective as we saw an increase in the number of new Facebook followers as a result of the initiative. The number of followers increased by twice as much as the previous month (from 14 new followers in April to 31 new followers in May; and from 1,691 people reached with 315 engagements in April to 8,690 people reached with 1,162 engagements in May).

GSA event hosted in San Jose, California

During the period under review, Brand South Africa USA hosted a Global South Africans network meeting in San Jose, California in collaboration with the South African Consulate General office in Los Angeles. San Jose currently has the largest concentration of South Africans in the USA and also hosts most of the successful South Africans in the technology space. In hosting this event a platform was created for Brand South Africa and the South African Consulate office in Los Angeles to introduce and share its respective mandates and goals for the USA market, and the relevance to the Global South Africa network (e.g. 'Play Your Part' initiative). The gath-

ering was also utilised to receive valuable feedback on how best to position Brand South Africa on the West Coast region of the United States. The event attracted over 100 professionals and business owners.

Women's Month engagement between South African women and UK women

To commemorate Women's Month, Brand South Africa in the UK hosted a book club-style gathering to highlight women authors from both the UK and South Africa. This gathering was also used to address some of the challenges facing women across all sectors and backgrounds. The focus was on domestic violence and how women can be empowered in this regard.

The theme was 'Together, Empowering Women for Development and Gender Equality'. One author discussed her story under a shared theme of love/abuse/domestic violence and how she escaped or dealt with it. A senior manager at a law firm highlighted the legal rights of women in domestic abuse/domestic violence. The CEO of AFRUCA, who received an Order of the British Empire (OBE) for the work she has done to highlight the plight of women in abusive relationships, gave a presentation on the research she has conducted on how domestic abuse starts, how it manifests and concluded with recommendations of how women can escape this cycle of violence. The engagement was



UK - Women's Month - engagement between South African and UK women

attended by South African women in the UK, women from the African diaspora, UK women and other expat women who work and live in the UK.

Heritage Day celebrations, GSA Engagement, Abu Dhabi

On 29 September 2017, Brand South Africa partnered with the South African Business Council UAE by participating in their annual heritage day celebrations, which comprised a morning of golf hosted by the SA embassy in Abu Dhabi targeted at the business community, an afternoon braai with Dubai-based Global South Africans, an OR Tambo tribute, as well as a braai competition.

Brand South Africa contributed specifically toward the hosting of the Family Day, where approximately 350 Global South Africans living in the market attended. Activations included a brief call to action by Brand South Africa to attendees to join the GSA; network; looped flighting of Nation Brand AVs on outdoor screens; the running of a quiz show with SA-related questions and prizes; an SA-themed photobooth with #IHeartMySA hashtag; and SA-themed bubbles and colouring-in books for the children.

 In attempts to promote and grow a Global South African community, Brand South Africa produced a call to action audio visual asking Global South Africans to play their part and be advocates for the Nation Brand. This AV was aired on Brand South Africa-owned social media platforms.

GSA Activation at Dubai Opera

Following its engagement in the UAE in September 2017, Brand South Africa began strengthening relations with key South Africans based in the market – many of whom occupy a number of executive positions in various sectors – in order to identify ways they can assist in promoting the nation brand









#IHeartMySA #BrandSouthAfrica #SABCO

in their spheres of influence. Such was the case with the Dubai Opera House, where, following discussions with its CEO, Mr Jasper Hope, an opportunity arose for Brand South Africa to reach out to the Global South Africans community in the market.

Over three consecutive days from 9-11 November 2017, the Mandela Trilogy ran at the Dubai Opera House. Brand South Africa was offered the opportunity to promote the Nation Brand and made a 'call to action' for South Africans attending the events to join Brand South Africa's GSA network. With a total



attendance of 7,478, with approximately 80% of these attendees being Global South Africans, this provided an excellent opportunity for Brand South Africa to strengthen brand advocacy among South Africans living abroad.

Association of South African Nurses in the United Kingdom (ASANUK)

On 17 November 2017, Brand South Africa in the UK addressed a gathering of South African nurses based in the UK, which comprise a significant portion of the Global South African community in the market. Many of these nurses moved to the UK more than 20 years ago following a recruitment drive by the UK to attract SA nurses and doctors to the market given their reputation for excellence and expertise.

Moreover, their children are second generation expats still carrying South African passports. This engagement therefore provided an opportunity for Brand South Africa to speak to our mandate of managing country reputation, illustrating the importance of Global South Africans in contributing towards that objective and issue a call to action to these Global South Africans to join the network. In addition to a presentation entitled: 'Once a South African always a South African', Brand South Africa's UK Country Manager also introduced attendees to the 'Play Your Part' initiative.



ASANUK visit, Pumela Salela, Brand South Africa UK Country Manager (fifth from right) with representatives from South Africa Health Portfolio Committee and the UK's Royal College of Nurses

• Mandela Legacy Celebration and Laying of the Wreath event, Washington

Brand South Africa participated in the Mandela legacy celebration event which was hosted at the embassy of South Africa in Washington DC as part of the activities to promote the Nation Brand and share the inspiring message of South Africa to would-be brand ambassadors and friends of South Africa. Brand South Africa used the meeting as a platform to reach out to the South African community in the Beltway region (Washington DC, Maryland and Virginia), who invariably serve as a window to what South Africa stands to offer the world in terms of investment, tourism and as a source for high quality goods and services.

The CEO of Brand South Africa participated in the laying of the wreath at the Mandela Statue outside the embassy building in remembrance of former President Nelson Mandela. Key outcomes of this engagement were pronounced support and commitment to act as 'brand ambassadors' for the country.



Wreath laying ceremony, (from left), Dr Makhubela, Reverend Nankekolo, Ambassador Mahlangu, Veronica Busby (Ambassador for 67 Blankets), and Deputy Ambassador Nowetu Luti

GSA Engagements: China Market

Brand South Africa hosted three Global South Africans (GSA) engagements in Beijing, Shanghai and Hong Kong. The engagements took place in the form of a cocktail evening, which allowed for intimate interaction and discussion among the guests.

The objectives of the engagements were to:

- Create a formal platform for interacting with the network of South Africans in China;
- Strengthen brand advocacy among South Africans; and
- Deliver a strong call to action that will inspire South Africans to actively engage in strengthening the Nation Brand in their respective environments.



GSA Engagement Hong Kong - Tshepiso Malele with Hong Kong-based Global South Africans

Global South African guests ranging from teachers, masters and PhD students, professionals and embassy staff attended the events and engaged intently throughout the programme. At each of the engagements, the opening address was delivered by the acting heads of mission from the South African Embassy and the Consulates in Shanghai and Hong Kong. Thereafter, Brand South Africa's acting Country Head for China delivered a presentation introducing the organisation, its work in China, as well as details of the Global South African programme.

Approximately 104 Global South Africans participated in the three engagements that were hosted in Beijing, Shanghai and Hong Kong. As a follow-up to the introductory engagements, Brand South Africa's China office plans to utilise the Global South A Newsletter in the market in order to extend the communication to a wider audience and also provide a channel for related content to be published on a regular basis.

There have been some positive developments following the successful hosting of the Global South African engagements. For example, the Southern African Association of Hong Kong (SAAHK), which had collaborated with Brand South Africa for the Hong Kong activation, has already taken the initiative to organise the first of what will be a monthly gathering for Global South Africans. Brand South Africa's country office is scheduled to hold further discussions with the SAAHK, with the aim of leveraging the partnership for sustained Global South Africa activity throughout the year.

• #MeetSouthAfrica Roadshow, UK

During the month under review, Brand South Africa in the UK initiated a partnership with key South African entities based in the UK, namely the South African High Commission, SA Tourism, the South African Chamber of Commerce in the UK, the Association of South African Nurses in the UK, the South African Youth Ambassadors (SAYA), South African Airways (SAA), South African Consular Services (Home Affairs), and South African Diaspora United (SADU) to launch a roadshow under the banner #MeetSouthAfrica, with the first stop in Croydon, South London.

The term was used in order to give effect to the purpose of the roadshows, namely that of taking South Africa to the people, so that both Global South Africans and Friends of South Africa could 'meet' South African entities represented in the UK outside of Central London. As a show of unity, these entities approached the market as Team South Africa, united in telling a positive story about our country and creating awareness about South Africa in the UK market.

The event was well attended, with Brand South Africa's UK Country Manager facilitating the day's programme, while also introducing the 150 delegates present to its 'Play Your Part' programme.

A Night at the Opera for South Africa, UK

The South African High Commission, in collaboration with the Opera Voices of South Africa and Brand South Africa, invited an audience of music and opera lovers to a Night at the Opera on 8 February 2018, with performances by South African baritone Njabulo Madlala, in concert with his friends. Opera Voices of South Africa is an initiative dedicated to educating, mentoring and inspiring the next generation of opera stars from South Africa. Diemersfontein Wines generously sponsored the evening with wines.

Brand South Africa addressed the mostly South African audience, explained its mandate, introduced its flagship programme 'Play Your Part' and made a call to action to Global South Africans to join the network.

GSA Let's Talk Event — Celebrating Black History Month 2018, USA

In February, Brand South Africa co-hosted a Global South Africans 'Let's Talk' Event, to celebrate Black History Month, in collaboration with South African educators at the New York University Africa House. The event was part of an educational project, the recordings of which will be used as learning materials by children in special education and disadvantaged schools in the New York area. Brand South Africa

participated in a panel discussion on issues of race and how best to empower South African communities at grassroots level, both as South Africans and as Global South Africans, and how these can create and expand harmonious multiculturalism at work places and in societies where they find themselves.

The event was arranged as a small intimate engagement with approximately 20 attendees comprising both Global South Africans and locals who have an interest in South Africa and its people. The video will be officially launched by the New York School District at a special event to be convened before the end of the school term, and a copy will also be shared with the New York University Africa House for their teachings about issues of race and the parallels between South Africa and the USA. The event was publicised on social media and a press release was also issued to generate interest.

GSA Engagement in Lagos, Nigeria

As part of a series of activities targeting a number of Brand South Africa's strategic objectives in peer African markets, Brand South Africa hosted an engagement with Global South Africans based in Lagos, Nigeria, to leverage off the potentially positive role that can be played by South Africans in the diaspora. In addition to flighting the newly produced Global South Africa call-to-action AV in order to expand its Global South Africa network, the team was also able to capture insights from Global South African's living and working in Lagos on their experiences in the country.

A key insight from the more intimate discussions with Global South Africans based in Lagos was that it was a difficult market to do business in, mostly because on the one hand, potential investors were faced with a number of regulations to comply with, while at the same time they were subject to harassment by people with influence despite having complied with said regulations. One particularly problematic example was the experience by the current General Manager of

Sun International's Federal Palace, who in 2016 was arrested and charged on trumped up allegations, with his passport confiscated. Following a lengthy legal battle, Sun International has decided to disinvest from the market given these difficulties faced.

GSA Engagement in Perth, Australia

Brand South Africa returned to Australia in March 2018 to host a Global South Africans (GSAs) engagement with South Africans living in Perth. The objectives of the sessions were:

- To profile the Nation Brand's performance domestically and internationally;
- To position South Africa as a 'global player' and a nation able to positively influence the global agenda; and
- To showcase the 'Play Your Part' programme and persuade them to play an active role in, not only, positively promoting the country but to also participate in local projects through volunteerism and fund raising efforts.

Close to 130 people attended the session. This year again the Global South Africans were urged to get involved through project collaborations in the country and to especially play their part to support the already existing civil society initiatives.

While many families have been living in Australia for many decades, they still maintain active contact professionally, through investments, family, friends and are unquestionably proud of their roots.

In order to promote a cohesive approach when marketing the Nation Brand, Brand South Africa continues to promote the Nation Brand toolkit on digital platforms. The toolkit is a guide where marketers can

register and access corporate identity elements such as the Brand South Africa logo and how to use it, Nation Brand messaging and research insights.

Brand South Africa leveraged off the Loerie Awards platform and used the daily newspaper called Dallies to promote the Nation Brand toolkit. The Loerie Awards is the biggest gathering of the marketing and advertising industry in Africa and the Middle East.

The gathering provides an opportunity for the best innovative minds and international thought leaders celebrating creative excellence from the region.

The call to action message was to invite stakeholders in the creative industry (advertising, digital and brand agencies) to join Brand South Africa's journey in advancing South Africa's long-term reputation and image through collaborations (message and images).

PROGRAMME 3: STAKEHOLDER RELATIONSHIPS

Brand South Africa's key Stakeholders are those individuals or organisations who are affected by the organisations work and in turn have the power and influence to champion the cause of the Nation Brand. To that end, Brand South Africa works with and through stakeholders to deliver on its mandate. The organisation targets three key stakeholder groupings when identifying relevant partners to collaborate with.

These are: private sector stakeholders; state institutions; and civil society stakeholders.

Enhanced relations with stakeholders towards the promotion of the of the Nation Brand reputation

The focus of this objective is on building and leveraging collaborative partnerships, and to integrate and coordinate efforts to promote the Nation Brand. During the period under review, Brand South Africa has

implemented a number of programmes by mobilising stakeholders to collaborate on specific activities, strengthening existing partnerships and leveraging on partner platforms to enhance South Africa's reputation.

COLLABORATIONS WITH PRIVATE SECTOR STAKEHOLDERS

Brand South Africa continues to prioritise strategic partnerships with the private sector. Business stakeholders were mobilised to partner and drive the organisation's domestic programmes as well as relevant international platforms. The organisation implemented over 20 coordinated programmes in collaboration with private sector stakeholders during the reporting period. Key initiatives for the year under review are highlighted as follows.

I AM AN ENTREPRENEUR Workshop series

Brand South Africa partnered with MyStartUp, the IDC, Renault and MTN Business on the 'I AM AN ENTREPRENEUR' (IAAE) programme workshop series aimed at promoting the spirit of entrepreneurship in South Africa. The workshops provided a platform to impart entrepreneurial skills to emerging entrepreneurs and allowed for interaction between emerging entrepreneurs and accomplished business leaders.

The workshops were hosted in the Limpopo, KwaZulu-Natal, Eastern Cape, Western Cape and Free State provinces. Over 600 budding entrepreneurs benefited from these workshops and some participants were able to interact with experienced entrepreneurs such Dr Judy Dlamini and Romeo Khumalo, who were guest speakers at some of the platforms.







South Africa's Top 50 Most Valuable Commercial Brands

Brand South Africa, in partnership with Brand Finance and Brand Africa jointly announced the Brand Finance SA Top 50 Most Valuable Brands in July 2017.

This recognition programme came within the context of Brand South Africa's mandate to positively position South Africa's competitiveness. South African commercial brands are a key component of a strong nation brand and this is in line with the strategic goal to improve South Africa's reputation, perception and awareness of the Nation Brand among the business and market place, domestically and internationally.

The SA Top 50 Most Valuable Brands are selected through a valuation process, conducted annually by Brand Finance Africa, that is based on the respected royalty relief approach to brand valuation. This platform is used to recognise the commercial value of South African brands and recognise those companies that have enhanced their brand value over the past year. Among the top 10 were brands such as MTN, Vodacom, Standard Bank, Sasol, Woolworths and Multichoice.

This year's installment saw the best attendance indicating a growing recognition for the event among corporates. The impact was most felt on social media which confirmed that the digital space, is rapidly becoming a valuable platform for public attention as the event was 'trending' on the day.

2017 Gender Mainstreaming Awards

The entity partnered with Business Engage and its partners (PwC, Department of Women, Brand South Africa, SA Human Rights Commission, 30% Club of Southern Africa and Times Media) to host the 2017 Gender Mainstreaming Awards, held at Vodaworld in Midrand in September 2017. The evening showed

that South African business was making the effort to create an inclusive society by giving women real opportunities to prove their value in the real sense (not simply ticking boxes on a report). The minister added that, soon, the gender gap would be a thing of the past. The awards hosted 575 people and achieved a social media reach of more than 100,000.

Collaboration with the Rally to Read programme

Rally to Read purchases literacy materials for underprivileged schools as well as providing teacher training in both foundation and intermediary phases. Teachers are trained once a week and Rally to Read staggers roll outs of its programme across the country in rural areas which have not traditionally been targeted for corporate social investment.

Brand South Africa through its flagship programme 'Play Your Part' partnered with Rally to Read and Barefoot No More to contribute to the national

efforts to improve literacy and education in the Western Cape during the month of October 2017. The aim of the programme is to address challenges in literacy levels in South Africa. This partnership also contributes to the objectives set out in the National Development Plan (NDP) for quality education and skills development. Private sector partners for the Western Cape programme included Bidvest and McCarthy vehicles.

Promotion of the 'Play Your Part' programme among corporates

Brand South Africa formalised a partnership with Nation Builder, an organisation that supports businesses on developing relevant social investment projects to maximise their social impact. The partnership allowed Brand South Africa to promote the organisation's 'Play Your Part' programme and to encourage active corporate citizenry.



The key activity that formed part of this collaboration was the In Good Company 2017 Conference, hosted by Nation Builder, which took place in August 2017. The theme for this year was 'What South Africa can teach the world'. Constant negativity in the press can make us forget the incredible triumphs and lessons South Africans have learnt over the years. The In Good Company Conference was used as a platform to remind delegates of what has been achieved through ordinary people in South Africa's young democracy.

The organisation also collaborated with Trialogue, a business specialising in corporate responsibility that has been hosting its CSI forums since the beginning of 2013. The forums provide valuable opportunities for CSI practitioners to meet, network and stay abreast of current CSI thinking. Brand South Africa collaborated with Trialogue on the hosting of two forums and used the opportunity to introduce the 'Play Your Part' programme directly to CSI practitioners.

COLLABORATIONS WITH STATE INSTITUTIONS

Successful partnerships with key government departments and agencies, both domestically and abroad, allowed the organisation to further enhance the Nation Brand image by presenting a consolidated and coherent message about South Africa through the execution of joint activities.

A key highlight for the year was the Brand South Africa Media Tour which was facilitated by the Communications unit. Through strategic partnerships the organisation collaborated with COEGA and the Nelson Mandela Bay Tourism Agency for the delivery of the Brand South Africa Media Tour in Port Elizabeth. The media tour is detailed in the Communications section of this report. Additional highlights for the year are outlined as follows.

Heritage Education School Outreach Programme (HESOP)

Brand South Africa collaborated with the National Heritage Council (NHC), Department of Education (DBE), Department of Arts & Culture (DAC), National Arts Council (NAC) and South African National Parks (SANParks) to deliver the annual Heritage Education School Outreach Programme. This is a week-long programme, where learners from all provinces (represented by four learners from one school per province) come together in a competitive format, to deliver extensive presentations on Heritage, and its value to them and how they recommend Heritage be preserved. It's an educational opportunity for learners to share their heritage.

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HESOP is one of the key programmes where the youth are involved in order to be aware of their heritage and understand their historical heritage by interacting with people across geographic, racial, socio-economic and language barriers. The learners had to challenge each other for first, second and third places. A total of 36 heritage enthusiastic learners from the nine provinces battled it out this year for first prize — R25,000; second prize — R15,000 and third prize — R10,000 at the Mokala National Park in Northern Cape.

Road Safety Awareness campaign

Brand South Africa worked with various state entities and departments, both provincially and nationally, to



deliver a road safety awareness programme during high road accident periods. The objective of the programme is to promote the need for all road users to play their part in doing the right thing on the roads in order to reduce road incidents.

Brand South Africa partnered with Big Brand Media's #RIDEWISE, Engen, Black Management Forum, Sasol, Engen and various local government traffic departments for the delivery the campaign. The campaign was executed in the form of on the ground activations to raise awareness levels for road safety. The state institutions that collaborated with the organisation on this campaign include the Limpopo Provincial Department of Transport, the National Department of Transport, the Tshwane Metro Police Department, Eskom, the Road Traffic Management Cooperation, and the Govan Mbeki Municipality.

Free State Province collaboration

Africa Day is a significant day in the South African calendar, where the diversity of Africa, its heritage and history is celebrated. Brand South Africa used the platform to deliver on its constitutional awareness programme by using collaborations in Free State Province as platforms to affirm constitutionalism and promote tolerance. The programme included an activity hosted by the Free State Legislature, where the diaspora of the five regions' African Nationals residing in the Free State Province were presented on highlights and challenges faced by foreign nationals living in the province.

COEGA and Brand South Africa Stakeholder Seminar

Brand South Africa collaborated with COEGA, a Special Economic Zone (SEZ) in Port Elizabeth, to deliver a business seminar whose audience was the local organised business chambers. The seminar included a tour of the SEZ, a presentation on Brand South Africa and its mandate as well as feedback on

the Nation Brand performance and the investment profile of the country. Discussions focused on how the investment within the SEZ can be used to better profile to the country and how local business can access opportunities presented by the SEZ. One of the key insights from the SEZ is how COEGA is a successful example of the SEZ model, having positioned itself through its success, as the best SEZ in the Developing Nations. The session targeted 10 specific organisations and the platform was also used to share the Nation Brand Masterclass.

Collaboration with the Department of Home Affairs

Brand South Africa collaborated with the National Department of Home Affairs in the delivery of the Naturalisation of New Citizens Induction programme. This activity is in line with the organisation's domestic mandate to contribute to building pride and patriotism for the attainment of social cohesion. Central to the Naturalisation project is the social integration of new citizens to enable their cohesive assimilation into South African communities.

The objectives of the Programme were:

- To socially integrate new citizens into South African communities:
- To build pride and patriotism among new citizens in South Africa and its Constitutions; and
- To impart the message that a better perception of South Africa (domestically and internationally) would be beneficial to all.

Brand South Africa contributed to this programme through providing input to the agenda for each session and ensuring the participation of other relevant stakeholders. The Department of Arts and Culture was invited to present on national symbols and the Department of Justice and Constitutional Development was invited to articulate the South

African Constitution and the rights it affords to all South African citizens. A total of six sessions in four provinces (Eastern Cape, Gauteng, Western Cape and KwaZulu-Natal, reaching approximately 520 people).

COLLABORATIONS WITH CIVIL SOCIETY STAKEHOLDERS

Brand South Africa partners with a range of Civil Society stakeholders in an attempt to mobilise citizens to rally behind the Nation Brand. To name but a few Brand South Africa's Civil Society stakeholders include non-governmental organisations, youth formations and faith based organisations.

Civil Society partners provide access to various community projects and audiences and assist the organisation to promote active citizenship among those targeted audiences. Some of the key collaborations for the year are outlined below.

Collaboration with Junior Chamber International

The organisation's ongoing partnership with the Junior Chamber International (JCI) kicked off with the hosting of the Top Outstanding Young Person Awards (TOYP) during the 2017/18 financial year. The JCI TOYP programme serves to formally recognise young people who excel in their chosen fields and create positive change. By recognising these young people, JCI raises the status of socially responsible leaders in this world. The honourees motivate their peers to seek excellence and serve others. Their stories of discovery, determination and ingenuity inspire young people to be better leaders and create better societies.

JCI continued to support Brand South Africa activities throughout the year as 'Play Your Part' Brand Ambassadors and by utilising 'Play Your Part' messaging for their communication platforms.

Golden Key Student Dialogues

The Golden Key International Honour Society is the world's largest honour society. Which connects high-achieving individuals locally, regionally and globally with lifetime opportunity, reward and success. The Society focuses on academic excellence, leadership development and community services.

The Wits Chapter of the Golden Key Honour Society hosted two Student Dialogues in partnership with Brand South Africa, Wits University and other key stakeholders. Brand South Africa leveraged these platforms to build awareness of the 'Play Your Part' programme and the mandate of the organisation. The dialogues explored issues of ethnic and cultural diversity as well as the constitutional rights of all citizens.

Ka-Nyamazane Prayer for the Nation

Brand South Africa has an ongoing relationship with the Ka-Nyamazane Government Senior Citizens Social Club (KAGOSENC), a faith-based organisation of the older persons in the area of Ka-Nyamazane, Nelspruit. The group is a congregate of senior citizens who take it upon themselves to play their part in the community by tackling social ills, and counter them with initiatives that seek to uplift their community. The organisation runs a youth and women empowerment programme that targets education and religious faith matters as their areas of concern.

Brand South Africa through its 'Play Your Part' programme has a responsibility to work with faith-based organisations, among other stakeholders, to develop a common approach in mobilising South Africans to become involved with creating better communities, which subsequently breeds the nation pride and social cohesion in support of Outcome 14 of the NDP.

The Ka-Nyamazane senior citizens hosted a prayer for the nation, at the African Gaza Church Ka-Nyamazane Parish in February. More than 115 guests attended the prayer meeting and the focus was on South Africa's water shortage issues, the education system and to instill good values to learners and to improve the state of education in the country so as to create a better future for the nation.

The Oliver Tambo Annual Memorial Lecture and the 15th Nelson Mandela Annual Lecture

Brand South Africa collaborated with the Adelaide and Oliver Tambo Foundation on the 2017 Oliver Tambo Annual Memorial Lecture commemorating what would have been the 100th birthday of OR Tambo. The objective of this collaboration was to celebrate and honour the legacy of Oliver Tambo and highlight the role that he played in the struggle for a democratic South Africa. The lecture was attended by over 1,500 people and broadcast live to millions of South Africans.

The Nelson Mandela Annual Lecture is the flagship programme for the Nelson Mandela Foundation; 2017 marks the 15th anniversary of the lecture. Brand South Africa has a long-standing partnership with the Foundation, particularly for the media support.

This year's lecture was delivered by United Nations Deputy Secretary General Amina Mohammed. The lecture coincided with the International Day for the Elimination of Violence against Women and as such it focused on disparaging the effects of gender inequality around the world.

Brand South Africa continued its support of the Nelson Mandela Annual Lecture in 2017. The lecture took place on the 25 November at the Cape Town International Convention Centre, and was followed by a post lecture dialogue that took place on 26 November in Khayelitsha. Brand South Africa provided social media publicity support for both events.



Prof. Njabulo Ndebele, Ms Amina Mohammed, Deputy Secretary of the UN, Mr Sello Hatang



Former President Mbeki delivering his address

Collaboration with Partners for Possibility

Brand South Africa hosted two stakeholder engagement session in Polokwane and Mpumalanga, in partnership with Partners for Possibility (a programme of Symphonia) to launch provincial initiatives for cross-sectoral collaboration between Business, Government and Civil Society. The engagements were designed to stimulate citizens through a conversation on ways to make a meaningful contribution to education in South Africa under the theme 'Play Your Part' In Education The activities mobilised communities to participate in the leadership development programme which aims to contribute to a better education system in the country and this also sets out as a drive to instill pride and patriotism among South Africans.

United Nations and the 'Memories of the Struggle: Australians Against Apartheid' Exhibitions

Brand South Africa collaborated with the United Nations in South Africa to launch a six month-long exhibition at the Apartheid Museum which ran from 19 October 2017 to 31 April 2018. Brand South Africa used the platform to highlight, share, celebrate and express gratitude to the international community which played a massive role in ending the apartheid regime.

Brand South Africa also partnered with the Australasian South African Alliance in November to unveil a multi-media exhibition under the theme 'Australasians Against Apartheid'. This multimedia exhibition, officially opened by the Premier of Gauteng Province, Mr David Makhura and the Australian High Commissioner to South Africa, His Excellency, Mr Adam McCarthy, is a photographic time line of events that weaves together a narrative of Australia's involvement in the fight against apartheid. It was launched on 2 November 2017 and lasted for a period of six months.



Anti-apartheid activist Meredith Burgmann, wearing a dark wig, and her sister Verity are arrested by police during the Springboks versus Sydney match at the Sydney Cricket Ground, 6 July 1971. Photo: Newspix

COORDINATED AND IMPLEMENTED IN-MARKET ACTIVATIONS

World Economic Forum Africa Meeting 2017

Brand South Africa collaborated with the National Treasury and the province of KwaZulu-Natal to execute an integrated marketing and communications programme for Team SA at WEF Africa 2017. This programme included marketing, communication, and stakeholder engagement activities. Partnership programmes with the province allowed for maximum brand visibility through a cost sharing agreement. Brand South Africa recorded a total of 64 media interviews during the course of the Team SA programme, which ran from 2-5 May 2017. These include broadcast, online, and print media interviews.

ITU World Exhibition

Brand South Africa supported the Department of Telecommunications & Postal Service in hosting a National Pavilion at the ITU World Exhibition. The organisation supported the department in the form of guidance on design (aligned to Nation Brand Corporate Identity), and related marketing, and communications support to maximise the Nation Brand's exposure at the ITU Exhibit. Other entities who participated and exhibited as part of team South Africa at the ITU World Exhibition included Vodacom, Northern Cape Department of Economic Development and Tourism, CSIR, SITA, ICASA, NEMISA and the Department of Small Business Development.

World Economic Forum Annual Meeting, in Davos

The World Economic Forum Annual Meeting in Davos (WEF Davos) took place in January 2018, under the theme 'Acting Together in a Fractured World'. Participation in the annual meeting is by invitation for the following forum communities: chief executives and chairs of 1,000 Partner and Member companies; political leaders from the G20 and other countries and heads of international organisations engaged in high-level dialogues; Technology Pioneers, the Community of Global Shapers, the Forum of Young Global Leaders and the Schwab Foundation for Social Entrepreneurship and communities representing a new generation of innovators and entrepreneurs.

Brand South Africa, in collaboration with National Treasury and the GCIS, implemented an integrated communication, marketing and stakeholder engagement programme at WEF Davos, with the objective of positioning the Nation Brand in a positive manner and highlighting the strength of country's institutions and maturing democracy.

The Brand South Africa programme at WEF Davos focused on an integrated marketing and communications programme (through PR and media partnerships); media hosting; digital and social media after campaign and a stakeholder engagement programme. The objective was to create an authentic brand experience through an appropriate look and feel as well as relevant cultural touch points. To this end, a South African Chef was invited to curate the menu for the South Africa Night Dinner. Chef Lenstwe Bhengu is a young up and coming South African Chef who has dedicated his career to understanding African cuisine. Chef Bhengu developed a modern yet authentically South African menu for the South Africa Night Dinner which was well received by guests.

Brand South Africa also managed to secure a partnership with partnered with Multichoice for the 2018 WEF Davos Programme. The 2018 WEF Davos programme was considered to be successful.



Deputy President Ramaphosa with Ministers Hadebe, Patel and Gigaba at a media briefing.



Guests at the South Africa Night Dinner at WEF Dayos



Deputy President Ramaphosa with Chef Lentswe Bhengu at the South Africa Night Dinner

Mining Indaba 2018

Brand South Africa partnered with the Department of Mineral Resources and the Department of Trade and Industry, to implement a stakeholder engagement and integrated marketing and communication programme at the Annual Investing in African Mining Indaba that took place in February 2018 in Cape Town. The conference brought together leaders from the world's top mining houses, potential investors, African government ministries and other stakeholders from around the world to network, and share insights

on how the mining sector can drive investments to capitalise on opportunities available in Africa's mining industry.

Brand South Africa hosted a South African Competitiveness Forum to consult with the mining sector on current discussions on policy development, and also provided support for the Fund Managers Breakfast which was organised by the Department of Mineral Resources.

South African Premier Business Awards

Brand South Africa continued its support of the hosting of the South African Premier Business Awards through collaboration with the dti and Proudly SA. The organisation's role in the delivery of the event was key as Brand South Africa was, among other things, responsible for the management of the event management agency appointed for the execution of the awards.

Close to 1,000 guests from the public and private sector attended the event. The Awards recognise and reward the contribution by businesses in growing and transforming the economy.

The categories include:

- · Manufacturer's Award:
- Exporter Award;
- Enterprise Development Support Award;
- Women-Owned Business Award:
- Investor of the Year Award;
- Proudly South African Enterprise Award;
- 'Play Your Part' Award;
- SMME Award;
- Young Entrepreneur Award; and the
- Black Industrialist Award.

USA Market: Stakeholder Engagement Programme

New Africa Network Breadwinner Series Conversations and Reception, USA

Brand South Africa partnered with New Africa Network to convene the first of a series of Breadwinner Conversations and Receptions featuring African Immigrant Success stories on 22 June 2017 at the Greylock Capital Management offices. The event featured Lesley Goldwasser who is a managing partner at Greensledge, a private equity firm invested in Southern Africa region and elsewhere in the world. This was an invitation-only event that was targeted at 75 participants and ended up with 85 confirmed business leaders representing a wide range of industries, with most controlling significant funds under their management. The event addressed misperceptions and misunderstandings and provided a better grasp of the complexity of the cross Atlantic relationship to enhance understanding by influencers and potential investors. It also provided Brand South Africa an opportunity to gain valuable insight and understanding on how best to capture the attention and bridge the economic and investment divide between opportunities in South Africa and engaging with investors in the USA. As part of Brand South Africa's opening remarks, an opportunity was seized to highlight South Africa's many strengths and the fact that it is open for business, to validate the message delivered through the audio visual that was also played at the event.

Business Roundtable co-hosted with the Executive Mayor of Johannesburg Councillor, Herman Mashaba

Brand South Africa was approached and requested to assist with the City of Johannesburg visit to New York whose overall objectives comprised the following:

- To forge a relationship with the City of New York for the purpose of trade relations for Johannesburg-based companies;
- To benchmark best practices on programmes and projects;
- To promote the City of Johannesburg as a competitive and desirable destination for investment and driver of economic growth and job creation in Africa; and
- To showcase Johannesburg-based high impact projects for partnership discussions.

The Executive Mayor of Johannesburg declared the City open for business during his visit despite the challenges that South African economy is facing, as the city is the economic hub of Africa hosting 29 Fortune 500 companies.

In addition to the support provided at the meetings with key development agencies, Brand South Africa arranged for a sit down interview for the Mayor with a print publication focusing on travel destinations as per the delegation request. Brand South Africa also assisted the delegation in telling the South African story at a luncheon event that was arranged for a business discussion with potential investors.

Conversations for Change between key South African and USA Thought Leaders, USA

Brand South Africa USA partnered with Shared Interest to convene the first of a series on 'Conversation for Change' between key South African and USA thought leaders to spark conversations that foster social cohesion and build communities held at Columbia University's Low Memorial Library Rotunda on 25 May 2017. The event explored shared challenges and histories and the work happening now in both countries to eliminate economic disparities and provide sustainable livelihoods. As part of the

event Brand South Africa provided a summary and closing remarks by underscoring the ties that bind, and speak to why the conversation between South Africa and the USA is essential to moving in a forward direction. Brand South Africa also participated in a media programme to launch and promote the initiative in partnership with Shared Interest at Madiba Restaurant in Brooklyn. Furthermore, Brand South Africa's banners were displayed the venue providing visibility for the brand. The event was recorded live by SABC and promoted on key social media platforms with significant following.

• Youth Day Shisanyama, USA

On 17 June 2017, Brand South Africa USA participated in an event organised by ZandyShejay Production entitled 'Youth Day Shisanyama' aimed at celebrating Youth Day by promoting South African culture in all its variety - from history to literature, art, food, business, and more. Two years since its inception, the event is very well attended by the community not just because they are of South African origin, or because they are passionate South Africans, but because they find the subjects covered by the events to be of universal interest. Regardless of their backgrounds, or professional fields, or age, the event has distinguished itself from just being a social gathering to a serious networking platform which is free to attend. The event took the form of a picnic (family-friendly event) with performers drawn from the South African youth community showcasing their talents, and people bringing their own South African dishes and grills to 'braai' all day, as well as stalls for vendors marketing their wares. Ultimately, Youth Day Shisanyama continues to attract interest because they represent an occasion for social encounters, personal relations and professional networking. Since its inception in 2016, the Youth Day Shisanyama has convened about 400 people. The event was also covered and filmed by freelancing media outlets such as NYMINDSET, Mountain by Knight, and Umbani Productions.

Minister Gigaba Visit to DC and New York during his Investor Roadshow, USA

The USA Country Office provided support to Finance Minister Gigaba during his Investor Roadshow to New York on 25 April 2017. Ahead of the visit by the Minister and his delegation, Brand South Africa outlined a media targets schedule and an issue briefing note for consideration to allow the Minister an opportunity to further raise awareness and make a case for continued investment in South Africa by institutional investors and private equity funds, as well as discuss monetary and fiscal consolidation, business confidence and stability of South African institutions. Brand South Africa secured the participation of SABC and eNCA during his time in Washington DC including roundup interviews in New York while television broadcasts with Bloomberg and CNN were also conducted in Washington DC with the UK based anchors who were covering the WB/IMF meetings.

Annual Twin Cities International Citizen's Award

Brand South Africa USA participated in the Annual Twin Cities International Citizen's Award (TCICA) in partnership with the International Leadership Institute headed by Judge Lajune Lange, who is also the South Africa Honorary Consul General for the State of Minnesota held at the Minneapolis Club on 11 May 2017. The event featured a reception showcasing South Africa, wines, business opportunities and speeches by Brand South Africa and the South African Consul General in Chicago during the formal dinner session. Brand South Africa shared insights with guests on key indices positioning South Africa as a competitive business and investment destination.

• Freedom Day Celebration in collaboration with the SA Permanent Mission to the UN. New York

Brand South Africa participated and assisted the South Africa Permanent Mission to the United Nations with the hosting of Freedom Day celebrations at the

Consulate Offices on 4 May 2017. This was targeted at strategic and key stakeholders to the mission and Brand South Africa. To this end, Brand South Africa provided strategic guidance on planned activities for the day, including sharing talking points.

The event was attended by Diplomats representing various embassies and missions in New York as well as the media corps accredited to cover the UN. There were also influential members of the South African community present. The day was celebrated under the banner 'The Year of OR Tambo', and in support of fostering the spirit of nation building and social cohesion.

Meeting of the Minds USA: South Africa's Enterprising Next Generation

Brand South Africa partnered with Ndosi Strategies for the 2nd Annual Meeting of the Minds on a conversation focused on the exciting state of Africa and entrepreneurship through the lens of South Africa's Next Generation, hosted at the LMHQ in New York in July 2017. The event featured a panel of next generation leaders based in the USA and South Africa, representing STEM (science, technology, engineering and mathematics), agriculture, media, fashion, public service and finance sectors.

Brand South Africa delivered opening remarks, highlighting the importance of youth involvement in realising the objectives of the National Development Plan. Brand South Africa also ensured brand visibility. The event was a success managing to draw a significant number of participants with about 75 young people in attendance. The major outcome of the event was the huge publicity it received especially on social media platforms and other online and print publications such as entrepreneurship.com, African Spot and Black Star News.

A key takeaway is the recognition for a need to change the narrative on South Africa by the youth to embrace the importance and relevance of promoting the NDP in telling their own stories. Furthermore, the event has seen a keen interest by the youth in the diaspora to get involved in the 'Play Your Part' initiatives.

Nelson Mandela International Day and Legacy Celebration Networking Reception

Brand South Africa in collaboration with New Africa Network hosted a special event to celebrate Nelson Mandela International Day and Legacy in July 2017, featuring one of the most powerful persons on Wall Street, Mr Fred Terrell, the Vice Chairman of Investment Banking for Credit Suisse, as a keynote speaker. Mr Terrell is an influencer in American business and Credit Suisse, which has also had a presence in South Africa since 2010, and is a key player in the rest of the African markets.

The event was used by Brand South Africa to highlight and commit to the values for which Mandela struggled, and to share his message of peace and humanity with the attendees. The evening also featured a video highlighting Mandela's work and legacy, South African cuisine and wines as well as traditional Sotho dancers.

A key take-away was the endorsement by the keynote speaker of South Africa and the African story gaining credence with major investors who do business in South Africa and on the continent. In order to ensure continued association and visibility of the nation's brand, every guest was handed a Nelson Mandela pin and a lanyard made of beads representing the colours of the South African flag.

• Doing Business in South Africa, Atlanta

Brand South Africa partnered with the South Africa Chamber of Commerce in America (SACCA), World Trade Center and World Affairs Council, to host a business roundtable on 18 August 2017, to promote South African trade and investment opportunities. This was done to partly pave the way for two visits planned for the month of September by the Premier of Gauteng to Atlanta, and Ambassador Young to South Africa.

The seminar was preceded the previous day by a series of media interviews (radio and social media platforms), which heightened interest around the business roundtable with the business community. Brand South Africa made a presentation on trade and investment opportunities in South Africa and was supported by third party endorsers who were part of the panel of speakers on South Africa as an attractive destination to conduct business. The event addressed some of the questions related to barriers of entry in the technology space in South Africa, how to leverage BBBEE as foreign investors, general requirements for doing business, requirements for importation of South African wines into the USA, etc.

Subsequent to the event Brand South Africa was approached to assist with the two visits mentioned above by both parties respectively, including sharing of audio-visual material used at the event, that promotes South Africa, and the scheduling of business meetings for the delegations.

Investment Mission by Premier David Makhura to New York

On 20-22 September 2017, Brand South Africa coordinated and hosted the Premier of Gauteng, Mr David Makhura, during his investment mission to New York with a business delegation. Brand South Africa arranged the meetings for the Premier and the one-on-one meetings for the business delegation led by the Gauteng Growth and Development Agency (GGDA). The objective was to utilise the Premier to be our brand ambassador and endorse our messaging to promote South Africa

in general. Some of the meetings conducted were with the Greater Harlem Chamber of Commerce, the Brooklyn Chamber of Commerce, Open Society Foundations, World Trade Centers, New York City Economic Development Corporation, A-Z Waste Energy Corporation and Dr Thomas Mensah (investor), to name a few.

Some of the key outcomes of the meetings include a visit by a business delegation to South Africa by the Greater Harlem Chamber of Commerce for a scoping exercise during the second quarter of 2018; a proposal to the premier to set up an innovation advisory council to be led by Dr Thomas Mensah (an African who is behind the discovery of fibre optic); impact investment by Open Society Foundations in South Africa; and partnering on skills development for the youth.

• Afropunk Festival, Brooklyn, New York

Brand South Africa, in collaboration with Afropunk, Gauteng Tourism and Constitution Hill, represented South Africa at the Afropunk Brooklyn installment that took place from 26-27 August 2017. Afropunk is a social activism global movement that advocates for non-racialism, non-sexism, non-ageism, non-albinism, non-homophobia, non-fatphobia and non-transphobia. The message driving Team South Africa's presence on the ground was 'all roads lead to South Africa'. The South African instalment of Afropunk was hosted in Johannesburg at the Constitution Hill.

The flagship two-day Afropunk experience included the Afropunk festival showcasing of the travel and musical opportunities available to the American market, especially the African American travellers into South Africa for the Afropunk Joburg Festival from 30-31 December, 2017. In Brooklyn, Brand South Africa's role was to mobilise key media, influencers

and stakeholders for a contact session and to amplify the presence of Team South Africa at the stand. Working together as Team SA (South Africa Tourism, Brand South Africa, Gauteng Tourism Authority, Constitution Hill and Joburg Tourism) it was agreed to have a presence at the Brooklyn Festival to position the South Africa-Joburg activation as a build up to the local event in December.



Eric Martin of We Are Black & Abroad, facilitating information session with Influencers. Afropunk Festival, Brooklyn

The activation provided valuable insights and key learnings for the upcoming festival in Joburg. Some of the key highlights included BET A-Lister coverage and interviews at the SA pavilion; 2 x stage live announcements, and engagements to over 60,000 revelers per day driving visitors to the South Africa and NoirBnB pavilion during the festival and Black Motion performance; hosting and managing 20 VIPs inclusive of media, bloggers and guests; distribution of marketing and travel promotional material and recording sign-ups; branding of the space with Brand South Africa banners and South African colours; and media interviews and linkages with the targeted Afropunk hosted press at the South Africa and



NoirBnB space (e.g. Independent News, Radio 702, CNN Africa, etc.)

Brand South Africa facilitated the publication of an article profiling South Africa's participation at Afropunk Brooklyn Festival which was published on ApplauseAfrica.com platform, LinkedIn, Twitter, Instagram, etc. The article's reach and impact was extensive, especially as it was linked to the Afropunk festival platform which has over 60,000 followers, and received over 810,000 impressions. The media reach for the Brooklyn installment includes over 60-million impressions on Facebook, over 9-million impressions on Instagram, and over 27,000 users on the mobile app.

• 2017 Junior Chamber International Global Partnership Summit in New York

The Junior Chamber International (JCI) is a century old non-profit organisation of young active citizens aged between 18 and 40, who are engaged and committed to creating impact in their communities. It is an organisation that exists in more than 120 countries worldwide, and has as its flagship events the JCI World Congress and the JCI Global Partnership Summit. The Summit is hosted annually in New York, with some activities taking place at the United Nations, a strategic partner of JCI. Brand South Africa in the USA participated in the activities of the 2017 Partnership Summit in order to keep the Nation Brand alive in the minds of the more than 1,000 delegates who attended the Summit.

Some of the key highlights of the participation included a showcase of the Nation Brand to drive a positive narrative aimed at changing perceptions, given the extensive reach and impact the platform provides where the remarks by the Country Head were broadcast live through Facebook and YouTube feeds, reaching an audience of 70,000 in 120 countries.

Brand South Africa was also offered a complimentary booth in the JCI Partners Expo, which was held on the second day of the Summit attracting over 1,340 visitors, where Brand South Africa branding was displayed and promotional materials were handed out. Brand South Africa also participated at the prearranged media interviews for speakers that JCI had arranged which were broadcast live through the JCI Facebook feed. Lastly, Brand South Africa's logo also received great visibility as it was included in the programme brochure, as well as the JCI event app.

South Africa Women's Day celebrations in collaboration with South Africa Women's Alliance in Atlanta

Brand South Africa in collaboration with the South African Women's Alliance in Atlanta, celebrated Women's Day with a gala dinner engagement. This is a South African public holiday, celebrated annually on 9 August. The event was used to promote South African culture in the USA, tourism and the promotion of trade and investment between the two countries. Each year a South African woman who exemplifies the courage, leadership and has overall worked to advance the cause of the women's advancement in South Africa and around the globe is nominated. The recipient of the 2017 Women's legacy award was Ms Asnath Mahapa, the first black woman pilot in South Africa.

The event provided Brand South Africa with a platform to reach out to the dignitaries who included Ms Xernona Clayton, CEO and founder of Trumpet Awards, Ms Felicia Mabuza Suttle and Dr Thomas Mensah, the first black African to discover fibre optic. Brand South Africa's branding was in full display, including serving as the backdrop at the red carpet procession for dignitaries before the start of the event.

One of the notable highlights involved a proposal to set up a Drone Training Academy jointly with an honouree who currently owns a flight school in South Africa.

2017 JSE SA Tomorrow Conference in New York

Brand South Africa supported Minister of Finance Mr Malusi Gigaba and the Governor of the Reserve Bank Mr Lesetja Kganyago, who led a delegation of CEO's of JSE listed companies and CEO's of State Owned Enterprises to New York on the 9-10 November 2017 for an outreach conference titled 'South Africa Tomorrow Investor Conference', which is in its fifth year.

As in the past year, the minister specifically requested to meet with USA investors that are already invested in South Africa, or those interested in investing in South Africa. To this end, Brand South Africa put together a business roundtable in collaboration with the Business Council for International Understanding (BCIU) for the minister and his team. The event was attended by 25 investors representing different sectors ranging from financial services, renewable energy, infrastructure development, technical and logistics, film production and telecommunications to name a few.

In order to counter negative perceptions and coverage of Africa and South Africa in particular, Brand South Africa put together a media engagement schedule through which the minister and the Governor discussed the business landscape and opportunities in South Africa. These platforms encompassed Bloomberg TV (Markets Show), CNN International (Quest Means Business Show), SABC News Minister Gigaba interview, SABC interview with the Governor of the Reserve Bank Mr Lesetja Kganyago, and Thomson Reuters.

Brand South Africa also organised an official dinner for the minister and key members of the business delegation, and friends of South Africa which was hosted by Mr Stanley Bergman, a global South African based in New York. The minister used the opportunity to share the inspiring story of South Africa and made a clarion call for continued support by investing in opportunities in democratic South Africa. The engagement was attended by about 30 individuals.

Furthermore, Brand South Africa branding was visibly displayed throughout the venue of the conference, thereby enhancing visibility of the nation brand.



JSE Tomorrow — Interview with Reserve Bank Governor, Lesetja Kganyago (left) with Jonathan Ferro, Bloomberg TV

Afropunk Atlanta Festival: All Roads lead to South Africa

The Afropunk Festival, a colourful celebration of life, art and culture, took place in Atlanta on 13 October 2017. This international festival has been defining culture in the music world; a triumph of multiculturalism and diversity for people of all races, genders, colours, creeds and tastes for over 13 years. In December 2017 the festival came to Johannesburg at Constitution Hill.

In promoting the South African leg of the festival Brand South Africa attended the Atlanta leg and put together an activation under the theme 'Road To South Africa'. Team South Africa at the event was comprised of Brand South Africa, Joburg Tourism Authority and Black & Abroad travel agency (a partner of Afropunk who focus on promoting South African travel packages). Brand South Africa participated in the planned an Indaba discussion and was also interviewed at the exhibition stand. Over 300 email addresses were collected during the two days, further expanding Brand South Africa's database of key stakeholders in the capital of the US state of Georgia.



Diplomat of the Year Awards Gala in Washington DC

As in the past years, the Foreign Policy Magazine Group continued its work with Brand South Africa to help enhance South Africa's strategic communications efforts in the United States by facilitating engagements with key stakeholders in the business, policy, academia, and media communities. This year, Brand South Africa had the opportunity to leverage the FP Diplomat of the Year Gala event in Washington DC on 6 November 2017. This is an annual programme that convenes approximately 150 influential guests to celebrate those contributing to a more peaceful and prosperous world. As the exclusive country underwriter (presenting partner) for this programme, Brand South Africa had a unique opportunity to showcase its thought leadership on key issues.

The programme honoured Ms Amina J. Mohammed, the UN Deputy Secretary General with a Diplomat of the Year Award; Ambassador Wendy Sherman for National Security Diplomat of the Year; and Ms Becca Heller, Founder of the International Refugee Assistance Project with the Citizen Diplomat of the Year.

Brand South Africa was recognised as the main partner for the entire event and not just a single award, as it was last year. Brand South Africa also had the opportunity to introduce South Africa to a distinguished audience with welcoming remarks. Brand South Africa also hosted a VIP Table for its key stakeholders to be part of the event.

Thanks to external media coverage, the event has a reach in the millions, including on Foreign Policy, with its average unique monthly audience of 3-million visitors. There were also media representatives from The Atlantic, BBC, and PBS, as well as African outlets such as Africa News.



Special remarks by Brand South Africa's US Country Manager, Mudunwazi Baloyi



Ms Amina J. Mohammed, UN Deputy Secretary

— General, Winner, Diplomat of the Year

Visit to Minneapolis, Minnesota with key SA representatives abroad

Following Brand South Africa's visit to Minneapolis in May 2017 to lay the groundwork for an all-out activation that includes key SA representatives in the market, Brand South Africa partnered with the South African Ambassador to the USA, Consul General in Chicago, and Honorary Consul General for South Africa in Minnesota, to embark on a branding, marketing and promotional outreach programme to Minneapolis from 23-26 October 2017. The Consul General in Minnesota also serves as the president of the International Leadership Institute and has served on the South Africa's Truth and Reconciliation Commission.

The visit featured a Business Breakfast hosted by Fredrikson and Byron, PA represented by Mr Richard Weiner, Vice President and Chair of International Law Department at the firm. He also presented on 'Doing Business in South Africa' from an American law firm perspective.

Meetings were also conducted with individual businesses invested in South Africa as well as those looking to invest. The three-day programme comprised meetings with the Governor of the State of Minnesota, an address at the Young Leaders Dinner event, as well as a luncheon engagement with the Minnesota Consular Corps. Some of the objectives for our participation were to use the platforms during the visit as opportunities to share new developments about South Africa to key stakeholders; create awareness of the nation brand identity, image and competitiveness to a vast number of targeted stakeholders in order to contribute to international understanding, cooperation, friendship development and possibilities of working with South Africa. Brand South Africa also utilise the platforms created to influence participants to showcase South Africa's authentic, distinctive characteristics

by emphasising its economic, historical, political, religious, social and cultural values. The aim here was to avoid showing South Africa through recycled, re-purposed content or reflecting a 'cookie cutter' approach. Instead, the visit managed to create a new, exciting experience for targeted audiences; and in so doing, fostered a better appreciation of South Africa's strengths and showcasing key sectors for long-term investment.

2017 FP Leading Global Thinkers Celebration on 4 December 2017

As in the past years, the FP group has in 2017 worked with Brand South Africa to help enhance South Africa's strategic communications efforts in the United States and facilitated engagement with key stakeholders in the business, policy, academia, and media communities. In December 2017 Brand South Africa had the opportunity to leverage the FP Global Thinkers Summit in Washington DC, an annual programme that convenes approximately 300 elite attendees in media, business, political, and civil society sectors to celebrate the leading thinkers from the past year who have contributed the most to changing global thought and impact (https://foreignpolicy.smugmug.com/2017-Global-Thinkers).

The 2017 programme recognised approximately 50 individuals and groups as the Global Thinkers of 2017: https://gt.foreignpolicy.com/2017. As a country underwriter for this programme, Brand South Africa had a unique opportunity to showcase its thought leadership on key issues of global governance and the shift to the far right, and by so doing accomplish some of its main objectives on reputation management, marketing the brand and communicating the story of South Africa. This was realised through the special remarks that the CEO of Brand South Africa, Dr Kingsley Makhubela made at the event which was addressed by among others CEO of Chobani

Yoghurt Mr Hamdi Ulukaya, Middle East Technology Entrepreneur Yadin Kaufmann for his contributions to peace in Palestine, and AARP CEO Jo Ann Jenkins for her work in recognising the contributions of older persons. Dr Makhubela did not give a traditional welcoming speech but instead gave a thoughtful speech showcasing South Africa's leadership and analysis on a recent political phenomenon: the rise of the political far right. This projected South Africa as a thought partner for the event on an important issue on the minds of the night's elite guests.

The prominence of the South African brand was also enhanced through the prominent placement of the logo on event materials and signage as well as on the actual Global Thinkers microsite, where it garnered 350,000 value-added impressions (https://gt.foreignpolicy.com/2017/).

The event itself had a reach in the millions given the external media coverage of the event, including on Foreign Policy, with its average unique monthly audience of 3-million visitors. Countless media outlets picked up coverage of the FP Global Thinkers list from around the world.



At the 2017 Leading Global Thinkers Summit, Dr Kingsley Makhubela, Brand South Africa CEO, delivers the opening remarks

Book Reading Event on the Downfall of Apartheid South Africa

Brand South Africa collaborated with Shared Interest and Stephanie J. Urdang on her book launch titled 'A Memoir — Mapping My Way Home — Activism, Nostalgia, and the Downfall of Apartheid South Africa', held at Church Center for United Nations, 777 UN Plaza in New York City on 31 January 2018. The book covers Stephanie's direct engagement in the struggle against apartheid in her native South Africa.

The event was moderated by former Massachusetts Chief Justice, Margaret Marshall, also a former South African who during her youth was the President of NUSAS based in Cape Town where she first met Stephanie before both went into exile in the USA.

The Brand South Africa Country Head was provided a speaking platform where he made a clarion call for continued support and participation in creating economic opportunities for the historically disadvantaged. Furthermore, Brand South Africa also contributed a select list of participants who are friends of South Africa.

A total of 75 guests attended the event, which was further promoted on the event flyer sent to Shared Interest's database of 6,000 people all across the United States. The flyer placed on Shared Interest's Facebook page received 750 views.

Meeting with Miss Universe

Brand South Africa, in collaboration with the South African Mission to the United Nations and the South African Consulate in New York, hosted South Africa's Miss Universe, Demi-Leigh Nel-Peters, at the Consulate offices for an engagement with South African diplomats and representatives of South African brands in the USA.

The purpose of the meeting was to explore ways to utilise the Miss Universe platform, through collaboration between Ms Nel-Peters and representatives of the South African nation brand to promote South Africa's interests, especially as they relate to managing country reputation among stakeholders, communicating the values of the country, and marketing the nation brand value proposition. The meeting was also necessitated by her public appearances shortly after her crowning as Miss Universe, where she emphasised negative messaging in her television interviews, thereby projecting the country in a negative light.

The event was followed by an intimate meeting attended by Brand South Africa and the SA Permanent Representative to the UN to outline key events and platforms that Ms Nel-Peters could attend to promote the nation brand as a Nation Brand ambassador. Brand South Africa also offered to support Ms Nel-Peters with messaging on key issues of interest in order for her to be empowered with information on topical issues about South Africa. Ms Nel-Peters was accompanied by the Director for Talent Development at Miss Universe company. The engagement was a success and laid a good foundation for collaboration for the next 12 months during her reign while based in New York as Miss Universe 2018.

Screening of the film Winnie in collaboration with International House Women of Color Film Festival

Brand South Africa partnered with the International House to host the Women of Color Film Festival on 9 and 10 March 2018, with particular focus on the screening of the film Winnie by Pascale Lamche, a French director who spent several years in South Africa. The film shows Winnie's brand of leadership and unwavering pursuit of equality, and melds it with present-day shots of protesters. According to Lamche, South Africa is at a critical crossroads where

the popular masses are saying, 'Hold on, nothing has been delivered, really, in terms of ending this racist story'. Winnie is portrayed as a political voice that says 'back to the drawing board'.

The event attracted a significant audience of about 210 attendees who were treated to a reception with refreshments followed by a performance by a South African band and introductory remarks by Brand South Africa's US Country Manager, Mudunwazi Baloyi, who highlighted the parallels with similar figures in the USA such as Rosa Parks. There were other notable speakers for the evening, with Ms Gale Brewer, the Manhattan Borough President, speaking about Women and Leadership.

Celebration of Black History Month with the cast of the Lion King

On 19 February 2018, Brand South Africa collaborated with the International House (I-House) to host a reception and panel discussion to celebrate Black History Month. The I-House was founded in 1924 by the Rockefeller and Dodge families to provide a venue for graduate students from around the world to live and learn together. It currently houses 700 residents from more than 100 countries.

The panel discussion included the cast of the Lion King, comprising mostly South Africans, who talked about their experiences on Broadway and the parallels that exist between the arts industry in South Africa and the USA. Beyond speaking about their careers the actors also performed two of their signature songs —The Circle of Life and They Live In You.

The event was well-attended, attracting about 320 participants who are residents of the International House. The event succeeded in positioning South Africa's arts and culture among the residents of I-House from across the globe.

UK Market: Stakeholder Engagement Programme

Brand South Africa SA Chamber of Commerce in the UK Awards, London

The 2017 Brand South Africa South African Chamber Awards were held on 19 April 2017. The UK Country Manager was one of the key speakers on the day. She gave a presentation on Brand South Africa's 'Play Your Part' Campaign and rallied support among all attendees, consisting mainly of corporate members and SMMEs. The presentation was well received. Brand South Africa also awarded the first 'Play Your Part' Award in the UK. A profile of the winner is available upon request. Brand South Africa UK negotiated naming rights to the event and the introduction of the 'Play Your Part' Award with the South African Chamber of Commerce in the UK.

• Global Expansion Summit, UK

Brand South Africa UK was one of the sponsors of the Global Expansion Summit, where it was able to address more than 1,500 Business Practitioners from different parts of the world. Attendees included CEOs and senior global expansion decision makers from the world's fastest growing companies and the world's leading multinationals, alongside government ministers, innovative start-ups, SMEs, leading investors, global market experts and media. Brand South Africa also hosted a country stand in the conference as part of its activation in the market.

Business Seminar, Hampshire County Council and Enterprise First, UK

Brand South Africa formed part of the delegation led by the High Commission of South Africa to the UK visiting the South East region of the United Kingdom on 21 June 2017 to co-host a business seminar with the Hampshire County Council and Enterprise First, Hampshire's business chamber. Honorary Consul for the South East region, Mr Braithwaite hosted the team. During the business seminar, Brand South Africa provided input on South Africa's Global Competitiveness. The business attendees were mainly interested in Manufacturing and Agro-processing.

Screening of the Film Kalushi, UK

During the period under review, Brand South Africa UK partnered with the British Film Institute (BFI) to screen the film Kalushi to commemorate the death of Solomon Mahlangu, a South African who received the death sentence because of his fight for freedom in South Africa. It was an emotional event with a lot of people in the audience crying, unable to hold back their tears. This helped create awareness about South Africa's path towards democracy. The directors and some of the cast from the film were flown from South Africa by the BFI.

Freedom Day Celebrations, UK

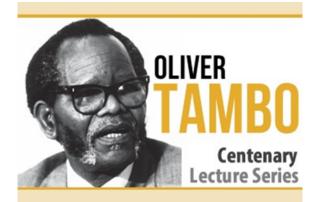
South Africans in the UK gathered to celebrate Freedom Day on 29 April 2017. The event was held in Milton Keynes outside London in order to reach out to the regions beyond London, where such events are usually held. Brand South Africa supported the gathering.

Women4Africa Awards, London, UK

Brand South Africa UK participated in the Women4Africa Awards held on 20 May 2017 in London. The event provided Brand South Africa with a platform to address more than 700 women from the African diaspora on a number of nation brand strengths, among these being the example shown by South African women in the struggle for the emancipation of women. Brand South Africa was also able host an marketing activation through a stand that showcased designs from South African designers sourced by a UK-based African boutique store.

OR Tambo Memorial Lecture, UK

Brand South Africa in the UK partnered with the South African High Commission and the University of London School of Oriental and African Studies (SOAS) which is also celebrating its centenary this year (2017) to host a Memorial lecture in honour of OR Tambo on 26 April 2017. The event also launched the year of OR Tambo in the UK, following President Zuma's State of the Nation address which named 2017 as The Year of OR Tambo. The event was attended by former struggle activists, academia from SOAS and other universities, as well as the South African diaspora, all of whom used this as an opportunity to reflect on the life of OR Tambo and how they can live by his example.



Welcome Event on sidelines of 8th ICC Champions Trophy 2017, UK

From 1-18 June 2017, the South African cricket team was in the UK to participate in the 8th ICC Champions Trophy 2017, a One Day International (ODI) cricket tournament. Brand South Africa, in partnership with the SA High Commission and South African Tourism, hosted a welcome event at the High Commission along with key travel trade businesses, media, social influencers and other key stakeholders in order to

welcome the Proteas to the UK. The Brand South Africa UK Country Manager was the Programme Director. She shared the essence of Brand South Africa and highlighted the role that each South African in the UK can play in order to enhance the Nation Brand image. The event was also used to capture film content which will support the launch of a consumer campaign in July (Phase Two of the Campaign) with the Proteas (SA Cricket Team). Well-known SA Cricket team players who were also interviewed for this campaign are, included AB de Villiers, Kagiso Rabada and Keshav Maharaj.

Brand South Africa in the UK together with the High Commission also supported the Proteas in their first T20 Cricket match against England, held in Southampton. Despite losing the match, the Proteas appreciated the support received from Brand South Africa and the South African High Commission in the United Kingdom.

Nedbank Charity Golf Challenge

Brand South Africa in the UK partnered with Nedbank South African Charity Golf Day on 15 September 2017. During the golf tournament, Brand South Africa received a branding opportunity at the entrance of the golf estate and at certain prominent holes in the golf course. 'Play Your Part' gazebos were also spread across the golf course.

Brand South Africa was also given a speaking platform, where insights about the country branding were shared. This was an opportunity for Brand South Africa to rally Global South Africans living in the UK to 'Play their Part'.

UK South Africa Summer Engagement at South Africa House

In July 2017, The South African Chamber of Commerce in the UK, Brand South Africa and the UK High Commission hosted a Summer Engagement at South Africa House. The current UK Trade Envoy to South Africa, Ms Emma Wade-Smith was given the opportunity to address the business sector in the UK. Her address focused on strengthening Trade and Investment relations between South Africa and the United Kingdom.

South African High Commission visit to the International Maritime Organisation (IMO) Headquarters in London

In July 2017, Brand South Africa supported the SA High Commissioner's visit to the IMO to state South Africa's intention to stand for re-election to the IMO Council in November 2017.

Memorial Service for Lord Joel Joffe

On 15 November, a Memorial Service was held for Lord Joel Joffe at St Martins in the Field at Trafalgar Square in London. Joffe was a South African born human rights lawyer, among others having defended the ANC leadership during the 1963-4 Rivonia Trial. Brand South Africa formed part of the planning committee for the service, with the UK Country Manager securing a speaking platform as well as acting as Programme Director for the reception hosted the SA High Commission afterwards. More than 400 people attended the memorial service, which was also advertised in local press and emailers sent to various stakeholders, included Joel Joffe's collection of Trusts and NPOs.



OR Tambo Schools Competition

On 2 November 2017, a competition was held with schools in the London region with the full endorsement of the Mayor of London. Young people were asked to reflect on the life of OR Tambo and present their interpretations through art (e.g. poems, paintings, essays, short films, sculptures). Brand South Africa in the UK was the initiator of the concept as part of the centenary celebrations of the year of OR Tambo. Brand South Africa in the UK worked through the Archives Committee which assisted South Africa during the struggle against apartheid. The judging was done by community leaders and teachers in the borough were the judges. Brand South Africa donated the book: Nelson Mandela - Dare Not Linger as prize for the winner. A Year 10 who played the South African National Anthem on piano was selected as

the overall winner. Brand South Africa also published the competition in its weekly newsletter, and the OR Tambo Schools Competition was profiled in the local press in the UK.

Other students were also recognised for their contributions, with a Year 8 scholar winning the multimedia prize for his film about Tambo's life, another Year 8 for winning the sculpture prize for his wire bust of Tambo, and a Year 7 scholar recognised for his writing skills, with a story connecting his own life experiences with OR Tambo's.

South Africa's candidature and bid for election in the International Maritime Organisation

Brand South Africa's UK Country Manager was part of the committee that prepared for the campaign for South Africa's bid for re-election into the IMO Council. This year, the stakes were high as the number of contenders had increased.

On 1 November 2017, Brand South Africa in the UK collaborated with the South African High Commission to announce South Africa's candidature for election into the governing body of the UN's International Maritime Organisation (IMO). Various country representatives from some of the 172 member states attended the event, with elements of the report shared by Brand South Africa published on the Presidency's website.

Then on 30 November 2017, the night before the elections, Team South Africa hosted a reception at South Africa House to indicate availability for reelection. The South African High Commissioner to the UK gave an address to all delegates assuring them that South Africa was willing and able to serve in the IMO Council for the 2018/19 Financial year.

The Deputy Minister of Transport led the delegation from South Africa. 172 Countries from the IMO were invited to attend. Brand South Africa was responsible for planning the logistics which entailed all the operational aspects of the bid (branding, catering, entertainment, collateral, gifts for attendees as it is customary at IMO functions). All costs relating to the event were covered by the Department of Transport.

These efforts proved fruitful, as South Africa was indeed re-elected to serve on the IMO Council for the period 2018/19.

Event co-hosted with Ethos Marketing for UK tourism professionals

Following the positive response on the event hosted in December 2016 where Brand South Africa thanked tourism professionals for the business they had already sent to South Africa, Brand South Africa saw it fit to repeat a similar gathering in 2017 in order to encourage other active tour operators to more actively market South Africa to their customers in line with the Nation Brand.

Hosted in Central London at a South African-themed venue, Brand South Africa was able to share some of the positive new developments in tourism.

Partnership with OffLine to host engagements with Thought Leaders, Influencers, Innovators, Collaborators, and Entrepreneurs

During the 2017/18 FY, Brand South Africa partnered with Offline – a private, by invitation-only network designed to encourage fresh ways of looking at the world and the art of sharing – to host a series of gatherings of high net-worth individuals to inform them about South Africa, its heritage, opportunities, innovations and quality of life. The primary purpose

of the first event of the series was to promote country competitiveness and attractiveness, particularly as a business destination.

This engagement enabled Brand South Africa's Country Manager in the UK to speak to this influential audience, highlighting South Africa's strengths in terms of global competitiveness. Drawing on findings from WEF's GCI, World Bank's Doing Business Index as well as other indices monitored by Brand South Africa Research, she highlighted opportunities for investment, strengths in the realm of governance and rule of law. The event was oversubscribed, with 35 attendees showing a keen interest in the topic.

The second Offline engagement, hosted in January 2018, enabled Brand South Africa's Country Manager in the UK to update attendees on the current economic climate in the country, while also profiling Team South Africa's participation at WEF Davos.

The third and final engagement of the 2017/18 FY was hosted in March 2018, and the UK Country Manager, Ms Pumela Salela, presented key highlights from President Ramaphosa's February State of the Nation address (SONA), particularly as it related to economic policy, reindustrialization, transformation, infrastructure, mining, land & agriculture, and the 4th Industrial Revolution.

The theme #SendMe #ThumaMina, the song penned by the recently deceased Hugh Masekela that was referenced by President Ramaphosa during his inaugural State of the Nation Address, was also shared and well-received by the audience. In fact, some attendees now write #SendMe in their correspondence to Brand South Africa in the UK.

China Market: Stakeholder Engagement Programme

Freedom Day Celebrations, Shanghai and Beijing

The Shanghai Consul-General hosted an event on 26 April 2017, while the South African Ambassador to China hosted an event in Beijing on 28 April 2017. South Africans were invited to both events with some traveling from other provinces. Brand South Africa in China supported the activation through showcasing the Nation Brand AV and providing relevant marketing materials.

Private Screening of 'Mandela: The Final Chapter' at the Beijing Bookworm

Brand South Africa partnered with Beijing Bookworm to host a private screening of the documentary: 'Mandela: The Final Chapter'. The event, hosted on 18 July 2017 at The Bookworm in Beijing, included a short panel discussion, chaired by Brand South Africa's Country Manager.

Investment Seminar with Chinese State-Owned Enterprises

The State-Owned Assets Supervision and Administration Commission of the State Council, together with Beijing Review Publishing (incorporating ChinAfrica) convened China's large-scale state-owned enterprises for a forum on investing in Africa on Friday 8 December 2017.

The organisers requested the South African Embassy in Beijing and Brand South Africa to assist with hosting the seminar for these State-Owned Enterprises (SOEs). Among other items on the programme, the SOEs expressed a particular interest in the South African media landscape. In preparation for the

seminar, Brand South Africa worked with its PR agency, as well as the embassy to compile necessary content for the session.

Brand South Africa responded to the content requirements of the SOEs by sourcing the latest, indepth report on the South African Media Landscape from its network of agency partners in South Africa. This was adapted and supplied to the embassy and ChinAfrica Magazine for presentation to the delegates during the seminar. Upon receiving further requests for copies of the presentation post the seminar, the PowerPoint version was distributed to delegates through the organisers.

The media landscape report was augmented by a presentation on managing public relations in South Africa. This was delivered by Brand South Africa's PR agency, GHC-Asia.

The seminar was a success, with approximately 30 delegates representing 16 Chinese SOEs participating on the day. Some of the SOEs that were present include:

- State Power Investment Corporation;
- China State Construction Engineering Corporation;
- · China Railway Group;
- COFCO Corporation;
- Aviation Industry Corporation of China; and
- China National Nuclear Corporation.



Coverage of event on ChinAfrica Magazine

• Seminar on Investing in South Africa with Wines

of South Africa

Brand South Africa's Beijing office collaborated with the South African Embassy in China and Wines of South Africa (WOSA) to host an investment seminar on Friday 3 November at the Westin Hotel in Beijing.

WOSA is highly active in the China market and recognises how the Nation Brand perceptions in the market directly affect local consumer's attitudes towards wines that originate in South Africa. Thus, the stakeholder keenly availed a venue that they had booked as part of their greater China roadshow, in order to allow Brand South Africa and the South African embassy in Beijing to promote the Nation Brand (WOSA only required the venue later in the afternoon for their main event).



Tshepiso Malele, Brand South Africa Acting China Country Manager

• Corporate Stakeholder Engagements

During January 2018, Brand South Africa's China office interacted with various business stakeholders – mainly South African business with operations in China, including Chinese importers and distributors of South African products. Ten companies were reached, including the likes of Rooibos Limited, Distell, Anglo American, Wines of South Africa, The Beijing Axis, as well as Consulate officials who deal with business stakeholders on a regular basis.

In February 2018, Brand South Africa's China office continued to interact with various business stakeholders. In addition to the companies reached in Beijing in January 2018, Brand South Africa was able to reach out to stakeholder groups in the cities of

Shanghai and Hong Kong, including La Motte Wines, Panda Safari and SAA.

The business presentations, most of which were conducted in parallel with other engagements that Brand South Africa was conducting in Beijing, Shanghai and Hong Kong, served to provide a detailed introduction to Brand South Africa, the Nation Brand, and also secure the support of stakeholders in initiatives going forward.

Through these engagements (some one-on-one and others in groups), Brand South Africa has been able to reach stakeholders who can actively support the Nation Brand in the market, or provide access to other platforms that can be leveraged for the promotion thereof. The reception to Brand South Africa and its work has been positive each time, with some of the stakeholders showing interest in utilising some of the Nation Branding materials and insights, and others pledging to avail their own resources (boardrooms, business contacts, etc.) for Brand South Africa's use.

Having established contact with the local representative of Rooibos Ltd. during the Shanghai stakeholder engagement earlier in the quarter, plans are now in place for a collaboration between Brand South Africa, the South African Embassy in Beijing and Rooibos Ltd. to host a 'Rooibos Masterclass' session for key opinion leaders and some media stakeholders in the next fiscal. The platform will be an opportunity for the Nation Brand to be showcased, whilst also demonstrating value as far as stakeholder partnerships are concerned.

20th Anniversary of South Africa-China Diplomatic Relations

The 20th anniversary of diplomatic relations between the Republic of South Africa and the People's Republic of China was celebrated in Beijing at the Diaoyutai State Guest house on 18 January 2018. The reception was hosted by the Embassy of the Republic of South Africa in China and the Chinese People's Association for Friendship with Foreign Countries (CPAFFC). Attended by 300 prominent dignitaries, diplomats, government officials and business leaders, the celebration marked the milestone year of the diplomatic relationship established between South Africa and China on 1 January 1998.

In order to leverage the auspicious occasion and utilise it to raise the profile of South Africa, Brand South Africa provided public relations support by developing and distributing a press release to local media. As a result, the media coverage that was achieved initially consisted of at least 73 clippings, with an advertising value equivalent of RMB 443,109 (ZAR 837,415). By the end of January, this had increased by an additional 10 clippings worth additional RMB 52,920 (ZAR 101,000). Furthermore, Brand South Africa proposed that country branding to be accommodated at the entrance to the reception venue, which the hosts acceded to.

Media Roadshow collaboration with SA Tourism

Brand South Africa collaborated with South African Tourism to participate in the Beijing and Shanghai legs of their annual media roadshow—featuring prominently on the programme. The events, which took place in Beijing on 29 January 2018 and in Shanghai on 31 of January 2018, provided a platform for Brand South Africa to present an overview of its work, showcase the Nation Brand and also clarify its mandate in relation to that of SA Tourism to media stakeholders.

Brand South Africa further augmented its participation by scheduling additional one-on-one engagements (interviews) between the Acting Country Head: China and senior journalists from two business publications, on the side-lines of the main event. The acting country head also participated in group media interviews with officials from the South African missions, as well as the President of SA Tourism Asia Pacific, that addressed questions relating to key issues affecting South Africa.

In Shanghai, senior officials from the South African Consulate-General participated in the engagements. Brand South Africa is pleased to report that cooperation between itself and SA Tourism in the China market has been productive.

Global Markets Head Office: Stakeholder Engagement Programme

Commemorating 30 Years since the Dakar 1987 Talks

From 10-15 July 2017, Brand South Africa was in Dakar, Senegal, for the commemoration of the 30th anniversary of the Dakar 1987 Talks and the celebration of the Twinning of Robben and Goree Islands. Brand South Africa, in partnership with the Department of Arts and Culture, the National Arts Council, the South African Embassy in Senegal, the Department of International Relations and Cooperation and the Senegalese Ministry of Arts and Culture, hosted a series of activities during the week. Specifically, Brand South Africa took the lead in hosting a Colloquium on the theme: 'The Power of Dialogue - Past, Present and Future'. Brand South Africa also utilised the opportunity to engage with key partners in the market by organising two additional engagements on the sidelines of the week's programme on 12 and 14 July at the Goree Institute and CODESRIA, respectively.

The Colloquium brought together some of the original 'Dakarites' as well as other experts on conflict mediation and resolution from government,

civil society and academia, to discuss the role of political dialogue in conflict prevention, mediation, and resolution on the African continent and beyond. The event was well-attended by local and foreign government representatives, scholars from the region (including students), and other members of civil society. It received very good media coverage in local and international media (online, print, television and radio) including a story on BBC World Service's Focus on Africa TV and radio coverage on the widely heard West Africa Democracy Radio.

For the week of engagements in Dakar, Brand South Africa employed the services of a PR agency, DB Consulting, to develop and execute a media strategy, manage the main event, conduct media monitoring and reporting, and translate relevant documentation. As a contribution to the Team SA partnership, Brand South Africa's PR agency also provided media support for the signing of the twinning agreement between Robben and Goree Island held on 11 July 2017 on Goree Island.

The Communications Team provided media and PR support to the Global Markets Team as part of the 'Brand South Africa Commemorates the Senegalese government's contribution towards South Africa's democracy during the Dakar 1987 Talks'.

Reach:

The Communications Team drafted and issued a press statement titled 'Brand South Africa Commemorates the Senegalese government's contribution towards South Africa's democracy during the Dakar 1987 Talks'. The statement was well received with six regional and domestic key influential online news portals running with the press statement.

Refer to links:

http://www.lesoleil.sn/2016-03-22-23-38-25/ item/67118-dialogue-inter-sud-africain-de-1987-le-role-de-dakar-magnifie-30-ans-apres.html

http://knowledgebylanes.co.za/sa-celebratessenegals-contribution-towards-democracy/

http://allafrica.com/stories/201707110194.html

http://www.dac.gov.za/content/south-africa-celebrates-senegal's-contribution-towards-democracy

http://www.gov.za/sa-celebrates-senegal's contribution-towards-democracy

SADC Meeting of Ministers Responsible for Communications and ICT, KZN

Brand South Africa was requested by the Department of Communications to support the Meeting of the SADC Ministers Responsible for Communications and ICT that took place 4-7 September 2017 in Kwazulu-Natal. As current Chair of the regional body, South Africa will be engaging in a number of activities relating to SADC, providing an opportunity for Brand South Africa to promote country reputation on this platform.

Brand South Africa provided branding and marketing support, and also had a speaking platform at the high level industry engagement session, hosted for CEO's from the ICT industry on Day 3, providing an opportunity to enhance relations with stakeholders towards the promotion of Nation Brand reputation.

Business Breakfast: The Role of SA Business in Promoting the Nation Brand, Abu Dhabi, UAE

On 28 September 2017, Brand South Africa in partnership with South African Business Chamber in the UAE (SABCO), hosted a Business Breakfast with select business stakeholders in Abu Dhabi.

The purpose of the session was:

- To show marketing material that showcases South Africa's strengths and to provide information on Nation Brand performance and investor perceptions research from the UAE;
- Gain insights from South African businesses on their experiences in the UAE; and
- Identify sectors that are of particular interest to South African investors looking to do business in the UAE and vice versa.

The event was attended by well-established South African businesses based in the UAE, including the CEO of Luxury of supermarket chain, Spinney's, the GM of Southern Sun International and CEO of Business Development and Planning Jenaan and Arabic local media.

TRT (Turkish Radio and Television Corporation) World Forum, Istanbul, Turkey

Brand South Africa's CEO was invited to attend an international forum hosted by the Turkish Radio and Television Corporation (TRT) from 18-19 October 2017 in Istanbul as a panellist in the session entitled: 'Redefining the Global Agenda: Old Guard vs. New Players'. Specifically, he was asked to share insights on how South Africa is using its political and economic influence to shape the global agenda.

In order to establish networks with key stakeholders on the ground, Brand South Africa also met with the South African Ambassador to Turkey, H.E. Malefane, Deputy Head of Mission and First Secretary on the side-lines of the conference in Istanbul. This provided first insights into the priorities of the Mission in Ankara, initiating a conversation to identify areas where Brand South Africa can assist and leverage off the work of the Mission in order to promote the nation brand.

In an effort to cover more ground in terms of promoting country reputation in key markets while in the region, the team participated in a Turkey-South Africa business seminar co-hosted by the Turkish Foreign Economic Relations Board (DEiK) and Trade and Investment KZN (TIKZN). The latter was in Istanbul with a delegation from KZN Tourism and Dube Trade Port to promote investment into the province.



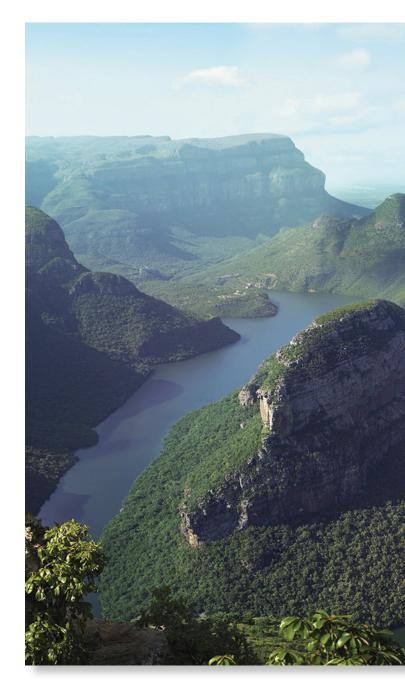


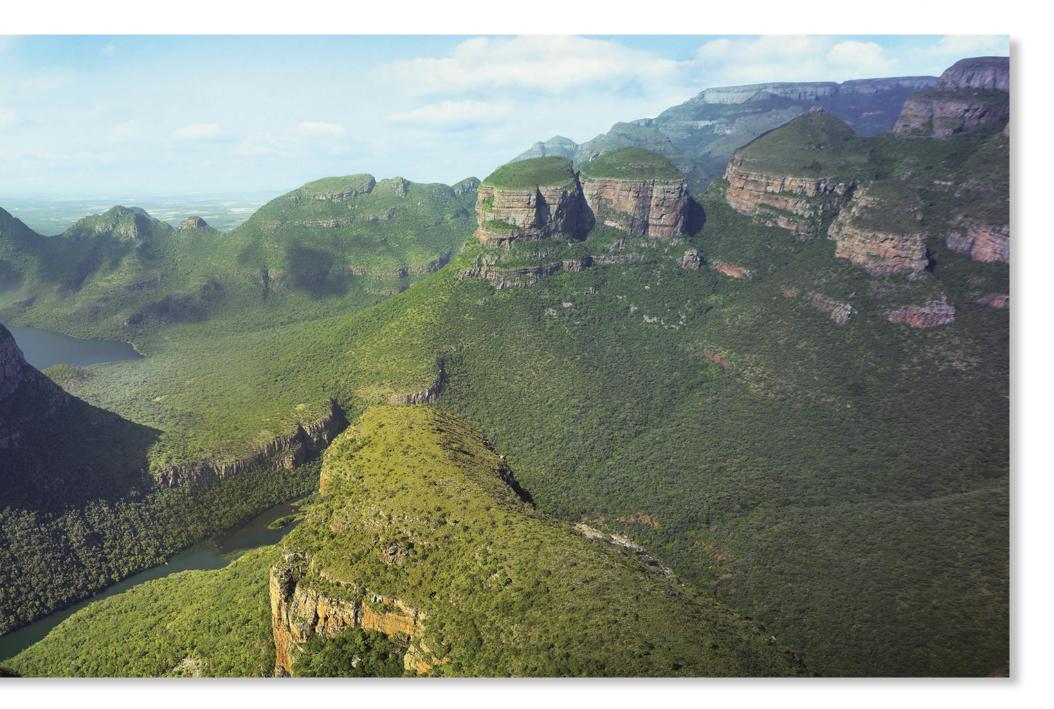
CNBC Africa High-Level Networking sessions in Nigeria, Kenya and Uganda

As part of its mandate to promote country reputation globally, Brand South Africa visited strategic African peer markets to engage with stakeholders from government, business and civil society to market the country as a competitive and attractive destination – for business, leisure, study and to live and work in.

Brand South Africa utilised its media partnership with CNBC Africa to host three high level networking breakfasts in Nigeria, Kenya and Uganda on themes relevant for viewers from these markets. Excerpts from the sessions will be aired on CNBC Africa.

The first session held in Lagos focused on strengthening collaboration between South and West Africa, with particular emphasis on the barriers to enhanced trade and investment between the two countries. The session in Nairobi focused on promoting trade and investment between Kenya and South Africa through infrastructure development, and attendees of the session in Kampala discussed ways to promote intra-African trade. In all three sessions, the purpose was not only to outline challenges, but also to develop concrete solutions that could be taken forward to promote better relations between these countries and in so doing, promote country reputation. All three sessions were well-attended, with between 30-40 attendees occupying senior management positions in their respective organisations at each of these sessions.







ORGANISATIONAL STABILITY

ADMINISTRATION

Brand South Africa recognises that attracting and retaining talented, skilled, energised, and passionate employees is critical to meeting its strategic goals and fulfilling its mandate.

The organisation focuses on building enduring, healthy, and rewarding relationships with all employees.

Notwithstanding the staff vacancy rate is as follows:

STAFF VACANCY RATE

The overall staff vacancy rate is:



Overall staff turnover rate is:



The turnover rate is inclusive of one position due to a dismissal and cannot be filled until the CCMA process is finalised.

Exco staff turnover rate:



Critical workforce positions:



CWP turnover rate is 12.5% Brand South Africa appoints eight employees which are deemed as CWP. The 12.5% resulted due to a dismissal.

APPOINTMENTS

The Brand South Africa Internship Programme.



Thobile Dlamini

While completing a Masters in International Studies and Political Studies through Rhodes University, Thobile joined Brand South Africa in July 2016 as an intern in the then Africa and Middle East Unit of the Marketing Department on a 12-month contract. As luck would have it, an opportunity for a Marketing and Activations Coordinator opened up at Brand South Africa. Thobile applied for this position and was appointed in May 2017.

Thobile says that the internship programme helped her to gain a good understanding of the workings of nation branding in general, and the South African Nation Brand in particular. The programme also provided her with a lot of clarity about her strengths and developmental areas and she was encouraged to see opportunities in problems or challenge

One of her favourite quotes is "Freeing yourself was one thing, claiming ownership of that freed self was another" - Toni Morrison

INTELLECTUAL CAPITAL

LEARNING AND DEVELOPMENT

Learning and training are key components of Brand South Africa's employee value proposition. Building skills and behaviours that promote a culture of continuous learning, leadership, and diversity is key to achieving the entity's strategic goals and objectives, including its employment equity (EE) targets. During 2017/2018, the following training courses were undertaken to build and strengthen the capacity of employees.

TRAINING AND DEVELOPMENT, BURSARIES AWARDED DURING THE 2017/18 FISCAL YEAR.

QUALIFICATION	DEPARTMENT	POSITION
BBA Honours	Finance	Assistant Accountant
Advanced Certificate in Facilities Management	Finance	Driver/ Messenger
BBA Marketing	Stakeholder Relations	Admin and Traffic Coordinator

ENGAGEMENTS WITH EMPLOYEES

Employee engagement positively contributes to high staff morale, productivity and a sense of belonging. For this reason, Brand South Africa endeavors to inculcate open communication at all levels. As is customary in every quarter, the CEO had Team Talk sessions with staff. Among the topics that were discussed during the sessions were:

- The organisation's year to date performance;
- Strategic interventions in managing the Nation Brand;
- · Supply chain management processes;
- All Board approved policies and soft issues such as the pension fund;
- A primer on what constitute deviations, condonation, fruitless and wasteful as well as irregular expenditure; and
- Utilisation of the hotline number to report unethical behaviour.

Some of the feedback sessions included the Board internal staff bulletin issued by the communications unit as well as the staff communique following the Board meeting. The staff bulletin is used to inform staff about current and forthcoming activities.

CULTURE SURVEY

In order to gauge the temperature, culture and staff engagement levels within the organisation, a culture survey was conducted by an external service provider. Participation in the survey was voluntary and a total of 44/51 employees participated, which translated to an 86% participation rate. Feedback was given to staff on 16 February 2018.

Though there were no pressing issues, there were still some concerns raised by staff in terms of communication flow within the organisation. The level of clarity pertaining to roles and responsibilities was also noted as a concern. Heads of Departments (HODs) have been tasked to have sessions with their respective teams to try an unravel these issues in effort to solicit proposed interventions from staff.

EMPLOYEE WELLNESS PROGRAMME

A safe and healthy workplace is a fundamental right. Adherence to its Health and Safety Policy ensures that Brand South Africa assumes responsibility for maintaining a productive workplace by minimising the risk of accidents, injury, and exposure to health hazards.

The organisation has appointed a new service provider to render a proactive and balanced wellness services to staff members. The employee wellness programme was launched during the year under review. Their services include, among others, supporting the organisation in its health-related initiatives to ensure that work-related mental and emotional stresses and diseases are prevented and that an environment that promotes well-being for everyone at work is created and upheld.

As a responsible employer, Brand South Africa implemented a comprehensive health and wellness strategy to create awareness and educate employees about personal wellness. As part of an ongoing responsibility to ensure a healthy lifestyle, the organisation, through Careways hosted a staff wellness day.

Employees had an opportunity to undertake normal screening such as cholesterol, sugar, blood pressure and HIV and Aids.

EMPLOYMENT EQUITY

Employment equity (EE) is a central pillar of Brand South Africa's business and talent management strategies. The entity is non-discriminatory and is committed to the code of good practice on EE. To monitor progress, Corporate Services provides quarterly updates, to the Board, Management and Staff on implementation of the EE plan.

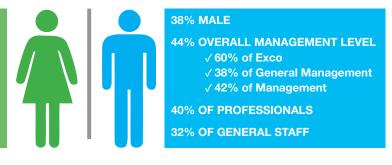
Brand South Africa fosters a culture of respect with zero tolerance for discriminatory behaviour. To this end, the Disciplinary Code policy and all other related policies are communicated to employees. Various strategies are currently being explored to secure candidates from under-represented constituencies

EMPLOYMENT EQUITY STATISTICS AND GENDER EQUITY

Below is the gender diversity of the Brand South Africa's workforce as at 31 March 2017.

The infographic presents the gender profile of the entity's workforce. Overall, females represent 62% of the employees' profile. At management level, female employees occupy 56% of the management positions. Noticeably, there are none of Indian ethnicity within our workforce. Plans are afoot to ensure that all ethnic groups are represented in our workforce.





88% WORKFORCE IS BLACK • 6% WORKFORCE IS WHITE
6% WORKFORCE IS COLOURED • 0% WORKFORCE IS INDIAN
2% WORKFORCE IS LIVING WITH DISABILITY

STAFF WITH DISABILITIES

Brand South Africa continues to strive for fair representation of people with disabilities. The entity currently has one employee with a disability, which translates to 2%. In an effort to increase the number of people living with disabilities in our workforce, the entity has a database of service providers that deal with such recruitments. It is anticipated that the number will increase in due course.

PERFORMANCE MANAGEMENT

An organisation-wide workshop on the Performance Management process was conducted within the organisation. All staff members, including the CEO attended the workshop.

Employees were given a primer on how to handle or address poor performance. Further to the workshop, a Tip Guide on 'how to conduct a performance assessment' was circulated to all staff members. The workshop and a Tip Guide were conducted in order to address some of the shortcomings identified during the 2016/17 performance management cycle. It is worth mentioning that, to date, all staff members have contracted and the first bi-annual performance assessments for 2017/18 have been concluded.

One of the findings of the recently concluded skills audit, was that most job profiles were obsolete. In order to address this, Human Capital has embarked on a project of updating all job profiles as and when positions become vacant. The job profiles are reviewed by the Human Capital, Line-Managers and where possible, the Employees. Once that is completed, the position is re-evaluated accordingly.

HEALTH, SAFETY AND ENVIRONMENT

Occupational Health and Safety (OHS) is a multidisciplinary field concerned with the safety, health, and welfare of people at work. It is important for every organisation to have the OHS regulation standards in place. The terms of reference to appoint a Health and Safety service provider have been developed and the process for the appointment of the service provider is expected to be finalised in Quarter 1 of the 2018/2019 financial year. To assist with OHS within Brand South Africa. The appointment of the service provider is expected in quarter 1 of the 2018/2019 financial year.

LEAVE PAY-OUT

Due to high annual leave provisions, Brand South Africa continues to encourage staff to take annual leave within the financial period as required by the BCEA and Brand South Africa policy. The below tables reflect a reduction on leave pay-out for 2017/18 in comparison to 2016/17.

2016/17

REASON	TOTAL AMOUNT R	NUMBER OF EMPLOYEES	AVERAGE PAYMENT
Leave pay out on termination of service	R199,371.75	6	R33,228.63

2017/18

REASON	TOTAL AMOUNT R	NUMBER OF EMPLOYEES	AVERAGE PAYMENT
Leave pay out on termination of service	R167,590.97	7	R23,941.57

INFORMATION TECHNOLOGY (IT)

The IT department has the overall responsibility for the efficient IT Governance and functioning of Brand South Africa's IT infrastructure services.

INFRASTRUCTURE AVAILABILITY

The server availability at the end of the 2017/18 financial year was 99.52%. This achievement is attributed to having no interruptions on all our servers and networking infrastructure. Interruptions are usually caused by scheduled maintenance and system updates.

BUSINESS CONTINUITY

Over the 2017/18 period, four disaster recovery performance tests were performed. The aim was to test whether the Brand South Africa business strategies are in working order. The results of the performance tests proved that the business resilience strategies in place are in good working order and the set Recovery Time Objectives (RTO) are realistic and achievable.

ENTERPRISE RESOURCE PLANNING (ERP)

Following the successful implementation of phase 1 of the Enterprise Resource Planning (ERP) solution in the previous financial period, phase 2 of the ERP is in progress and expected to be completed in 2018/19 fiscal year.

The phase 2 of the ERP will be the final phase of the implementation and it will deliver an integrated solution which will support the business and operational strategies.

LEGAL AND REGULATORY COMPLIANCE

Brand South Africa continued to oversee the registration of its trade marks in selected foreign jurisdictions and the Companies Intellectual Property Commission. The process continues to be characterised by systemic delays.

Compliance with legislation as set out in the organisation's compliance checklist continued to be monitored as an ongoing process that is intended to mitigate compliance risk.

Lastly, the organisation dealt with two matters involving allegations of unfair discrimination relating to a promotion, and unfair dismissal. Both matters are being considered by the CCMA.

FINANCIAL MANAGEMENT

By the end of the financial year Brand South Africa reported an accounting deficit of R9-million. The main contributing factor for the deficit, as previously reported, was the re-alignment of the contracts relating to pre-payments for media buy. Adjustments were made to ensure that the prepayments were for services rendered within the financial year as opposed to services overlapping to the following financial year. This had resulted in expenditure being fully realised for prepayments processed in the 2016/2017 financial year as well as expenditure incurred in lieu of the new contractual arrangements. It must be noted however, that the deficit was not a cash deficit as the available cash and cash equivalents at the end of quarter 4 equaled R28.2-million.

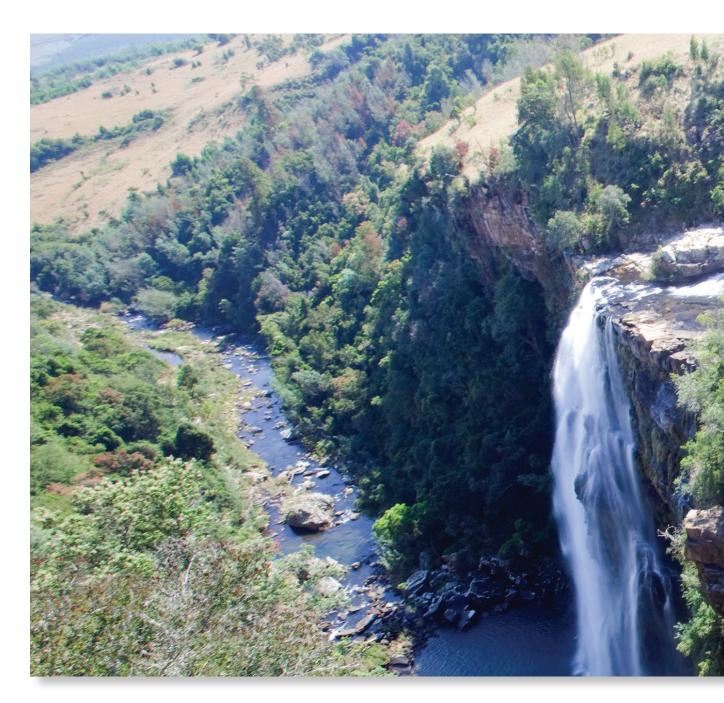
There was a significant increase in activation cost for the R32-million to R43-million attributable flagship projects 'Play Your Part' television series, the Nation Brand Forum, and Constitutional Awareness and establishment of the Global Market Unit in the 2017/18 financial year resulting in the increased number of International activations and domestic activation for WEF Africa. The other increase in the public relations from R1,3-million to R4-million is due to the recruitment of the PR Agency for both domestic and international activities which included WEF and Global Markets.

Also, the personnel budget realised savings of R2,3-million due to the vacant posts and adjustment of the salary packages as a result of the benchmarking exercise and converting cell phone allowances previously under personnel cost to cell phone packages under general expenditure. The budget versus actual expenditure year to date was under spent by 2.9%.

The application to remunerate the Board of Trustees was also concluded and approved by the Minister of Finance on 14 of September 2017 with the decision to remunerate the board retrospectively from the commencement date totaling R1,2-million for the year.

There significant tenders awarded during the financial year were for the provision of media monitoring, domestic perception study, public relations and Internal Audit.

In addition, AGSA concluded their audit report on 31 July 2018 with Brand South Africa receiving an unqualified audit opinion.









INTRODUCTION

Brand South Africa is a Schedule 3A public entity registered as a trust in terms of the Trust Property Control Act, Act No. 57 of 1988. The Board of Trustees believes good corporate governance is key to the entity's success. The Board is already transitioning from King III to 'applying and explaining' the relevant principles and recommended practices enunciated in the King Report on Corporate Governance in South Africa, 2016 (King IV) in order to realise the following outcomes: ethical culture, good performance, effective control, and legitimacy.

EXECUTIVE AUTHORITY

In accordance with the Public Finance Management Act, Act No.1 of 1999 (PFMA), the Minister of Communications, Ms Nomvula Mokonyane, is the Executive Authority of Brand South Africa.

BOARD OF TRUSTEES

The Board was appointed by the Presidency, in consultation with the Executive Authority, on 12 April 2016. The Master of the High Court issued Board Members with their Letters of Authority on 1 June 2016, and they were inducted accordingly on 30 May 2016.



BOARD OF TRUSTEES



EXCO

In line with good corporate governance practice, all trustees are non-executive, except the CEO who is an ex officio executive trustee. The Audit and Risk Committee (ARCO), in addition to trustees, also consists of two independent members who are not trustees.

- Retaining full and effective control of the organisation;
- Determining Brand South Africa's strategy and strategic objectives;
- Determining and setting the tone as regards the organisation's values and principles of ethical practice;
- Bringing independent, informed and effective judgement to bear on material decisions of Brand South Africa, including policies and budget approval; and
- Satisfying itself that Brand South Africa is governed effectively in accordance with best corporate governance practice, including risk management, internal control systems, and general oversight.

BOARD CHARTER

The Board has a charter which is reviewed annually and provides a concise overview of:

 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 the roles. During the year under review, Ms Khanyisile Kweyama served as the Chairperson and was primarily responsible for the strategic leadership of the Board. Ms Babalwa Ngonyama served as the Deputy Chairperson.

The CEO is supported by an Executive Committee (ExCo) 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.



Ms Thembi Kunene-Msimang
Acting Chief Executive Officer



Ms Linda Magapatona-Sangaret
Chief Marketing Officer



Dr Jonty Tshipa

Director: Corporate Services



Ms Nadine Thomas
Chief Financial Officer
Joined Brand South Africa 2 Jan 2018



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

BOARD MEETINGS

The Board formally met four times during 2017/18 in accordance with its annual calendar. All Board meetings were held at Brand South Africa's head office in Houghton.

Brand South Africa Board Meetings 2017/18

MEMBERS	MEETING DATES						
MEMBERS	20/04/2017	28/07/2017	26/10/2017	15/02/2017			
Ms Khanyisile Kweyama	✓	✓	✓	✓			
Ms Babalwa Ngonyama	✓	✓	X	✓			
Mr Arthur Mafokate	✓	✓	✓	✓			
Mr Geoff Rothschild*	✓	✓	X	✓			
Ms Given Sibiya	✓	X	✓	✓			
Ms Janine Hills	✓	✓	✓	✓			
Mr Kuseni Dlamini	✓	✓	✓	✓			
Ms Lehlohonolo Bonoko	X	✓	✓	✓			
Mr Mpho Makwana	✓	✓	✓	✓			
Ms Muditambi Ravele	✓	✓	✓	✓			
Mr Rashid Lombard	✓	✓	✓	✓			
Mr Stavros Nicoloau	✓	X	✓	✓			
Ms Thembi Kunene-Msimang	√	✓	✓	✓			
Mr Mzimkulu Malunga	✓	✓	✓	✓			

^{*} Mr Geoff Rothschilds' term of office expired on 14 August 2017 and he was reappointed on 5 December 2017.

BOARD COMMITTEES

In terms of the provisions of the Board Charter, the Board is mandated to form committees to help carry out its fiduciary duties.

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); and
- 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 if deemed necessary. They are all chaired by non-executive trustees.

Audit and Risk Committee (ARCO)

ARCO's responsibilities include:

- 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; and
- Ensuring compliance with applicable legislation and the requirements of regulatory authorities, especially those set out in the PFMA.

During the period under review, ARCO held four ordinary meetings in accordance with the organisation's annual calendar, plus three special meetings. Ms Given Sibiya served as Chairperson of the Committee.

ARCO MEETING ATTENDANCE 2017/18

MEMBERS	MEETING DATES						
MEMBERS	11/04/2017	22/05/2017	24/07/2017	16/10/2017	13/11/2017	23/01/2018	31/01/2018
Ms Given Sibiya	✓	✓	X	✓	✓	✓	✓
Mr Geoff Rothschild*	✓	✓	✓	X	X	✓	✓
Ms Janine Hills	✓	X	✓	✓	X	✓	✓
Ms Muditambi Ravele	✓	✓	✓	✓	✓	✓	X
Ms Thuli Mashanda	✓	X	✓	✓	✓	✓	✓
Mr Luyanda Mangquku	✓	✓	✓	✓	✓	✓	✓
Ms Dikeledi Thindisa	✓	X	✓	X	X	✓	X

^{*} Mr Geoff Rothschilds' term of office expired on 14 August 2017 and he was reappointed on 5 December 2017.

Human Capital, Remuneration and Social & Ethics Committee (HCRSEC)

The terms of reference of the HCRSEC, as approved by the Board, address 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, appointment and the remuneration of executives;
- · All policy matters that affect the mental, social and physical wellbeing of staff;
- All policy matters relating to social and ethics, as contemplated in the Companies Act, Act No. 71 of 2008;
 and
- · Approving human resource strategies and the organisational structure.

HCRSEC held five meetings during the reporting period and was chaired by Mr Stavros Nicolaou.

HCRSEC MEETING ATTENDANCE 2017/18

MEMBERS	MEETING DATES					
MEMBERS	06/04/2017	07/07/2017	09/10/2017	06/02/2018	16/03/2018	
Mr Stavros Nicolaou	✓	✓	✓	✓	✓	
Mr Mzimkulu Malunga	X	✓	✓	✓	✓	
Mr Mpho Makwana	X	✓	X	X	✓	
Ms Lehlohonolo Bonoko	X	X	✓	✓	✓	
Ms Given Sibiya	✓	X	✓	✓	✓	
Mr Kuseni Dlamini	√	✓	X	X	√	

Marketing Committee (MARCO)

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

- Reviewing the marketing policy and protocols, and recommending 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.

During the reporting period, MARCO was chaired by Mr Mpho Makwana and held four meetings.

MARCO MEETING ATTENDANCE 2017/18

MEMBERS	MEETING DATES					
MEMBERS	18/04/2017	13/07/2017	12/01/2018	13/02/2018		
Mr Mpho Makwana	✓	✓	✓	✓		
Ms Thembi Kunene- Msimang	✓	✓	X	✓		
Mr Arthur Mafokate	✓	✓	✓	✓		
Ms Janine Hills	✓	✓	✓	✓		
Ms Muditambi Ravele	X	X	X	X		
Mr Rashid Lombard	√	√	X	√		
Mr Mzimkulu Malunga	✓	X	√	√		

BOARD EVALUATIONS

As recommended by the King Report on Corporate Governance, Board committee evaluations were conducted by an independent evaluator towards the end of the financial year with a view to improving Board performance. King IV, which came into operation in April 2017, recommends that Board evaluations should be conducted at least once in two years.

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 practices. The Risk Management Strategy and Risk Materiality Framework ensure that all risks are kept at a manageable level.

FRAUD AND UNETHICAL CONDUCT

Brand South Africa's Policy Whistle-Blowing encourages employees to report any acts of fraud, dishonesty and any other form of unethical behaviour in accordance with the Protected Disclosures Act, No.26 of 2000 and the Companies Act, Act No.71 of 2008. A 24-hour hotline is in place and employees are constantly encouraged to use the hotline and given the assurance that they will not suffer any form of victimisation or reprisals as a result of having reported any matter in good faith.

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. Declaration of conflicts of interests remained 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. His 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 Chairperson and all trustees have unrestricted access to the services of the Board Secretary.

EXCO PROFILES



Ms Thembi Kunene-Msimang Acting Chief Executive Officer

Ms Kunene-Msimang, is responsible for providing the overall strategic direction of the entity. This is through sound financial and human resource management, strategic domestic and international engagements, brand marketing, brand reputation management and communication to give effect to the achievement of the National Development Plan and other key programmes of government. She has the following qualifications, BA Communications, Management Development Programme, Finance for Non-Financial Management



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

Advocate Nyoni serves as the Board Secretary. He heads the Governance and Legal Division which also serves as the Board Secretariat. The Division is the gatekeeper of good corporate governance in the organisation, including legal compliance. He has a Certificate in Insolvency Law and Practice (SARIPA/UP); a Certificate in Advanced Corporate Law & Securities Law (UNISA), Certificates in Board Governance & Compliance Management (UJ); LLB (UNISA); Chartered Marketer (SA); MSc Marketing and Product Management (Cranfield University, UK); and a BSc Agric Ed (UNISWA).



Dr Jonty Tshipa, PhDDirector: Corporate Services

Dr Jonty Tshipa is responsible for leading and managing the Corporate Services (CS) division which consist of Human Resources. Information Technology and Planning. The division ensures the provision of efficient and effective services to Brand South Africa in accordance with legislative and statutory requirements in order to support the delivery of the organisational goals contained in the strategic and annual performance plans. He has a PhD in Financial Management Science from the University of Pretoria, a Master's degree in Finance and Investment (cum laude) from Wits, an MBA from TUT, and studied electrical engineering in Natal, as well as Project Management in IT at UNISA, and GRP at SARA.



Ms Nadine Thomas Chief Financial Officer

Ms Thomas is responsible for providing strategic financial leadership for the organisation and the management of the operational function including finance and supply chain to ensure effective and professional accounting, reporting and control of funding and budgets. She has a Bachelors in Accounting, as well as a CA(SA) and CTA.



Ms Linda Magapatona-Sangaret Chief Marketing Officer

Ms Magapatona-Sangaret is responsible for identifying and aligning market forces and opportunities, as well as stakeholder priorities in developing and managing appropriate marketing, brand and reputation management strategies. This requires the development and implementation of a sustainable and dynamic (responsive and proactive) marketing and communication strategy to optimise South Africa's reputation and global competitiveness. Ms Magapatona-Sangaret has an MBA specialising in Marketing Strategy and International Business from Canterbury Business School in the UK; a BA Degree in International Relations from School of Higher Political and International Studies in France specialising in Strategy and Diplomacy; and a BA Degree in French from the University of Franche-Comté France.

BOARD PROFILES



Mr Kuseni Dlamini

 Graduate of the Universities of KwaZulu-Natal, Durban, and Oxford where he was a Rhodes Scholar



Ms Janine Hills

- Management Advance Programme (Wits Business School)
- Marketing Diploma at Institute of Marketing Management



Ms Lehlohonolo Bonoko

• LLB (law) degree



Ms Muditambi Ravele

- B.Tech (Business Administration)
- Executive Sports Management Programme
- Strategic Executive Marketing Programme
- Diploma in Sports Management



Mr Mzimkulu Malunga

- Strategic Marketing and Communications
- HR and Remuneration



Mr Mpho Makwana

- Post Graduate Diploma, Retail Management
- Certificate, Executive Development Programme
- B. Admin (Hons), Public Management



Mr Stavros Nicolaou

- B.Pharm (Wits University)
- Fellow of the Pharmaceutical Society of South Africa



Mr Geoffrey Rothschild

- CA(SA)
- CM(SA)



Mr Rashid Lombard

- Strategic Marketing and Communications
- Photographic Editor and Curator
- Events Training and Development
- Executive Producer Television
- Cultural Festivals Designer



Ms Babalwa Ngonyama

- B. Compt (Hons)
- CA(SA)
- MBA
- H.Dip Banking Law
- Strategic Planning and Strategy Development
- Strategy Review
- Governance
- Business Planning
- Financial Planning and Budgeting
- Risk Management



Ms Given Sibiya

- Quality Assessor (IIASA)
- ABASA Executive Leadership Development Programme
- Registered Assessor (SAICA)
- CA(SA) (SAICA)
- Post Grad Dip (Accounting)
- B.Acc
- B.Com



Ms Khanyisile Kweyama

- Postgraduate Diploma in Management
- Masters in Management
- Qualifications in Administration and Human Resources
 Management
- Studied BSc in Management in Virginia, United States of America

GENERAL INFORMATION

Country of incorporation and domicile

South Africa

Nature of business and principle activities

The primary object of the Trust is to develop and implement proactive and coordinated 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

Ms Khanysilie Kweyama

Ms Babalwa Ngonyama

Ms Thembi Kunene-Msimang

Mr Mpho Makwana

Mr Kuseni Dlamini

Ms Janine Hills

Ms Lehlohonolo Bonoko

Ms Muditambi Ravele

Mr Arthur Mafokate

Ms Given Sibiya

Mr Rashid Lombard

Mr Stavros Nicolaou

Mr Geoffrey Rothschild

Mr Mzimkulu Malunga

Dr Kingsley Makhubela

Registered Office

103 Central Street Houghton Johannesburg 2041

Business Address

103 Central Street Houghton Johannesburg 2041

Postal Address

PO Box 87168 Houghton 2198

Executive Authority

Minister of Communications

Bankers

Nedbank Limited

Auditors

Auditor-General South Africa

Trust Registration Number

IT 1986/02







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

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GENERAL INFORMATION

Country of incorporation and domicile South Africa

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Trustees Khanyisile Kweyama Babalwa Ngonyama

Mpho Makwana Given Sibiya Stavros Nicolaou Janine Hills

Kuseni Dlamini Lehlohonolo Bonoko
Geoff Rothschild Muditambi Ravele
Dr KLM Makhubela Mzimkulu Malunga
Rashid Lombard Thembi Kunene

Arthur Mafokate

Registered office 103 Central Street Business address 103 Central Street

Houghton Houghton

Johannesburg Johannesburg

2041 2041

Postal address PO Box 87168

Houghton 2041

Controlling entity Department of Communications incorporated in South Africa

Bankers Nedbank Limited

Auditors Auditor-General South Africa

Trust registration number IT 1986/02

BOARD OF TRUSTEES'S 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 annual financial statements and related financial information included in this report. It is the responsibility of the Trustees to ensure that the 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 annual financial statements and was given unrestricted access to all financial records and related data.

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

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

The 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, management sets standards for internal control aimed at reducing the risk of error

or deficit in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the 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 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 2018 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.

Brand South Africa reports to the Department of Communications (DoC). The entity is wholly dependent on the DoC for continued funding of operations. The annual financial statements are prepared on the basis that Brand South Africa is a going concern and that DoC has neither the intention nor the need to liquidate or curtail materially the scale of the Brand South Africa's operations.

The annual financial statements set out on pages 106-161, which have been prepared on the going concern basis, were approved by the Chairperson of the Board on 31 May 2018 and were signed by:

Khanyisile Thandiwe Kweyama
Chairperson of the Board

AUDIT AND RISK COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2018.

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 IV 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 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.

 Reviewed the Auditor-General of South Africa's management report and management's response thereto and reviewed Brand South Africa's compliance with legal and regulatory provisions;

- Reviewed changes in accounting policies and practices (delete if not applicable);
- 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 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.

Given Sibiya

Chairperson of the Audit and Risk Committee

Date: 04/08/2018

REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON BRAND SOUTH AFRICA TRUST

Report on the audit of the financial statements

OPINION

- 1. I have audited the financial statements of the Brand South Africa Trust set out on pages 106 to 161, which comprise the statement of financial position as at 31 March 2018, 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 the notes to the financial statements, including a summary of significant accounting policies.
- 2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Brand South Africa Trust as at 31 March 2018, and their financial performance and cash flows for the year then ended in accordance with South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA).

BASIS OF OPINION

- I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of this auditor's report.
- 4. I am independent of the entity in accordance with the International Ethics Standards Board for Accountants' Code of ethics for professional accountants (IESBA code) and the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA 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

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 39 to the financial statements, the corresponding figures for 31 March 2017 were restated as a result of an error in the financial statements for the entity at, and for the year ended 31 March 2018.

RESPONSIBILITIES OF THE ACCOUNTING AUTHORITY FOR THE FINANCIAL STATEMENTS

- 8. The board of trustees, which constitutes the accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with SA 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 Brand South Africa Trust'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 accounting authority either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

AUDITOR-GENERAL'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

10. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a

- material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
- 11. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

REPORT ON THE AUDIT OF THE ANNUAL PERFORMANCE

INTRODUCTION AND SCOPE

- 12. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.
- 13. My procedures address the reported performance information, which must be based on the approved performance planning documents of the entity. I have not evaluated the completeness and appropriateness of the performance indicators/ measure included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
- 14. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programmes presented in the annual performance report of the entity for the year ended 31 March 2018:

Programmes	Pages in the Annual Performance Report
Programme 2: Brand, Marketing and Reputation Management	167-178
Programme 3: Stakeholder Relations	179-182

- 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 raise any material findings on the usefulness and reliability of the reported performance information for the selected programmes.

OTHER MATTERS

17. I draw attention to the matter below.

ADJUSTMENT OF MATERIAL MISSTATEMENTS

18. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were on 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

- 19. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the compliance of the entity with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
- 20. The material findings on compliance with specific matters in key legislations are as follows:

EXPENDITURE MANAGEMENT

21. Effective and appropriate steps were not taken to prevent irregular expenditure amounting to R10 706 316 as disclosed in note 37 to the annual financial statements, as required by section 51(1)(b)(ii) of the PFMA.

OTHER INFORMATION

- 22. The accounting authority is responsible for the other information. The other information comprises the information included in the annual report, which includes the directors' report, the audit committee's report. The other information does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported in this auditor's report.
- 23. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
- 24. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
- 25. I did not receive the other information prior to the date of this auditor's report. After I receive and read this information, and if I conclude that there is a material misstatement, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re issue an amended report as appropriate. However, if it is corrected this will not be necessary.

INTERNAL CONTROL DEFICIENCIES

26. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on compliance with legislation included in this report.

LEADERSHIP

27. The entity has established oversight structures, however the leadership did not exercise oversight responsibility by monitoring controls designed to ensure that the submitted annual performance report is complete and accurate.

Furthermore, designed controls to ensure compliance with laws and regulations were not regularly monitored.

FINANCIAL MANAGEMENT

28. The entity's established processes were not adequate to ensure that the performance information reports are accurate and complete. The annual performance reports submitted for audit contained numerous misstatements. These misstatements were as a results lack of supervision and review of the annual performance reports.

Johannesburg, 31 July 2018

Audita - General



Auditing to build public confidence

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2018

		2018	2017
	Note(s)	R	R
Assets			
Current Assets			
Prepayments	10	954,044	18,780,086
Receivables from exchange transactions	11	1,116,769	616,200
Cash and cash equivalents	12 _	28,208,262	22,575,021
		30,279,075	41,971,307
Non-Current Assets			
Property, plant and equipment	4	6,145,011	4,652,383
Intangible assets	5	11,381,667	6,873,660
Heritage assets	6	170,556	170,556
Deposits	7	966,575	1,113,811
Operating lease asset	8	-	110,550
		18,663,809	12,920,960
Total Assets		48,942,884	54,892,267
Liabilities			
Current Liabilities			
Finance lease obligation	13	-	63,000
Operating lease liability	8	785,047	488,961
Payables from exchange transactions	15	9,726,971	7,263,671
Provisions	14	8,310,710	7,924,630
		18,822,728	15,740,262
Total Liabilities		18,822,728	15,740,262
Net Assets		30,120,156	39,152,005
Accumulated surplus		30,120,156	39,152,005

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 MARCH 2018

	Note(s)	2018 R	2017 Restated R
Revenue			
Other income	17	398,728	196,937
Partnership income	18	5,529,737	4,485,108
Finance income	19	1,578,025	1,739,113
Government grants and subsidies	16	194,300,000	181,186,000
Total revenue		201,806,490	187,607,158
Expenditure			
Employee related costs	20	59,772,080	57,965,701
Depreciation and amortisation	4&5	4,525,412	1,312,573
Impairment of assets	4	25,976	-
Finance costs	21	1,852	12,456
Lease rentals on operating lease	25	4,412,229	4,787,844
Debt Impairment	11	315,934	-
Impairment of financial asset	7	110,530	-
Repairs and maintenance	26	401,238	301,428
Research fees	23	7,271,452	4,743,058
Branding and collateral	23	2,913,201	2,461,599
Media Buy	23	45,720,462	22,502,921
Agency fees	23	16,192,181	13,490,710
Activation costs	23	43,426,736	32,586,382
General Expenses	22	25,483,872	22,334,274
Total expenditure		210,573,155	162,498,946
Operating (deficit) surplus	25	(8,766,665)	25,108,212
Gain on sale of property, plant and equipment		4,058	33,669
Gain/(Loss) on foreign exchange		(224,366)	(133,982)
Loss on disposal of assets		(44,876)	(73,119)
		(265,184)	(173,432)
(Deficit)/Surplus for the year ended 31 March 2018		(9,031,849)	24,934,780

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 31 MARCH 2018

	Accumulated surplus R	Total net assets R
Balance at 01 April 2016	14,217,225	14,217,225
Changes in net assets	-	-
Surplus for the year	24,934,780	24,934,780
Total changes	24,934,780	24,934,780
Balance at 01 April 2017	39,152,005	39,152,005
Deficit for the year	(9,031,849)	(9,031,849)
Total changes	(9,031,849)	(9,031,849)
Balance at 31 March 2018	30,120,156	30,120,156

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2018

	Note(s)	2018 R	2017 R
Cash flows from operating activities			
Receipts			
Grants		194,300,000	181,186,000
Finance income		1,575,371	1,629,772
Other receipts		5,039,788	4,629,191
Total receipts		200,915,159	187,444,963
Payments			
Employee costs		(59,836,175)	(57,606,334)
Suppliers		(127,117,886)	(118,523,140)
Total payments		(186,954,061)	(176,129,474)
Net cash flows from operating activities	27	13,961,098	11,315,489
Cash flows from investing activities			
Purchase of property, plant and equipment	4	(2,904,695)	(2,375,125)
Proceeds from sale of property, plant and equipment	4	6,112	-
Purchase of other intangible assets	5	(5,291,423)	(6,989,036)
Net movements in deposits		_	(281,925)
Net cash out flows from investing activities		(8,190,006)	(9,646,086)
Cash flows from financing activities			
Finance lease payments		(137,851)	(208,117)
Net increase (decrease) in cash and cash equivalents		5,633,241	1,461,286
Cash and cash equivalents at the beginning of the year		22,575,021	21,113,735
Cash and cash equivalents at the end of 31 March 2018	12	28,208,262	22,575,021

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						
Partnership and other income	-	-	-	5,045,900	5,045,900	(i)
Interest received — investment	-	-	-	1,575,371	1,575,371	(ii)
Total revenue from exchange transactions	-	_	_	6,621,271	6,621,271	
Revenue from non-exchange transactions						
Transfer revenue						
Government grants and subsidies	194,300,000	_	194,300,000	194,300,000	-	
Total revenue	194,300,000	-	194,300,000	200,921,271	6,621,271	
Expenditure						
Personnel costs	(62,139,140)	-	(62,139,140)	(59,836,175)	2,302,965	(iii)
Brand, Communication and	(00.700.004)	(0.000.005)	(00 400 676)	(4.07.0.44.0.40)	(0.400.507)	(:- A
Reputation costs	(96,732,691)	(2,369,985)	(99,102,676)	(107,241,243)	(8,138,567)	(iv)
Finance lease payments	(13,701)	-	(13,701)	(137,851)	(124,150)	
Lease rentals on operating lease	(4,463,362)	-	(4,463,362)	(3,833,126)	630,236	
Repairs and maintenance	(400,000)	-	(400,000)	(401,037)	(1,037)	()
General Expenses	(23,138,930)	5,168,982	(17,969,948)	(15,642,480)	2,327,468	(v)
Total expenditure	(186,887,824)	2,798,997	(184,088,827)	(187,091,912)	(3,003,085)	
Deficit before taxation	7,412,176	2,798,997	10,211,173	13,829,359	3,618,186	
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	7,412,176	2,798,997	10,211,173	13,829,359	3,618,186	

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS (CONTINUED)

	Approved budget R	Adjustments R	Final Budget R	Actual amounts on comparable basis R	Difference between final budget and actual R	Reference
Reconciliation						
Basis difference						
Depreciation and amortisation					(4,525,412)	(vi)
Proceeds on sale					(6,112)	(vi)
Gain on sale of assets					4,058	(vi)
Salary related provisions					(386,080)	(vi)
Loss on disposal					(44,876)	(vi)
Impairment loss					(25,976)	(vi)
Lease rentals accruals					(479,636)	(vi)
Accruals and payables					(62,140)	(vi)
Prepayments					(17,826,042)	(vi)
Impairment of financial asset					(110,530)	(vi)
Interest and other income					101,147	(vi)
Receivables					500,569	(vi)
Reversal of staff debtor					1,674	(vi)
Finance cost					(1,852)	(vi)
Actual Amount in the Statement of Financial Performance					(9,031,849)	

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS (CONTINUED)

	Approved budget R	Adjustments R	Final Budget R	Actual amounts on comparable basis	Difference between final budget and actual R	Reference
Statement of Financial Position						
Assets						
Non-Current Assets						
Property, plant and equipment Intangible assets	(2,196,000)	(2,798,997)	(4,994,997)	(2,904,695)	2,090,302	(vii)
	(5,216,176)	-	(5,216,176)	(5,291,423)	(75,247)	(vii)
	(7,412,176)	(2,798,997)	(10,211,173)	(8,196,118)	2,015,055	
Total Assets	(7,412,176)	(2,798,997)	(10,211,173)	(8,196,118)	2,015,055	
	-	-	-	-	-	

- (i) The positive variance of R5-million is attributable to partnership income and other income and not budgeted for.
- (ii) Interest received is attributable to interest earned from interest bearing account which are incidental and not budgeted for.
- (iii) The personnel costs expenditure reported savings amounting to R2,3-million which is attributable to the vacant posts and recently filled positions are at lesser package than previous incumbents.
- (iv) The over-expenditure is due to commitments from the prior year paid in the current year.
- (v) The under-expenditure is due to the reduction of consulting fees and the reduction of software licence fees.
- (vi) The basis differences are transactions that are presented on an accrual basis on the financial statements which are non-cash.
- (vii) The capital expenditure indoes not include the capex accruals amounting to R3,8-million. The total capex expenditure including accruals amounts to R11,9-million.

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.

These accounting policies are consistent with the previous period.

1.1 Presentation currency

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

1.2 Going concern assumption

These annual financial statements have been prepared based on the expectation that Brand South Africa 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

Brand South Africa 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 or deficit makes judgements 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. Additional disclosure of these estimates of provisions are included in note 14 - Provisions.

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 intangibles 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.

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 economic 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, its 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

ACCOUNTING POLICIES (CONTINUED)

1.4 Property, plant and equipment (continued)

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 Brand South Africa. 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 assesses at each reporting date whether there is any indication that Brand South Africa expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, Brand South Africa 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 or 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 or 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; and

 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 Straight line 3 - 5 years and licences

The entity discloses relevant information relating to assets under construction or development, in the notes to the financial statements (see note 5).

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 or deficit when the asset is derecognised.

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

Brand South Africa assesses at each reporting date whether there is an indication that it 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 or deficit when the item is derecognised (unless the Standard of GRAP on leases requires otherwise on a sale and leaseback).

ACCOUNTING POLICIES (CONTINUED)

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; and
- It is settled at a future date.

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 Brand South Africa.

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 Brand South Africa.

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 Brand South Africa 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 amortised cost
Receivables from exchange transactions	Financial asset measured at amortised cost
Other financial asset	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 amortised cost
Lease liabilities	Financial liability measured at amortised cost

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. The entity recognises financial assets using trade date accounting.

SUBSEQUENT MEASUREMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Brand South Africa measures all financial assets and financial liabilities after initial recognition using the following categories:

Financial instruments at amortised cost.

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 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.

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.

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.

ACCOUNTING POLICIES (CONTINUED)

1.7 Financial instruments (continued)

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

Brand South Africa derecognises financial assets using trade date accounting.

Brand South Africa 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.

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.

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.

Dividends or similar distributions relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

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.

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.

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.

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.

FINANCE LEASES - LESSEE

Finance leases are recognised as assets and liabilities in the Statement of Financial Position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Statement of Financial Position as a finance lease obligation.

The discount rate used in calculating the present value of the minimum lease payments is Brand South Africa's incremental borrowing rate.

Minimum lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of on the remaining balance of the liability. Any contingent rents are expensed in the period in which they are incurred.

ACCOUNTING POLICIES (CONTINUED)

1.9 Leases (continued)

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 postemployment 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 12 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.

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. Brand South Africa 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 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 recognises 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 12 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.

TERMINATION BENEFITS

Brand South Africa recognises termination benefits as a liability and an expense when the entity is demonstrably committed to either:

- Terminate the employment of an employee or group of employees before the normal retirement date; or
- Provide termination benefits as a result of an offer made in order to encourage voluntary redundancy. Brand South Africa is demonstrably committed to a termination when the entity has a detailed formal plan for the termination and is without realistic possibility of withdrawal. The detailed plan includes (as a minimum):
- The location, function, and approximate number of employees whose services are to be terminated;
- The termination benefits for each job classification or function; and
- The time at which the plan will be implemented.

Implementation begins as soon as possible and the period of time to complete implementation is such that material changes to the plan are not likely.

Where termination benefits fall due more than 12 months after the reporting date, they are discounted using an appropriate discount rate. The rate used to discount the benefit 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 benefit.

ACCOUNTING POLICIES (CONTINUED)

1.10 Employee benefits (continued)

In the case of an offer made to encourage voluntary redundancy, the measurement of termination benefits shall be based on the number of employees expected to accept the offer.

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 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.

A provision is used only for expenditures for which the provision was originally recognised. Provisions are not recognised for future operating deficits.

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 29.

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.

MEASUREMENT

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

1.14 Revenue from non-exchange transactions

Revenue comprises gross inflows of economic benefits or service potential received and receivable by Brand South Africa, 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 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 Brand South Africa.

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.

ACCOUNTING POLICIES (CONTINUED)

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.

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 would 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.

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 April 2008):

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.

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.

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 a cash basis and presented by functional classification linked to performance outcome objectives.

Comparative information is not required.

1.23 Related parties

Management are those persons responsible for planning, directing and controlling the activities of Brand South Africa, including those charged with the governance of Brand South Africa 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 Brand South Africa.

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.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

2. BUDGET DIFFERENCES

Differences between budget and actual amounts basis of preparation and presentation.

The budget and the accounting bases differ. The annual financial statements for Brand South Africa are prepared on the accrual basis using a classification based on the nature of expenses in the statement of financial performance. The annual financial statements are for the fiscal period from 01/04/2017 to 31/03/2018. The annual financial statements differ from the budget, which is approved on the cash basis.

The amounts in the annual financial statements were recast from the accrual basis to the cash basis and reclassified by functional classification to be on the same basis as the final approved budget.

A reconciliation between the actual amounts on a comparable basis as presented in the statement of comparison of budget and actual amounts and the actual amounts in the statement of financial performance for the period ended 31 March 2018 is presented in the face of the budget statement. There is a basis difference: the budget is prepared on the cash basis and the financial statements on the accrual basis.

3. NEW STANDARDS AND INTERPRETATIONS

3.1 Standards and interpretations issued, but not yet effective

Brand South Africa has not applied the following standards and interpretations, which have been published and are mandatory for Brand South Africa's accounting periods beginning on or after 01 April 2019 or later periods:

Standard/Interpretation:	Effective date: years beginning on or after	Expected impact:
GRAP 34: Separate Financial Statements	01 April 2019	Unlikely there will be a material impact
GRAP 35: Consolidated Financial Statements	01 April 2019	Unlikely there will be a material impact
GRAP 36: Investments in Associates and Joint ventures	01 April 2019	Unlikely there will be a material impact
GRAP 37: Joint Arrangements	01 April 2019	Unlikely there will be a material impact
GRAP 38: Disclosure of interests in other entities	01 April 2019	Unlikely there will be a material impact
 GRAP 110: Presentation on Living and Non-living 	01 April 2019	Unlikely there will be a resources material impact
GRAP 20: Related parties	01 April 2019	Not expected to impact results but may result in additional disclosure
 GRAP 109: Accounting by Principals and Agents 	01 April 2019	Unlikely there will be a material impact
GRAP 108: Statutory Receivables	01 April 2019	Unlikely there will be a material impact
GRAP 32: Service Concession Arrangements: Grantor	01 April 2019	Unlikely there will be a material impact

4. PROPERTY, PLANT AND EQUIPMENT

	2018			2017			
Figures in Rand	Cost/ Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost/ Valuation	Accumulated depreciation and accumulated impairment	Carrying value	
Leasehold property	1,444,019	(724,567)	719,452	1,297,252	(518,178)	779,074	
Furniture and fixtures	2,352,139	(1,106,890)	1,245,249	1,841,724	(808,479)	1,033,245	
Motor vehicles	1,055,976	(365,238)	690,738	1,055,976	(154,043)	901,933	
Office equipment	2,880,033	(1,387,555)	1,492,478	1,691,704	(1,082,050)	609,654	
IT equipment	4,246,587	(2,249,493)	1,997,094	2,778,330	(1,514,725)	1,263,605	
Finance leased office equipment	458,168	(458,168)	-	694,231	(629,359)	64,872	
Total	12,436,922	(6,291,911)	6,145,011	9,359,217	(4,706,834)	4,652,383	

Reconciliation of property, plant and equipment - March 2018

Figures in Rand	Opening balance	Additions	Disposals	Transfers	Depreciation	Total
Leasehold property	779,074	146,767	-	-	(206,389)	719,452
Furniture and fixtures	1,033,245	335,097	(25,976)	56,139	(153,256)	1,245,249
Motor vehicles	901,933	-	-	-	(211,195)	690,738
Office equipment	609,654	1,188,329	-	-	(305,505)	1,492,478
IT equipment	1,263,605	1,551,968	(45,256)	-	(773,223)	1,997,094
Finance leased office equipment	64,872	-	-	(56,139)	(8,733)	-
	4,652,383	3,222,161	(71,232)	-	(1,658,301)	6,145,011

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

4. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Reconciliation of property, plant and equipment - March 2017

				Other		
	Opening			changes,		
Figures in Rand	balance	Additions	Disposals	movements	Depreciation	Total
Leasehold improvements	386,526	390,122	-	(7,217)	9,643	779,074
Furniture and fixtures	917,196	162,679	(33,297)	-	(13,333)	1,033,245
Motor vehicles	385,689	681,720	-	-	(165,476)	901,933
Office equipment	374,933	337,064	-	-	(102,343)	609,654
IT equipment	1,264,806	768,572	(39,922)	-	(729,851)	1,263,605
Finance leased office equipment	199,434	34,968	-	7,218	(176,748)	64,872
	3,528,584	2,375,125	(73,219)	1	(1,178,108)	4,652,383

Insurance proceeds received for replacement of lost IT equipment are included in operating surplus.

2017	2018
R	R
42,017	35,424

IT equipment

Assets under IT equipment and furniture have been disposed through sale. Other IT equipment was disposed as a result of the loss. Refer to note 4 above and note 25.

Office equipment subject to finance lease (Net carrying amount)

Office equipment - 64,872

Finance leases comprise of the PABX system and Biometric security system. The PABX system is fully depreciated and management intends to replace the system as soon as the new tender for the PABX is concluded.

The finance lease for the Biometric system ended on 31 October 2017. Brand South Africa took ownership of the asset and it was transferred to fixtures and fittings. See note 4 above.

4. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	2018 R	2017 R
Other information		
Property, plant and equipment fully depreciated and still in use (Original Cost)		
Office Equipment – Leased Asset PABX	458,168	-
Property, plant and equipment fully depreciated and still in use (Number)		
Office equipment — Leased PABX	1	-

PABX is fully depreciated and management intends to replace the system as soon as the tender is concluded.

Expenditure incurred to repair and maintain property, plant and equipment

Expenditure incurred to repair and maintain property, plant and equipment included in Statement of Financial Performance

Repairs and maintenance 19,376 -

5. INTANGIBLE ASSETS

Figures in Rand
Computer software
Intangible assets — WIP
Total

Cost/ Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost/ Valuation	Accumulated amortisation and accumulated impairment	Carrying value
9,597,796	(3,374,145)	6,223,651	3,225,935	(2,184,259)	1,041,676
5,158,016	-	5,158,016	5,831,984	-	5,831,984
14,755,812	(3,374,145)	11,381,667	9,057,919	(2,184,259)	6,873,660

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

5. INTANGIBLE ASSETS (CONTINUED)

Reconciliation of intangible assets - March 2018

Figures in Rand

Computer software, other Intangible assets – WIP

Intangible assets – WIP

Opening balance	Additions	Transfers	Amortisation	Total
1,041,676	2,217,102	5,831,984	(2,867,111)	6,223,651
5,831,984	5,158,016	(5,831,984)	-	5,158,016
6,873,660	7,375,118	-	(2,867,111)	11,381,667

Reconciliation of intangible assets - March 2017

Figures in Rand

Computer software

Intangible assets — WIP

Opening balance	Additions	Amortisation	Total
19,090	1,157,052	(134,466)	1,041,676
	5,831,984	-	5,831,984
19,090	6,989,036	(134,466)	6,873,660

	2018 R	2017 R
Intangible assets in the process of being constructed or developed		
Cumulative expenditure recognised in the carrying value of Intangible assets		
Intangible assets under development — SAGE 300 People	86,901	-
Intangible assets under development — RP System	5,071,115	5,831,984
	5,158,016	5,831,984

The Intangible assets recorded as work in progress relates to the second phase of the ERP implementation AX Dynamics and SAGE 300 People.

5. INTANGIBLE ASSETS (CONTINUED)

	2018 R	2017 R
Other information		
Fully amortised intangible assets still in use (Original cost of the assets)	364,708	2,041,933

The fully amortised software which is currently in use has no indication of impairment because the entity continues to maintain the applications through annual licence fees. Obsolete intangible assets were written off in the 2018 financial year.

Fully amortised intangible assets still in use (number)

40

6

6. HERITAGE ASSETS

		Accumulated			Accumulated	
	Cost/	impairment	Carrying	Cost/	impairment	Carrying
Figures in Rand	Valuation	losses	value	Valuation	losses	value
Art Collections	170,556	-	170,556	170,556	-	170,556

Reconciliation of heritage assets - March 2018

Figures in Rand	Opening balance	Total
Art Collections	170,556	170,556
Reconciliation of heritage assets – March 2017		
Art Collections	170,556	170,556

Heritage assets

Heritage assets comprise of works of art such as collage mirrors, beaded sable, sculptures, paintings and jewelled bowls. These items were classified as Heritage assets because their value appreciates over a period of time and their value is unlikely to be fully reflected in monetary terms. The cost of Heritage assets is based on purchase price of the asset measured on the cost model.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

7. DEPOSITS

	2018 R	2017 R
At amortised cost		
Deposits paid on leased property - opening balance	1,113,811	871,558
Exchange gains/losses on deposit denominated in foreign currencies	1,836	(117,902)
Interest earned	74,828	78,230
Deposit paid – current year	-	281,925
Deposit receivable	(113,370)	-
Impairments	(110,530)	-
	966,575	1,113,811
Non-current assets		
At amortised cost	966,575	1,113,811
Financial assets pledged as collateral		
Collateral		
Carrying value of financial assets pledged as collateral for liabilities or contingent liabilities	966,575	1,113,811

The deposits paid were for the following office buildings:

- * Head Office situated at 103 Central Street, Houghton for an additional 5-year lease ending 31 July 2021.
- * China office situated at China World Tower in Beijing with a lease ending 31 March 2017, however an additional four months were added until 31 July 2017. The deposit receivable was set off against the amount owing for March 2017 and April 2017 rental.

These contracts are carried at amortised cost and have been discounted at 10.5% (2017: 9%). There are no other significant terms and conditions associated with the use of collateral.

R

8. OPERATING LEASE ASSET (ACCRUAL)

2018 2017 R 110,550 Current assets (785,047)Current liabilities (488,961)(785,047) (378,411)

Operating lease liabilities arise from straight – lining of payments under operating leases.

9. 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 for this purpose. The Fund is administered by Sanlam as an Umbrella Fund because of its size. Under the current arrangements both the employee and employer contributes 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	3,473,865	3,302,177
Value of the fund	16,113,591	10,462,669
Total number of employees participating in the plan	52	51
10. PREPAYMENTS		
Computer software	879,747	657,395

	954,044	18,780,086
Subscriptions		282,992
Insurance	74,297	74,561
Media partnerships	-	17,765,138
Computer software	879,747	657,395

Prepayments relates to goods and/or services that have been paid for in advance, as per contract terms. The decrease in prepayments is due to the media partnerships paid in the prior year.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

11. RECEIVABLES FROM EXCHANGE TRANSACTIONS

	R	R
Trade receivables	955,935	177,500
Income accrued	86,915	159,089
Staff debt	73,919	124,375
Other receivables (i)		155,236
	1,116,769	616,200
Other receivables		
Total carrying amounts of other receivables		
Other receivables	336,578	330,880
Provision for impairment	(336,578)	(175,644)
	-	155,236

2018

2017

Trade receivables past due

Trade receivables which are less than three months overdue are not considered for impairment. Trade receivables reflected above are adjusted with an impairment of R155,000. The ageing of trade receivables is as follows:

Total carrying amounts of trade receivables

Total carrying amounts of trade receivables	1,110,935	807,380
Less: written off	-	(666,531)
Less: Provision for impairment	(155,000)	-
Additions	-	42,500
Less debts cleared	-	(5,849)
	955,935	177,500

⁽i) Other receivables have been impaired.

11. RECEIVABLES FROM EXCHANGE TRANSACTIONS (CONTINUED)

Ageing receivables – March 2018					
Figures in Rand	Current	30 days	60 days	> 90 days	Total
Trade receivables	-	-	955,935	-	955,935
Ageing receivables – March 2017					
Figures in Rand	Current	30 days	60 days	> 90 days	Total
Trade receivables	-	-	-	177,500	177,500
				2018	2017
				R	R
Receivables impaired					
The ageing of the trade receivables impaired is as follows:					
Reconciliation of provision for impairment of trade rece	eivables				
Opening balance				-	666,531
Provision for impairment				155,000	-
Amounts written off as irrecoverable				-	(666,531)
				155,000	-
Reconciliation of provision for impairment of other rece	eivables				
Opening balance				175,644	175,644
Reversal of impairment				(175,644)	-
Provision for impairment				336,578	
				336,578	175,644

The creation and release of provision for impaired receivables has been included in the operating expenses note. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

The maximum exposure to credit risk at the reporting date is the fair value of receivables above. Brand South Africa does not hold any collateral as security.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

12. CASH AND CASH EQUIVALENTS

	2018	2017
	R	R
Cash and cash equivalents consist of:		
Bank balances	28,202,397	22,569,156
Cash on hand	5,865	5,865
	28,208,262	22,575,021
Credit quality of cash at bank and short term deposits, excluding cash on hand		
The cash and cash equivalents is currently held by Nedbank. Moody's issued a credit rating to Nedbank of Baa3 v	which is a stable outlook.	
Credit rating		
Nedbank - Baa3	28,202,393	22,569,156
		,,,,,,,
13. FINANCE LEASE OBLIGATION		
Minimum legge neumente due		
Minimum lease payments due – within one year	_	64,851
- within the year		64,851
less: future finance charges	-	(1,851)
Present value of minimum lease payments	-	63,000
Present value of minimum lease payments due		
- within one year		63,000

It is Brand South Africa's policy to lease certain office equipment under finance leases.

The average lease term was three years and the average effective borrowing rate was 10.25% (2017: 9%). The agreements do not have renewal options and Brand South Africa does have the option of taking ownership at the end of the lease. The lease for Biometric readers ended on the 31 October 2017. Brand South Africa has exercised the option of taking ownership of the asset after the end of the lease term.

Interest rates were fixed at the contract date. All leases have fixed repayments and no arrangements have been entered into for contingent rent.

14. PROVISIONS

Reconciliation of provisions - March 2018

	Opening		Utilised during the	Reversed during the	
Figures in Rand	Balance	Additions	year	year	Total
Salary and related expense provision (Leave)	1,707,465	3,636,808	(3,442,631)	-	1,901,642
Salary and related expense provision (Bonus)	6,217,165	6,409,068	(5,385,711)	(831,454)	6,409,068
	7,924,630	10,045,876	(8,828,342)	(831,454)	8,310,710
Reconciliation of provisions - March 2017					
Salary and related expense provision (Leave)	1,451,791	3,628,961	(3,373,287)	-	1,707,465
Salary and related expense provision (Bonus)	3,360,285	6,003,924	(3,104,244)	(42,800)	6,217,165
Notch increase provision	1,868,392	-	(1,245,525)	(622,867)	-
	6,680,468	9,632,885	(7,723,056)	(665,667)	7,924,630

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 Brand South Africa's performance bonus policy.

15. PAYABLES FROM EXCHANGE TRANSACTIONS

Trade payables	
Salary related payables	
Accrued operating expenses	
Sundry creditors	
Accrued capex expenses	
Total	
The 0017 commend assessment figures had been restated	

2018 R	2017 R
3,710,448	5,170,047
76,481	526,654
2,056,271	832,772
16,525	1,155
3,867,246	733,043
9,726,971	7,263,671

The 2017 accrued expenses figure had been restated.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

15. PAYABLES FROM EXCHANGE TRANSACTIONS (CONTINUED)

	2018	2017
	R	R
Ageing of trade payables		
Current	2,758,676	4,785,782
30 days	415,803	384,264
60 days	535,969	-
	3,710,448	5,170,046

The 60 days ageing relates to the delay in receiving the agreed funds from dti in order to pay the South African Premier Awards service provider. The 30 day ageing relates to suppliers whose tax affairs not in order and who are liaising with SARS to remedy the matter.

16. REVENUE FORM NON-EXCHANGE TRANSACTIONS

Government grant	194,300,000	181,186,000
17. OTHER INCOME		
Bursary recoupment	194,065	-
Skills levy reimbursement	19,904	82,908
Proceeds on insurance claim	35,424	42,018
Royalties-Brand South Africa image library	9,377	14,511
WEF Davos deposit refund	139,958	_
Stakeholder golf day activation	_	57,500
	398,728	196,937
18. PARTNERSHIP INCOME		
SAPBA Partnership income — dti	4,779,737	3,685,108
WEF Davos partnership income — Multichoice/Old Mutual	750,000	800,000
	5,529,737	4,485,108

Partnership income relates to the collaboration with a related party, the dti in hosting the annual South African Premier Awards. The increase is due to an increase in costs of hosting the awards event.

19. FINANCE INCOME

	2018 R	2017 R
Interest revenue		
Cash and bank deposits	1,503,197	1,660,883
Financial instruments held at amortised cost	74,828	78,230
	1,578,025	1,739,113

The total interest income earned by Brand South Africa is from both current and call accounts at an average interest rate of 5.25% per annum (March 2017: 5.25%) as well as interest earned from financial instruments carried at amortised cost whose average interest is 10.5% (2017: 9%) as disclosed in note 5. Brand South Africa invest its money Nedbank which has a Baa3 rating.

20. EMPLOYEE RELATED COSTS

Basic	42,778,722	41,315,482
Bonus	5,666,998	6,619,421
Medical aid - company contributions	563,061	621,030
UIF	93,826	95,859
SDL	471,566	439,590
Defined contribution plans	3,473,865	3,302,177
Overtime payments	88,664	116,605
Acting allowances	243,733	149,502
Travel allowance	414,000	274,000
Cost of living allowance - COLA	5,977,645	5,042,341
	59,772,080	57,976,007

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

20. EMPLOYEE RELATED COSTS (CONTINUED)

	2018	2017
	R	R
Remuneration of Chief Financial Officer (Resigned 31 August 2017) - A Puoane		
Annual Remuneration	948,065	1,877,588
Performance Bonuses	184,314	240,409
Contributions to UIF, Medical and Pension Funds	27,155	94,566
Cellphone allowance	16,950	40,679
Reimbursive expenses	5,350	13,235
Acting allowance		24,284
	1,181,834	2,290,761
Remuneration of Director: Governance, Legal & Secretariat – SS Nyoni		
Annual Remuneration	1,582,200	1,451,948
Cell Allowance	27,119	40,678
Performance Bonuses	280,263	218,553
Contributions to UIF, Medical and Pension Funds	139,140	133,498
Reimbursive expenses	2,023	6,048
	2,030,745	1,850,725
Remuneration of Chief Executive Officer – KLM Makhubela		
Annual Remuneration	3,532,122	3,202,850
Cell Allowance	20,340	40,679
Performance Bonuses	572,666	356,802
Contributions to UIF, Medical and Pension Funds	1,785	172,783
Reimbursive expenses	18,643	166,715
·	4,145,556	3,939,829

20. EMPLOYEE RELATED COSTS (CONTINUED)

	2018	2017
	R	R
Remuneration of Acting Chief Financial Officer – K Seripe (from 1 Sep 2017 to 31 Dec 2017)		
Acting Allowance	243,733	-
Remuneration of Chief Marketing Officer – L Magapatona-Sangaret		
Annual Remuneration	2,060,539	1,840,465
Contributions to UIF, Medical and Pension Funds	156,286	141,320
Reimbursive expenses	57,564	45,079
	2,274,389	2,026,864
Remuneration of Director: Corporate Services – J Tshipa		
Annual Remuneration	1,716,904	1,543,157
Performance Bonuses	311,803	262,264
Contributions to UIF, Medical and Pension Funds	40,752	59,632
Reimbursive expenses	13,290	2,787
Cell Allowance	20,339	40,678
	2,103,088	1,908,518
Remuneration of Chief Financial Officer - Nadine Thomas (02 January 2018)		
Annual Remuneration	373,593	-
Contributions to UIF, Medical and Pension Funds	28,466	-
	402,059	-
21. FINANCE COSTS		
Interest expense	1,852	12,456

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

22. GENERAL EXPENSES

	2018 R	2017 R
Advertising	4,156	16,443
Auditors remuneration (i)	2,020,759	2,139,804
Bank charges	154,676	142,882
Computer expenses (ii)	2,527,969	1,185,064
Consulting and professional fees - Other (iii)	1,471,366	3,040,794
Consulting and professional fees – Legal fees	154,343	185,184
Consumables	142,363	284,206
Courier and delivery expenses	45,366	31,303
Insurance	127,590	116,856
Conferences and seminars	-	23,936
Motor vehicle expenses	60,717	60,843
Placement fees (iv)	1,149,373	630,554
Printing and stationery	370,516	337,810
Security	79,463	90,198
Staff welfare	131,026	164,344
Telephone and fax (v)	1,351,952	1,188,447
Staff training and development	203,227	487,366
Travel and subsistence – overseas (vi)	5,293,232	4,863,911
Travel and subsistence – domestic (vii)	3,185,069	4,422,965
Water and electricity	971,713	747,589
Other operating expenses	128,190	29,076
Removal and storage costs	17,133	85,258
Audit and risk committee remuneration (viii)	237,752	111,921
Board remuneration (ix)	1,265,864	-
Subscriptions and membership fees (x)	3,576,524	1,498,389
Venue expenses	813,533	449,131
	25,483,872	22,334,274

22. GENERAL EXPENSES (CONTINUED)

The 2017 figures had been restated.

- (i) Reduction in Auditors remuneration is mainly due to the late commencement of the internal audits by the internal auditors and the significant reduction on charged out rates.
- (ii) The significant increase in computer expenses is due to the purchase of the APN and devices to connect to the ERP system.
- (iii) Reduction in usage of consultants is due to cost containment measures.
- (iv) An increase in placement fees is due to the resignations of the CFO, HR Manager and other employees in critical posts.
- (v) An increase in telephone and fax costs is due to the increase in broadband to allow the increase in the number of users and additional usage of data for employees.
- (vi) An increase in travel and subsistence is attributable to an increase in the number of international activations of Global South Africans (GSA) and South African including research in Africa and Middle East countries. The Global Market unit was newly established in the 2017/18 financial year which expanded the reach beyond Africa and the Middle East requiring more travel and participation in the International Telecommunications Union (ITU) in South Korea and Singapore.
- (vii) A decrease in travel and subsistence expenditure for local travel is due to the prior year programme i.e 'Play Your Part' and the South African Competitiveness Forum were mainly focused on provincial activations requiring the team to travel in all the provinces.
- (viii) An increase in Audit and Risk committee remuneration is due to an increase in the number of meetings and increase in charge out rates.
- (ix) The Board remuneration was paid for the first time in the current financial year. See note 32
- (x) An increase in membership fees is due to an increase in the number of subscriptions i.e City Brand Index and an increase in the WEF Davos membership fee.

23. BRAND, COMMUNICATION AND REPUTATION COSTS

Research fees (i)	
Branding and collateral	
Media buy (ii)	
Agency - Digital management (iii)	
Agency - Public Relations (iv)	
Agency - Media Monitoring (v)	
Activation fees - Domestic and International activities (vi)

2018 R	2017 R
- 11	- 11
7,271,452	4,743,058
2,913,201	2,461,599
45,720,462	22,502,921
10,596,721	11,286,773
4,260,154	1,322,138
1,335,306	881,800
43,426,736	32,586,382
115,524,032	75,784,671
	<u> </u>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

23. BRAND, COMMUNICATION AND REPUTATION COSTS (CONTINUED)

The 2017 figures had been restated.

- (i) An increase in the research fees is due to an increase in domestic research fees from the prior year due to the appointment of a new service provider as well as the late commencement of the International investor perception study in the prior year as compared to the current financial year.
- (ii) An increase in the media buy is due to the expensing of prior year prepayment and rolled over funds recognised in the current year. International media partnerships comprise of campaigns especially those leading up to the World Economic Forum (WEF). Furthermore in the current year the advertising campaigns focused on three web films and 26 episodes for the 'Play Your Part' TV series attracting production costs.
- (iii) A decrease in the digital management agency fee is due to the non-renewal of the digital management contract from February 2018 to March 2018.
- (iv) A significant increase in public relations is due to the recruitment of PR agencies for both domestic and international activities. A new PR agency appointed in the current financial year introduced planned targeted international PR programmes which included WEF and Global markets.
- (v) An increase in media monitoring is due to the late commencement of the contract in the prior year as compared to the current financial year.
- (vi) An increase in activation costs is due to an increase in the number of Global South Africa activations and in market activations. The previous Annual Performance Plan had less activations planned. The WEF Africa spend was increased due to being hosted domestically. The Rapid Lion film festival activation costs increased in the current financial year.

24. AUDITORS' REMUNERATION

	2018	2017
	R	R
External audit	1,261,631	1,191,325
Internal audit	759,128	948,479
	2,020,759	2,139,804
External auditors' remuneration		
Current year fees	1,261,631	1,191,325
Internal auditors' remuneration		
Current year fees	522,096	648,030
Special requests		300,449
	522,096	948,479

25. OPERATING (DEFICIT) SURPLUS

	2018 R	2017 R
Operating deficit (surplus) for the year is stated after accounting for the following:		
Operating deficit (surplus)	9,031,849	(24,934,780)
Operating lease charges		
Premises		
Contractual amounts – Office rental JHB	3,764,771	3,682,174
Contractual amounts – Office rental CHN	170,336	730,243
Equipment		
Contractual amounts	477,122	375,428
	4,412,229	4,787,845
(Gain) on sale of property, plant and equipment	4,058	(33,669)
Impairment on property, plant and equipment	25,976	-
Loss on exchange differences	224,366	133,982
Loss on disposal of property, plant and equipment	44,876	73,119
Amortisation on intangible assets	2,867,111	134,466
Depreciation on property, plant and equipment	1,658,301	1,178,107
Employee costs	59,772,080	57,965,701
26. REPAIRS AND MAINTENANCE		
Repairs and maintenance	401,238	301,428

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

27. CASH GENERATED FROM OPERATIONS

	2018 R	2017 R
(Deficit) surplus	(9,031,849)	24,934,780
Adjustments for:		
Depreciation and amortisation	4,525,412	1,312,573
Gain on sale property, plant and equipment	(4,058)	(33,669)
Loss on disposal of assets	44,876	73,119
Reversal of staff debtor for asset sold	(1,674)	-
Finance costs – Finance leases	1,852	12,456
Impairment of assets	25,976	-
Movement in deposits	36,706	-
Impairment of financial assets	110,530	-
Movements in lease assets and accruals	479,636	322,897
Movements in provisions	386,080	1,244,162
Other non-cash items	-	108,409
Changes in working capital:		
Prepayments	17,826,042	(17,683,856)
Receivables from exchange transactions	(500,569)	(83,966)
Payables from exchange transactions	62,138	1,108,584
	13,961,098	11,315,489

28. COMMITMENTS

	2018	2017
	R	R
Authorised and approved expenditure		
Already approved and contracted for		
ERP implementation	-	5,891,428
Media Partnership	-	1,597,460
International investor perception	4,787,697	6,406,675
Professional fees	-	13,448
Public relations	1,111,978	-
Audit services	-	280,275
Catering	-	4,850
• Travel	-	33,225
	5,899,675	14,227,361
Total commitments		
Already approved and contracted for	5,899,675	14,227,361
Operating leases – as lessee (expense)		
Minimum lease payments due		
- within one year	3,661,473	3,654,696
- in second to fifth year inclusive	9,832,307	13,376,443
	13,493,780	17,031,139

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 five years from 1 August 2016 to 31 July 2021.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

29. CONTINGENCIES

There are currently two pending litigation cases in arbitration proceedings which are made against the entity by employees and involve financial exposure. Brand South Africa's lawyers and management consider the likelihood of success of the action taken against Brand South Africa to be unlikely to succeed and the cases are expected to be resolved within the next financial year. The estimate of the financial impact for both cases is R868,779.

30. RELATED PARTIES

Related party

Department of Communications Executive Authority-Current

South African Broadcasting Corporation Entity controlled by a related party

The Government Printing Works Entity controlled by a related party

National Treasury

Strategic Partner on trade related activities

Proudly South African

Strategic Partner on trade related activities

Department of Trade and Industry

Strategic Partner on trade related activities

Members of key management

Executive directors (refer to note 20)

Transactions with all the related parties are at arms length. The amounts outstanding are unsecured, interest free and repayable within 30 days.

30. RELATED PARTIES (CONTINUED)

	2018 R	2017 R
Related parties	N.	n
Amounts included in Trade receivable regarding related parties		
National Treasury	135,000	135,000
SABC	20,000	20,000
Proudly South African	-	7,500
Department of Trade and Industry	955,935	-
	1,110,935	162,500
Amounts included in other receivables		
SABC	165,644	165,644
Related party transactions		
Payment to related parties		
The Government Printing Works	4,156	8,474
Amounts included in the Partnership Income regarding related parties		
Department of Trade and Industry	4,779,673	3,685,108
Transfer payments — Grant (2017 figure restated)		
Department of Communications	194,300,000	181,186,000

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

31. REMUNERATION OF INDEPENDENT ARCO MEMBERS

The increase of ARCO fees is as a result of the increase of fees and the number of meetings held in the current financial year.

Figures in Rand Luyanda Mangquku

Thuli Mashanda

Figures in Rand Luyanda Mangquku Nomagugu Mtetwa (Resigned 01 June 2016) Thuli Mashanda

2018	
Committee	
fees	Total
114,900	114,900
122,852	122,852
237,752	237,752

2017	
Committee	
fees	Total
39,000	39,000
5,000	1,234
67,921	67,921
111,921	108,155

32. REMUNERATION OF BOARD MEMBERS

Board members remuneration were first paid in October 2017 including the fees emanating from the prior financial year. The meetings paid for included board meetings and other meetings attended on behalf of Brand South Africa. The previous Minister of Finance, Mr Gigaba, indicated in a letter dated 14 September 2017 that Brand South Africa board members would be paid fees as per the National Treasury circular relating to committee fees. This was the first approval for such remuneration.

Figures in Rand		
Khanyisile Kweyama		
Babalwa Ngonyama		
Arthur Mafokate		
Geoff Rothschild		
Given Sibiya		
Janine Hills		
Kuseni Dlamini		
Lehlohonolo Bonoko		
Mpho Makwana		
Muditambi Ravele		
Rashid Lombard		
Stavros Nicolaou		
Thembi Kunene		
Mzimkulu Malunga		

2018	
Members' fees	Total
176,689	176,689
36,937	36,937
74,536	74,536
75,726	75,726
162,090	162,090
103,112	103,112
58,252	58,252
74,890	74,890
102,594	102,594
88,729	88,729
75,490	75,490
87,216	87,216
58,777	58,777
90,826	90,826
1,265,864	1,265,864

33. 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. Brand South Africa 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.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

33. 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

Credit risk consists mainly of 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 30 days of invoicing.

Financial assets exposed to credit risk at year end were as follows:

Financial instrument	2018	2017
Nedbank call account	26,466,000	14,066,000
Nedbank current account	1,736,397	8,503,156
Receivables from exchange transactions	1,116,769	616,200

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.

33. RISK MANAGEMENT (CONTINUED)

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, recognised assets and liabilities and net investments in foreign operations.

	2018 R	2017 R
Foreign currency exposure at Statement of Financial Position date		
Liabilities		
Current, USD 50,250 (2017: USD 6,723)	592,225	90,113
Current, GBP 6,000 (2017: 6,240)	99,057	104,436
Current, CHF 9,658 (2017: 9,748)	119,211	163,154
Current CNY 267,663 (2017: 29,098)	502,217	56,592
Exchange rates used for conversion of foreign items were:		
USD	11.78545	12.9748
GBP	16.50953	16.1580
CHF	12.342983	13.0082
CNY	1.876305	1.88271
EUR	-	13.9293

Brand South Africa reviews its foreign currency exposure, including commitments on an ongoing basis.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

34. CHANGES IN ACCOUNTING ESTIMATE

At the end of the lease term of the finance lease equipment the asset's estimated useful life was reviewed resulting in the decrease in the current year's depreciation and an increase in the carrying amount for the remaining useful life, as follows:

	2018
	R
Depreciation for the year	64,872
LESS:	
Office Equipment – Extended until the end of the lease term of the building	(56,139)
Net depreciation after review	8,732

35. GOING CONCERN

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

Brand South Africa is expected to continue operating as a going concern. There are no indications from the Executive Authority that the approved grant allocation for the financial year 2018/2019, will be stopped.

36. FRUITLESS AND WASTEFUL EXPENDITURE DETAILS

Cancellation of travel tender (i)

- (i) The travel tender had lapsed resulting in advertising expenditure of R250 being fruitless and wasteful.
- (ii) There is currently an investigation which regards to potential fruitless and wasteful expenditure in the current year relating to the Nation Brand Alignment training in Polokwane where invited guests did not attend the training. The financial implication is R87,721.

37. IRREGULAR EXPENDITURE

Opening balance
Irregular expenditure incurred in the current year
Irregular expenditure incurred in the prior year identified in the current year
Less: Amounts condoned

2018 R	2017 R
-	79,075
5,510,146	-
5,196,170	-
(159,899)	(79,075)
10,546,417	-

The irregular expenditure condoned relates to the non-compliance with Brand South Africa's supply chain management policies and procedures. Other irregular expenditure relates to non-compliance with National Treasury Instruction Notes and National Treasury SCM Practice Notes.

Irregular expenditure incurred in the prior year and identified in the current year, relates to a tender awarded in October 2014 for R18-million. The tendered amount was R18-million but the signed memorandum of agreement and service level agreement was R22,640,400. There was no supporting documentation to support the increase in the tendered amount of R4,640,400.

In addition to this, procurements for media partnerships with radio stations and newspapers were found to be single source procurements during the 2017/2018 audit. These procurements were considered to be sole source procurements by the entity and as result, were approved by the Accounting Officer as opposed to National Treasury in the case of single source procurements. This was then deemed irregular. The cost of these procurements amounted to R555,770.

As a result of the above, the total irregular expenditure incurred in the prior year for the two items above is R5,196,170 (R4,640,400 + R555,770).

Details of possible irregular expenditure under investigation

Breach of supply chain management processes

The contract for the travel management company had ended in December 2017 and the tender calling for such services had lapsed in November 2017. There were instances in January 2018 and February 2018 where services were rendered by the service provider whose contract had expired and instances where travel services were requested without the correct supply chain management processes being followed. These instances are currently under investigation.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

37. IRREGULAR EXPENDITURE (CONTINUED)

Details of irregular expenditure - current year	Disciplinary steps taken/criminal proceedings	
Advertisement placed without following correct SCM		
processes	Staff member responsible no longer with Brand South Africa	100,140
Services rendered where concept document not approved	Staff member responsible no longer with Brand South Africa	40,134
Service requested without following correct SCM processes	Staff member responsible no longer with Brand South Africa	19,625
Extension of deviation	To be determined	539,407
Media Partnership contracts entered as source supplier		
instead of single source supplier	To be determined	830,734
Award made after expiry of validity period of tender	To be determined	3,980,106
		5,510,146
Details of irregular expenditure condoned	Condoned by the Accounting Officer	
Advertisement	Verbal agreement condoned	100,140
Concept document	Unapproved concept document condoned	40,134
Service request	Verbal request condoned	19,625
		159,899

The irregular expenditure incurred was due to breaches of the supply chain management policy and policies and procedures of the entity. The authority was with the Accounting Officer to approve such incidences, therefore, the Accounting Officer was the relevant authority able to condone such expenditure. This expenditure was condoned by the Accounting Officer.

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38. RECONCILIATION BETWEEN BUDGET AND CASH FLOW STATEMENT

Reconciliation of budget surplus/deficit with the net cash generated from operating, investing and financing activities:

	2018
	R
Operating activities	
Actual amount as presented in the budget statement	(8,716,496)
Basis differences	22,677,594
Net cash flows from operating activities	13,961,098
Investing activities	
Actual amount as presented in the budget statement	(10,276,293)
Basis differences	2,086,287
Net cash flows from investing activities	(8,190,006)
Financing activities	
Actual amount as presented in the budget statement	(250,233)
Basis differences	112,382
Net cash flows from financing activities	(137,851)
Net cash generated from operating, investing and financing activities	5,633,241

39. COMPARATIVE FIGURES

The presentation of the statement of financial performance has changed from the prior year based on a recommendation by the Office of the Auditor General (AGSA). The Brand, Communication and Reputation costs of R125,949,142 (2017: R84,609,207) was previously disclosed on the face of the statement of financial performance. In the current financial year, travel costs and subscription and membership fees of R10,287,221 (2017: R8,824,843) had been disaggregated from Brand, Communication and Reputation Costs and incuded in General expenses. The other remaining costs has been disclosed separately on the face of the statement of financial performance.

The accrued expenses for the 2017 financial year, under the payable from exchange transactions note, has been split into operating and capex expenditure.

Furthermore, the disclosure of the related party transaction note had been changed to include the grant received from the Executive Authority, Department of Communications. See note 30.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

39. COMPARATIVE FIGURES (CONTINUED)

Statement of financial position – extract

	Comparative figures previously		
Figures in Rand	reported	Reclassification	After reclassification
Accrued expenses	1,565,815	(733,043)	832,772
Statement of financial performance – extract			
Research fees	-	4,743,058	4,743,058
Branding and collateral	-	2,461,599	2,461,599
Media buy		22,502,921	22,502,921
Agency fees		13,490,710	13,490,710
Contracted services		32,586,382	32,586,382
General expenses	13,509,431	8,824,843	22,334,274
Brand, Communication and Reputation costs	84,609,513	(84,609,513)	
Total	98,118,944	-	98,118,944

40. EVENTS AFTER THE REPORTING DATE

As at 31 March 2018, the entity had reported possible irregular expenditure relating to deviations for CNN and CNBC Africa under note 37. These deviations were under investigation at the end of the financial year, however, during the 2017/2018 annual audit, had been audited and concluded as not being irregular. The irregular expenditure register would be updated accordingly.

41. 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.

41. SEGMENT INFORMATION (CONTINUED)

Types of services by segment

All four segments perform administrative, communication, reputation and brand management services.

Segment surplus or deficit, assets and liabilities

Segment surplus or decifit, assets and liabilities 2018

Figures in Rand	South Africa	China	USA	UK	Total
Revenue					
Revenue from non-exchange transactions	194,300,000	-	-	-	194,300,000
Revenue from exchange transactions	5,928,465	-	-	-	5,928,465
Interest revenue	1,578,025	-	-	-	1,578,025
Gain on sale property, plant and equipment	4,058	-	-	-	4,058
Total segment revenue	201,810,548	-	_	-	201,810,548
Entity's revenue					201,810,548
Expenditure					
Salaries and wages	47,783,811	3,158,240	4,935,892	3,894,137	59,772,080
Other expenses	144,288,325	1,640,378	3,165,184	1,974,578	151,068,465
Total segment expenditure	192,072,136	4,798,618	8,101,076	5,868,715	210,840,545
Total segmental surplus/(deficit)					(9,029,997)
Interest expense					1,852
Assets	40.040.004				10.010.001
Segment assets	48,942,884	-	-	-	48,942,884
Total assets as per Statement of Financial Position					48,942,884
Liabilities					
Segment liabilities	17,629,200	502,217	592,225	99,086	18,822,728
Total liabilities as per Statement of Financial Position					18,822,728

South Africa

Other information

Capital expenditure 10,597,279

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

41. SEGMENT INFORMATION (CONTINUED)

Segment surplus or deficit, assets and liabilities - 2017

Figures in Rand	South Africa	China	USA	UK	Total
Revenue					
Revenue from non-exchange transactions	181,186,000	-	-	-	181,186,000
Revenue from exchange transactions	4,682,045	-	-	-	4,682,045
Interest revenue	1,739,113	-	-	-	1,739,113
Gain on sale of property, plant and equipment	33,669	-	-	-	33,669
Total segment revenue	187,640,827	-	-	-	187,640,827
Entity's revenue					187,640,827
Expenditure					
Salaries and wages	52,063,835	1,269,522	2,635,135	1,997,209	57,965,701
Other expenses	100,378,066	1,577,465	1,926,316	846,043	104,727,890
Total segment expenditure	152,441,901	2,846,987	4,561,451	2,843,252	162,693,591
Total segmental surplus/(deficit)					24,947,236
Interest expense					12,456
Assets					
Segment assets	54,892,267	-	-	-	54,892,267
Total assets as per Statement of Financial Position					54,892,267
Liabilities					
Segment liabilities	15,740,262	-	-	-	15,740,262
Total liabilities as per Statement of Financial Position					15,740,262

Other information

Capital expenditure 9,364,161

South Africa

BRAND SOUTH AFRICA

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PERFORMANCE RESULTS

PROGRAMME 1: ADMINISTRATION

SUPPORTING STRATEGIC GOAL 4: SOUND GOVERNANCE, HIGH PERFORMANCE AND THE OPTIMAL UTILISATION OF AVAILABLE RESOURCES

STRATEGIC OBJECTIVE	PERFORMANCE INDICATORS	BASELINE 2016/2017	TARGET 2017/2018
4.1 Sound internal controls and good governance	Audit outcome on previous year's financial information	Unqualified audit opinion on financial information, with no other matters	4.1.1 Unqualified audit opinion on financial information, with no other matters
	Audit outcome on previous year's non-financial performance information	Unqualified audit opinion on performance information, with no other matters	4.1.2 Unqualified audit opinion on performance information, with no other matters
4.2 A high performing organisation through the optimal utilisation of technological, financial and human resources	Percentage variance on approved budget vs. actual expenditure	5% Variance as per materiality framework on budget versus expenditure	4.2.1 5% Variance as per materiality framework on budget versus expenditure
	Percentage overall organisational performance rating, exceeding AGSA annual standard of 80%	84% Organisational performance rating	4.2.2 85% Organisational performance rating
	Percentage ICT uptime	Phase 2 ERP implementation	4.2.3 98% Availability of all IT systems

	ACTUAL PERFORMANCE 2017/2018	VARIANCE EXPLANATION	MID-TERM REVIEW
Ì	Target met Received an unqualified audit opinion on financial information for the 2016/2017 financial year	N/A	N/A
	Target met Received an unqualified audit opinion on performance information for the 2016/2017 financial year	N/A	N/A
	Target met 2.9% Variance as per materiality framework on budget versus expenditure	The actual operating and capital performance on a comparable basis to the budget, results in under expenditure of 2.9%. Capital payments were not all affected, however, they were raised as accruals.	N/A
	Target met 96% Of the organisational targets achieved.	N/A	N/A
	Target met 99% Availability of all IT systems.	Master System Plan (MSP) not approved as it was dependent on the full implementation of the ERP. The ERP implementation was delayed by two months to accommodate the changed business processes. Subsequently, more system configuration was needed which resulted in more development work done on the system to ensure that all business units' requirements are captured and configured accordingly. Even though this was necessary, it delayed the project by two months to allow the retesting and training of all users.	N/A

PROGRAMME 2: BRAND, MARKETING AND REPUTATION MANAGEMENT

SUPPORTING STRATEGY GOAL 1: PROACTIVE AND COORDINATED REPUTATION MANAGEMENT OF THE NATION BRAND

STRATEGIC OBJECTIVE	PERFORMANCE INDICATORS	BASELINE 2016/2017	TARGET 2017/2018
1.2 Enhanced understanding of Nation Brand performance	Number of domestic perceptions research studies concluded	2x Research reports on fieldwork 4x Brand South Africa analysis reports	1.2.1.2x Research reports on fieldwork4x Brand South Africa analysis reports
	Number of international research on reputation and perceptions of Nation Brand conducted	1x Investor perceptions (consolidating 16 per market reports) 1x Nation Brand Index (consolidating 20 per market reports)	1.2.2. 1x Investor perceptions (consolidating 16 per market reports) 1x Nation Brand Index (consolidating 20 per market reports)
	Number of internal analysis reports on performance of the Nation Brand produced	12x Internal analysis reports on external indices	1.2.3. 14x Internal analysis reports on external indices

ACTUAL PERFORMANCE 2017/2018	VARIANCE EXPLANATION	MID-TERM REVIEW
Target met 2x Research reports on fieldwork 4x Brand South Africa analysis reports	N/A	The original Quarter 3 and Quarter 4 targets are revised to align to the original annual target. Impact on the strategic objective: 1.2. Enhanced understanding of Nation Brand performance The alignment of the quarter 3 and quarter 4 targets to the original annual target has no impact on the strategic objective.
Target met 1x Investor perceptions (consolidating 16 per market reports) 1x Nation Brand Index (consolidating 20 per market reports)	N/A	Quarter 4 targets are revised to align to the original annual target of: 1x Investor perceptions (consolidating 16 per market reports) 1x Nation Brand Index (Consolidating 20 per market reports) Impact on the strategic objective: 1.2. Enhanced understanding of Nation Brand performance The alignment of the quarter 3 and quarter 4 targets to the original annual target has no impact on the strategic objective.
Target met 14x Internal analysis reports on external indices	The reports produced over and above stated annual performance target were produced in addition	The original Quarter 3 and Quarter 4 targets are revised to align to the original annual target of. Impact on the strategic objective: 1.2. Enhanced understanding of Nation Brand performance The alignment of the quarter 3 and quarter 4 targets to the original annual target has no impact on the strategic objective.

STRATEGIC OBJECTIVE	PERFORMANCE INDICATORS	BASELINE 2016/2017	TARGET 2017/2018
1.2. Enhanced understanding of Nation Brand performance	Number of SA Incorporated research studies conducted	4x SA Incorporated research analysis reports produced	1.2.4. 4x SA Incorporated research analysis reports produced
	Number of approved Annual SA Competitiveness Forum Programmes implemented	Develop 17/18 programme Progress on Implementing 16/17	1.2.5 1x approved SACF programme report (consolidated from 4 African regional build-up seminars)
1.3 Improved Nation Brand reputation and perceptions among South Africans	Number of 'Play Your Part' provincial activities implemented	9x Provincial 'Play Your Part' Programme	1.3.1 9x 'Play Your Part' provincial activities
	Number of marketing platforms utilised for the constitutional awareness campaign	Constitutional awareness promoted on radio, social media platforms and outdoor	1.3.2. 8x Marketing platforms utilised to promote constitutional awareness

ACTUAL PERFORMANCE 2017/2018	VARIANCE EXPLANATION	MID-TERM REVIEW
Target met 4x SA Incorporated research analysis reports produced	N/A	N/A
Target met 1x approved SACF programme report (consolidated from 4 African regional build-up seminars)	N/A	The reporting period of the original target as per the APP has been revised from quarterly to annually, to align to the annual target of 1 approved programme report. The new reporting period is annually. Impact on the strategic objective: 1.2. Enhanced understanding of Nation Brand performance The revision of the reporting period from quarterly to annually has no impact on the strategic objective.
Target met (exceeded) 33x 'Play Your Part' provincial activities	Brand South Africa partnered with the SABC Foundation. This provided Brand South Africa with more value as they were able to reach more audiences. Brand South Africa was offered 26 and not 33 TV episodes' slots in which Brand South Africa was able to profile 78 stories covering all nine provinces. Target is exceeded because of the opportunity provided by SABC foundation which was not anticipated at the time of APP planning.	Annual Target reviewed and reworded following the Internal Auditor's recommendation to make the target specific and measurable. Quarter 3 and Quarter 4 targets reviewed to correct wording, align to the new annual target and the performance indicator. Impact on the strategic objective: 1.3. Improved Nation Brand reputation and perceptions among South Africans. The review of the Quarter 3 and Quarter 4 targets to align to the new annual target and the performance indicator has no impact on the strategic objective.
Target met (exceeded) 8x Marketing platforms utilised to promote constitutional awareness	Brand South Africa works with brand agencies. In this instance the brand agency was able to negotiate more value for Brand South Africa to explore each platform of the digital media. This means there was a Twitter approach, Facebook approach, YouTube approach and Instagram approach. This resulted in an overachievement. There were other platforms such as radio, TV and print.	Annual Target reviewed and reworded following the Internal Auditor's recommendation to make the target specific and measurable. Impact on the strategic objective: 1.3. Improved Nation Brand reputation and perceptions among South Africans. The review of the annual target has no impact on the strategic objective.

STRATEGIC OBJECTIVE	PERFORMANCE INDICATORS	BASELINE 2016/2017	TARGET 2017/2018	
1.3 Improved Nation Brand reputation and perceptions among South Africans	Number of activations implemented	N/A	1.3.3. Implement 6x activations	

PROGRAMME 2: BRAND, MARKETING AND REPUTATION MANAGEMENT

SUPPORTING STRATEGY GOAL 2: PROACTIVE AND COORDINATED COMMUNICATION OF THE NATION BRAND VALUE SYSTEM AND VALUE PROPOSITION

STRATEGIC OBJECTIVE	PERFORMANCE INDICATORS	BASELINE 2016/2017	TARGET 2017/2018
2.1. Improved Nation Brand reputation and perceptions	Number of reports on issues responded to through content and messaging	Monthly reports outlining actions to identified issues.	2.1.1. 12x reports outlining actions to identified issues
	Number of planned positive communication publications produced annually	16x sets of positive messaging and related content	2.1.2. 16x sets of positive messaging and related content

ACTUAL PERFORMANCE 2017/2018	VARIANCE EXPLANATION	MID-TERM REVIEW
Target met (exceeded) 9x activations implemented	Brand South Africa received additional tactical opportunities	The original annual and quarter 4 targets are revised to align to the new performance indicator.
		The word 'programmes' has been removed from the performance indicator as well as the annual and the quarter 4 targets to make the target measurable.
		Impact on the strategic objective:
		1.3. Improved Nation Brand reputation and perceptions among South Africans.
		The review of the annual and quarter 4 targets to align to the new performance indicator target has no impact on the strategic objective.

ACTUAL PERFORMANCE 2017/2018	VARIANCE EXPLANATION	MID-TERM REVIEW
Target met	N/A	N/A
12x reports outlining actions to identified issues		
Target met (exceeded)	N/A	N/A
16x sets of positive messaging and related content		

STRATEGIC OBJECTIVE	PERFORMANCE INDICATORS	BASELINE 2016/2017	TARGET 2017/2018	
2.3. Positive positioning of Nation Brand through media engagement programmes	Number of media engagement programmes implemented to strengthen relations and liaison with media	4x implemented programmes	2.1.3 Implement 4x media engagement programmes	

PROGRAMME 2: BRAND, MARKETING AND REPUTATION MANAGEMENT

SUPPORTING STRATEGY GOAL 3: PROACTIVE AND COORDINATED MARKETING OF THE NATION BRAND AND THE NATION BRAND IDENTITY

STRATEGIC OBJECTIVE	PERFORMANCE INDICATORS	BASELINE 2016/2017	TARGET 2017/2018
3.1. Enhanced awareness of the Nation Brand identity, image, competitiveness, and the Nation Brand value proposition, through domestic and international programmes	Number of domestic programmes to promote the Nation Brand	6x domestic programmes	3.1.1 Implement 16x domestic programmes to promote Nation Brand

Target met (exceeded) 5x media engagement programmes implemented Last year we had planned four media engagements that support Brand South Africa's flagship programmes on domestic and international platforms namely, WEF	
Davos, WEF Africa, Mining Indaba and the Nation Brand Forum. Ordinarily this is where we get the opportunity to showcase the country's strengths. Therefore, an integrated media programme that even includes media tours is developed. Last year's events centered around Davos, Switzerland, WEF Africa was in Durban, Mining Indaba in Cape Town and the Nation Brand Forum in Gauteng. This meant that other provinces were not getting an opportunity to be showcased. So an additional media tour to COEGA a Special Economic Zone based in the Eastern Cape was added, where international and local journalists were exposed to the success story of the country's SEZs in a different province. Hence the additional media engagement.	

ACTUAL PERFORMANCE 2017/2018	VARIANCE EXPLANATION	MID-TERM REVIEW
Target met (exceeded) 20x domestic programmes to promote Nation Brand implemented	Against a target of 16 Brand South Africa received four additional tactical opportunities namely: Q2: Heritage national symbols And South African Hockey Association Q3: Universal Children's day Q4: Funda online publication These tactical opportunities resulted in a target being exceeded.	N/A

STRATEGIC OBJECTIVE	PERFORMANCE INDICATORS	BASELINE 2016/2017	TARGET 2017/2018	
3.1. Enhanced awareness of the Nation Brand identity, image, competitiveness, and the Nation Brand value proposition, through domestic and international programmes	Number of international programmes to promote the Nation Brand	10x international programmes	3.1.2 Implement 8x international programmes to promote Nation Brand	
3.2. Cohesive approach when positioning and marketing the Nation Brand among targeted stakeholders	Number of institutions reached for Nation Brand alignment training	48x (institutions reached)	3.2.1. 80x institutions reached for Nation Brand alignment training	
	Number of new registrations on the marketers portal	220x new registrations on the portal	3.2.2. 300x new registrations on the marketers portal	

ACTUAL PERFORMANCE 2017/2018	VARIANCE EXPLANATION	MID-TERM REVIEW
Target met (exceeded) 13x international programmes to promote Nation Brand implemented	Against a target of eight, Brand South Africa received additional tactical opportunities which gave the organisation exposure: Q3: City Nation Place awards where we entered Brand South Africa's creative marketing work and were shortlisted. Q4: Sun foil international cricket's activation (RSA VS West Indies), where Brand South Africa promoted the Nation Brand toolkit.	N/A
Target met (exceeded) 161x institutions reached for Nation Brand alignment training	Target exceeded due to additional platforms that were executed after the organisation received formal requests for Brand Alignment Training.	The mid-term review session resolution was to revise the target upward from 52 institutions to 80 institutions More institutions were reached in quarter 2 than anticipated. Hence the upward revision. Impact on the strategic objective: 3.2. Cohesive approach when positioning and marketing the Nation Brand among targeted stakeholders. The revision of the target upward has no impact on the strategic objective.
Target met (exceeded) 839x new registrations on the marketers portal	The target was reviewed upwards during the midterm review session due to the successful Quarter 1 and Quarter 2. Additional marketing support was provided in order to reach the new adjusted targets and that is the reason the target was exceeded.	The mid- term review session resolution was to revise the target upward from 100 to 300 registrations. Impact on the strategic objective: 3.2. Cohesive approach when positioning and marketing the Nation Brand among targeted stakeholders. The revision of the target upward has no impact on the strategic objective.

STRATEGIC OBJECTIVE	PERFORMANCE INDICATORS	BASELINE 2016/2017	TARGET 2017/2018	
3.3. Strengthen brand advocacy domestically and among South African's living abroad	Number of Global South Africa activations implemented	13x Global South Africa programmes	3.3.1. 18 x Global South Africa activations	
	Number of new 'Play Your Part' ambassadors registered	15x new 'Play Your Part' ambassadors	3.3.2 100x new 'Play Your Part' ambassadors registered	

ACTUAL PERFORMANCE 2017/2018	VARIANCE EXPLANATION	MID-TERM REVIEW
Target met 18 x Global South Africa activations	N/A	Quarterly milestones reviewed to make target specific and measurable as the quarterly targets do not tally with the annual target The words (one per country) is removed from the quarterly targets. Impact on the strategic objective: 3.3. Strengthen brand advocacy domestically and among South African's living abroad. The review of the quarterly targets has no impact on the strategic objective.
Target met 100x new 'Play Your Part' ambassadors registered	N/A	The mid-term review session resolution was to revise the target upward from 40 'Play Your Part' ambassadors to 100 ambassadors. The performance indicator, annual and quarterly targets are reviewed to make targets measurable. The annual target is amended to '100' based on the high number of new registrations on the 'Play Your Part' ambassadors programmes. Impact on the strategic objective: 3.3. Strengthen brand advocacy domestically and among South African's living abroad. The revision of the target upward has no impact on the strategic objective.

PROGRAMME 3: STAKEHOLDER RELATIONS

SUPPORTING STRATEGY GOAL 1: PROACTIVE AND COORDINATED REPUTATION MANAGEMENT OF THE NATION BRAND

STRATEGIC OBJECTIVE	PERFORMANCE INDICATORS	BASELINE 2016/2017	TARGET 2017/2018
1.1. Enhanced relations with Stakeholders towards the promotion of the of the Nation Brand reputation	Number of coordinated and implemented programmes in partnership with private sector stakeholders	16x Coordinate and implement 16 programmes in partnership with private sector stakeholders	1.1.1. 10x Coordinated and implemented programmes in partnership with private sector stakeholders
	Number of coordinated and implemented programmes in partnership with state institution stakeholders	15x Coordinate and implement 15 programmes in partnership with state institution stakeholders	1.1.2. 18x Coordinated and implemented programmes in partnership with state institution stakeholders

ACTUAL PERFORMANCE 2017/2018	VARIANCE EXPLANATION	MID-TERM REVIEW
Target met (exceeded) 21x Coordinated and implemented programmes in partnership with private sector stakeholders	The organisation received requests for collaborations from private sector stakeholders that had not been targeted in the organisation's operational plan. These collaborations came at no additional financial costs and were leveraged due to the impact and opportunity to build awareness on the Brand South Africa mandate.	The annual and quarterly targets reworded and rephrased to make targets measurable and specific Impact on the strategic objective: 1.1 Enhanced Relations with Stakeholders towards the promotion of the Nation Brand reputation. The rewording of the annual and quarterly targets has no impact on the strategic objective.
Target met (exceeded) 28x Coordinated and implemented programmes in partnership with state institution stakeholders	The organisation received requests for collaborations from state institutions that had not been targeted in the organisation's operational plan. These collaborations came at no additional financial costs and were leveraged due to the impact and opportunity to build awareness on the Brand South Africa mandate.	The annual and quarterly targets reworded and rephrased to make targets measurable and specific. The annual target is amended to '18' based on the uptake from stakeholders to participate in the programmes Impact on the strategic objective: 1.1 Enhanced Relations with Stakeholders towards the promotion of the Nation Brand reputation. The rewording of the annual and quarterly targets has no impact on the strategic objective.

STRATEGIC OBJECTIVE	PERFORMANCE INDICATORS	BASELINE 2016/2017	TARGET 2017/2018
1.1. Enhanced relations with Stakeholders towards the promotion of the of the Nation Brand reputation	Number of coordinated and implemented programmes in partnership with civil society stakeholders	8x (12 x long term strategic partnership programme with civil society stakeholders	1.1.3. 16x Coordinated and implemented programmes in partnership with civil society stakeholders
	Number of coordinated and implemented in market and activation programmes	10x Coordinate and implement in market and activation programmes	1.1.4. 48x Coordinated and implemented in market and activation programmes.
	Number of stakeholder feedback sessions on Nation Brand performance	N/A	1.1.5 30x Stakeholder feedback sessions on Nation Brand performance

ACTUAL PERFORMANCE 2017/2018	VARIANCE EXPLANATION	MID-TERM REVIEW
Target met (exceeded) 20x Coordinated and implemented programmes in partnership with civil society stakeholders	The organisation received requests for collaborations from civil society stakeholders that had not been targeted in the organisation's operational plan. These collaborations came at no additional financial costs and were leveraged due to the impact and opportunity to build awareness on the Brand South Africa mandate.	The annual and quarterly targets reworded and rephrased to make targets measurable and specific. The annual target is amended to '16' based on the uptake from stakeholders to participate in the programmes Impact on the strategic objective: 1.1 Enhanced Relations with Stakeholders towards the promotion of the Nation Brand reputation. The rewording of the annual and quarterly targets has no impact on the strategic objective.
Target met (exceeded) 64x Coordinated and implemented in market and activation programmes.	A number of tactical opportunities arose throughout the course of the financial year which Brand South Africa's Country Offices were able to utilise to engage with stakeholders to promote the nation brand in the various international markets at no additional cost to the organisation.	The annual and quarterly targets reworded and rephrased to make targets measurable and specific. Impact on the strategic objective: 1.1 Enhanced Relations with Stakeholders towards the promotion of the Nation Brand reputation. The rewording of the annual and quarterly targets has no impact on the strategic objective.
Target met 30x Stakeholder feedback sessions on Nation Brand performance	N/A	Target appears on the Strategic Objective Annual Targets for 2017/18 for Programme 3 section of the APP, but is not included on the Quarterly Targets for 2017/18 for Programme 3. It is therefore resolved that the target be included in the Quarterly Targets for 2017/18 for Programme 3.







Inspiring new ways

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