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.zadna
Domain Name Authority

ANNUAL REPORT
2019/2020

This is the 2019/2020 annual report of the .ZA Domain Name Authority (ZADNA). It reports on ZADNA's performance towards the achievements of its set annual targets in line with ZADNA's mandate, and is submitted to the Honourable Minister of and Communications and Digital Technologies as stipulated in the Electronic Communications and Transactions (ECT) Act 25 of 2002.

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PART A: GENERAL INFORMATION

1.1 ZADNA GENERAL INFORMATION

Registered name of the Entity

The ZA Domain Name Authority NPC (ZADNA)

Registration Numbers and/or other relevant numbers

2003/021150/08

Registered Office address

1st Floor
Sanofi House
44 Grand Central Boulevard
Midrand
1685

Postal Address

P O Box 4620
Halfway House
1685

Contact telephone numbers

+27 10 020 3910

Website address

www.zadna.org.za

External Auditors information

Rakoma & Associates Inc.
Ground Floor Building B
Monte Circle Office Park
178 Monte Casino Boulevard
Fourways
Johannesburg
2191

Bankers information

ABSA
PO Box 4210
Pretoria
0001

Company Secretary

IKB Company Secretaries

1.2 KEY ABBREVIATIONS AND DEFINITIONS

ADR: means Alternative Dispute Resolution Regulations promulgated by the Minister of Communications to resolve disputes over .ZA domain names;

APP: means Annual Performance Plan;

ccTLD: means a “country code Top Level Domain” which assigned by ICANN based on the ISO country code list to identify a country’s Internet namespace (for example, .ZA for South Africa);

DNS: means “Domain Name System” of the Internet;

DCDT: means the Department of Communication and Digital Technologies;

ECT Act or Act: means the Electronic Communications and Transactions Act 25 of 2002;

EPP: means “Extensible Provisioning Protocol”, a flexible protocol designed for allocating objects within registries over the Internet. The motivation for the creation of EPP was to create a robust and flexible protocol that could provide communication between domain name registries and domain name registrars. These transactions are required whenever a domain name is registered or renewed, thereby also preventing domain hijacking.

gTLD: means “generic Top Level Domain” and is a category used to identify TLDs other than ccTLDs. Typical gTLDs are dotAfrica (.africa), dotCapeTown (.capetown), dotDurban (.durban), dotJoburg (.joburg), dotcom (.com) and dotNet (.net).

ICANN: means the “Internet Corporation for Assigned Names and Numbers”, a California-based, not-for-profit company appointed by the United States Government to oversee a number of Internet-related tasks previously performed directly on behalf of the U.S. government, including coordination of the Internet Protocol address spaces (IPv4 and IPv6), assignment of address blocks to regional Internet registries, and management of the top-level domain name space (DNS root zone), which includes the operation of root name servers.

Minister: means the Minister of Telecommunications and Postal Services;

Rakoma: means the external auditors Rakoma & Associates Inc.;

SLD: means “second level domain” which follows immediately below .ZA, such as ac.za, co.za and gov.za.

TLD: means “top level domain” of the Internet domain name system.

ZADNA: means the “.ZA Domain Name Authority”

ZACR: means “.ZA Central Registry”, the entity that ZADNA appointed to serve as the Central Registry operator for selected .ZA SLDs.

1.3 CHAIRPERSON'S FOREWORD

The middle of Quarter three (3) of the 2019/20 financial year was ushered in by a significant change at the Authority when a newly appointed Board of Directors assumed its role on 01 November 2019. This role as per Section 62(1) of the ECT Act is to manage and control the Authority (ZADNA) to enable ZADNA to provide a secure, robust and stable .ZA namespace.

The results contained in this report shows the previous Board's commitment to delivering on this Mandate. Moreover, these results set a firm foundation for the newly appointed Board that I have the honour of leading. Our role as the Board is to ensure the continued stability and resilience of the za namespace that is accessible and affordable to all.



“ACHIEVEMENTS

Through this Annual Report, ZADNA's annual performance information is provided, which indicates that ZADNA achieved 82% of its annual targets as detailed below. It is noteworthy that more could have been achieved, were it not for the several factors which adversely affected ZADNA's performance.”

(a) Empowering our communities through awareness

Through concerted efforts of the ZADNA team, 12 reseller-registrar training efforts were conducted across the country which capacitated a little over 200 South Africans with the necessary knowledge and skills to become active participants within the Domain Name Value Chain. Furthermore, these were complemented by the 23 awareness events and 16 media coverages.

(b) Corporate Governance

Through the stewardship of the ZADNA Board, the Authority continues to have exemplary and robust Corporate Governance checks and balances, which are confirmed by the Authority's attainment of a clean audit for the 2019/20 financial year.

(c) Risk Management

ZADNA's risk management strategy yielded a detailed risk register with mitigation plans which are reviewed quarterly. For the year under review, ZADNA continuously subjected itself and its processes to the scrutiny of an independent internal function.

(d) Internet Governance

ZADNA, as the custodian of Internet Governance in South Africa, remained an active participant and influencer in various key events and activities for the 2019/20 financial year. ZADNA's actively participated in the following six (6) events and activities:

- The African Internet Governance Forum;
- Facebook Security Wellbeing;
- South African School of Internet Governance;
- South African Internet Governance Forum;
- Global Internet Governance Forum; and
- Collaboration with Progressive Blacks in Information Communication Technology (PBICT).

(e) .ZA namespace growth

This was an area of concern for the 2019/20 financial year. There was a decline in registration numbers of the commercial .ZA Second Level Domains (SLDs) of seven thousand five hundred forty-six (7546), this from forty-seven thousand nine hundred and sixty-nine (47969) registrations to forty thousand four hundred and twenty (40420). This decline can be attributed to several market conditions which include but not limited to the growing number of new gTLDs. Through our Management team, we will adequately respond to this 'phenomenon'. During the 2019/20 financial year, we had a marginal increase of accredited Registrars.

CHALLENGES AND MITIGATIONS

Critical challenges for ZADNA's continue to be its stakeholder management and engagement and its single source of revenue. The diminishing stakeholder confidence is indicative of the former, more so, the members' requests for more inclusion and 'openness' on the part of the Authority. As a new Board, we have hit the ground running and made commitments to our members that we will review our stakeholder management model to make it more 'member-centric.'

The Authority got temporary relief of the latter through the settlement payments received from ZACR. I purposefully say temporary as this is not a permanent solution to the conundrum we are faced with, and in response to this the Board is engaged in identifying means of the second stream of income to augment our primary source.

It is my wish that the contents of this Annual Report will demonstrate the Authority's current and potential future contribution and achievements. In closing, I wish to thank DCDT for the support given, our members for the positive criticism, my fellow Board Members for your dedication and the internal ZADNA team for their work. I thank you.



Ms Palesa Legoze
Board Chairperson

1.4 CEO'S FOREWORD

It is my pleasure to present the Annual Report of the .ZA Domain Name Authority for the 2019/20 financial year. For the year under review, we managed to deliver 82% of what was expected of the Authority amidst its leadership transition and industrial uncertainty brought by technological changes and advancements. This is evident of the tenacious entity ZADNA is and attests to our drive to become



A world-class domain name regulator,

This was achieved through the lean but yet dedicated team led by the then Acting CEO; they laid a firm base to enable the Authority to advance its mandate while being relevant to the demands of a Digital and Digitised economy. It has to be noted that this was through a governance oversight of the Board of Directors and partly of the newly appointed Board of Directors.



Relevant Policy and Regulations

In 2019/20 ZADNA continued to champion sectoral policies and regulations by successfully reviewing and updating the .za SLD General Policy to focus on issues relating to direct registration. More so, by continuously benchmarking its policies and providing an expeditious ADR process and decisions. The Authority as the Internet Governance Custodian continued to be engaged with its stakeholders in multiple and progressive Internet Governance events.

A growing .ZA

The .ZA namespace grew higher during 2019/2020, with 40 420 new registrations, thus bringing the total number of registrations to 1 257 983 by 31 March 2020. Moreover, in the year under review, we surpassed our set awareness targets and conducted 12 resellers and registrars training across the country

Robust Infrastructure

ZADNA's IT infrastructure used to manage .ZA SLDs functioned without any interruptions during the year. There are five (5) nameservers in total, three (3) of which are Anycast servers and two (2) are Unicast.

Financial Prudence

ZADNA's financial performance is shown in the attached 2019/2020 Audited Financial Statements (Part D). Essentially, ZADNA managed to keep its expenditure within budget, and collected revenue on time. ZADNA is funded from the co.za, net.za, org.za and web.za per domain name revenue, which revenue model became effective from 1 April 2012. The 2019/2020 budget was based on the R12.00 per domain name fee and Revenue of R 14 926 000, was realised for the financial year. Furthermore, additional revenue as detailed in the Audited Financial Statements has been collected during the 2019/20 financial year from ZACR as part of the settlement agreement.

Indicative of the financial prudence of ZADNA, another clean (unqualified) audit was achieved for the 2019/20 financial year without any irregular and fruitless expenditure.

CHALLENGES AND SHORTCOMINGS

For the 2019/20 financial year, the Authority missed an opportunity of achieving mainly targets driving the "Improve Organisation's Delivery Capacity" strategic goal, and non-achievement of these had a negative impact on the morale of staff. More so, the Authority did not achieve the intended review of the SLR, and this comes with a missed opportunity to derived a secondary stream of income.



The year ahead will be a busy one, with ZADNA playing a pivotal role in keeping the citizenry and businesses connected amidst the COVID-19 pandemic. Also, post the pandemic will continue to be relevant to those seeking a digital presence.

Moreover, ZADNA seeks to take advantage of the opportunities brought by possibly policy and legislation changes to advance the transformation of the sector an open it up to participants from the historically disadvantaged groups with a specific focus on Black Women, Youth and People living with disabilities.

I would like to thank the DCDT and the Board of Directors for their guidance and oversight. My thanks also go to our partners across within DCDT and across government and our members.

Finally, I would like to thank the ZADNA team for working tirelessly to fulfil our mandate.

Molehe Michael Wesi
ZADNA: CEO

1.5 STATEMENT OF RESPONSIBILITY FOR THE ANNUAL REPORT

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



All information and amounts disclosed in the annual report are consistent with the annual financial statements audited by the Rakoma.



The annual report is complete, accurate and free of any material omissions.



The annual financial statements have been prepared in accordance with applicable standards. The accounting authority is responsible for the preparation of the annual financial statements and for the judgements made in this information.



The accounting authority is responsible for establishing and implementing a system of internal control to provide reasonable assurance as to the integrity and reliability of the performance information, human resources information and the annual financial statements.



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



In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the entity for the financial year ended 31 March 2020.

Yours faithfully

Molehe Michael Wesi
ZADNA: CEO

1.6 STRATEGIC OVERVIEW



VISION

A world-class domain name regulator.



MISSION

To implement an effective domain name regulatory and management framework that positions .ZA to be accessible, stable, secure, growing and competitive in serving South Africans and then the global Internet community.



VALUES

- Transparency - ZADNA maintains active consultations with interested and affected parties in carrying out its mandate, in developing policies for .ZA.
.....
- Accountability - ZADNA takes responsibility for its decisions and is able to objectively and fairly justifying its actions.
.....
- Inclusivity - ZADNA ensures that its stakeholders can participate actively in its policy and regulatory processes and that none should feel constrained from making a meaningful contribution in such processes.
.....
- Integrity - We act with integrity in all we do (doing what's right).

1.7 LEGISLATIVE AND OTHER MANDATES

Chapter X (Section 65(1)) of the ECT Act 25 of 2002 stipulates ZADNA's mandate to be as follows:

"The Authority (ZADNA) must —

- (a) Administer and manage the .ZA domain name space;
- (b) Comply with international best practice in the administration of the .ZA domain name space;
- (c) License and regulate registries;
- (d) License and regulate registrars for the respective registries;
- (e) Publish guidelines on—
 - (i) *the general administration and management of the .ZA domain name space;*
 - (ii) *the requirements and procedures for domain name registration; and*
 - (iii) *the maintenance of and public access to a repository, with due regard to the policy directives which the Minister (of Communications) may make from time to time by notice in the Gazette.*
- (f) Enhance public awareness on the economic and commercial benefits of domain name registration;
- (g) Conduct such investigations as it may consider necessary;
- (h) Conduct research into and keep abreast of developments in the Republic and elsewhere on the domain name system;
- (i) Continually survey and evaluate the extent to which the .ZA domain name space meets the needs of the citizens of the Republic; and
- (j) From time to time, issue information on the registration of domain names in the Republic.
- (k) When so requested by the Minister, make recommendations to the Minister in relation to policy on any matter relating to the .ZA domain name space; and
- (l) Continually evaluate the effectiveness of the ECT Act and things done in terms thereof towards the management of the .ZA domain name space."

Section 65(1) forms the core mandate of ZADNA, but in addition to it, Section 68 gives ZADNA an ability to make wide-ranging regulations as follows:

"The Authority may, with the approval of the Minister, make regulations regarding—

- (a) The requirements which registries and registrars must meet in order to be

1.7 LEGISLATIVE AND OTHER MANDATES (CNTD)

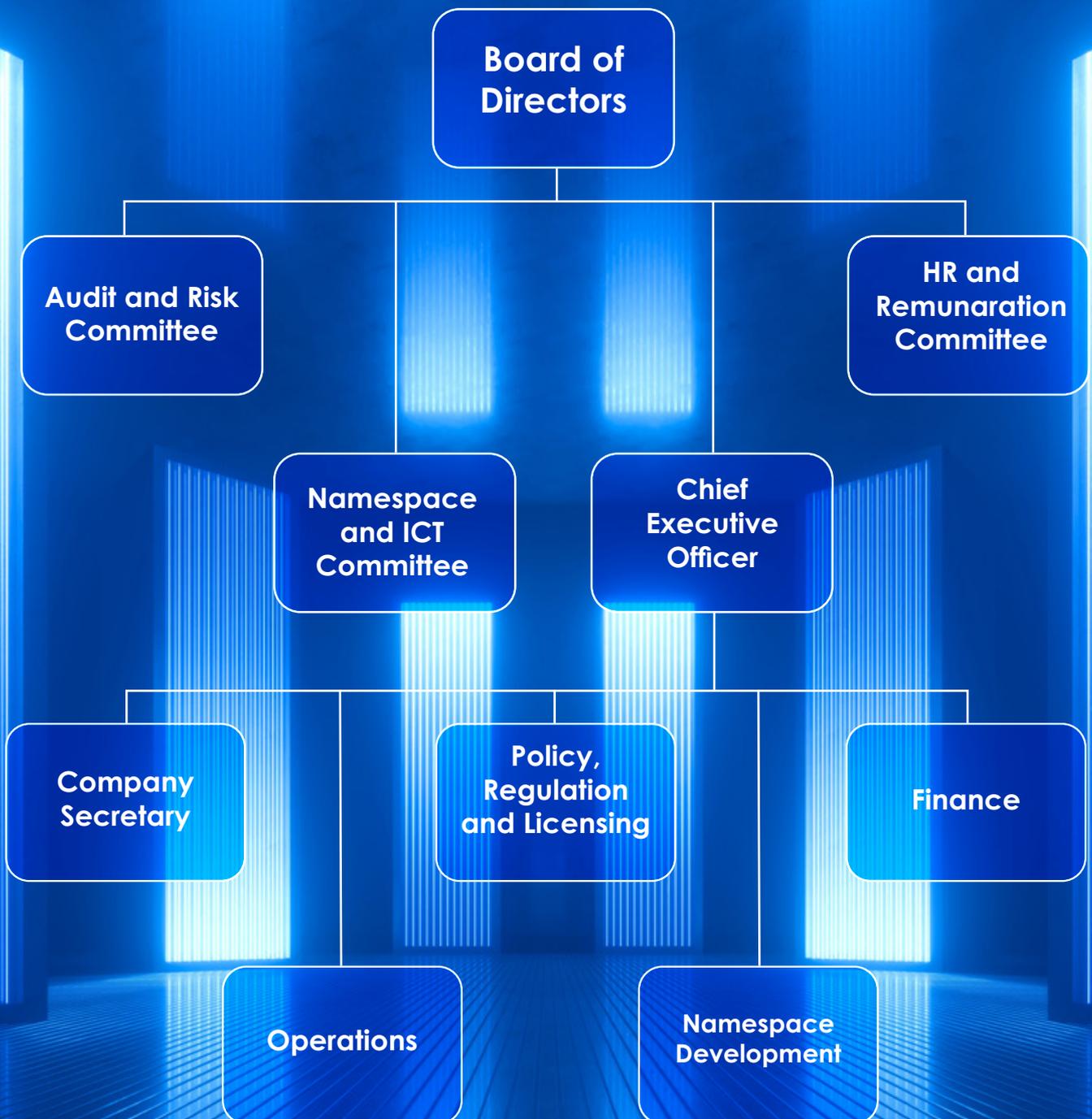
licensed, including objective standards relating to operational accuracy, stability, robustness and efficiency;

- (b) The circumstances and manner in which registrations may be assigned, registered, renewed, refused, or revoked by the registries with due regard to the express recognition of the right of groups and members of groups within the Republic to identify with, use or communicate cultural, linguistic, geographical, indigenous or any other expressions of heritage including any visual or audible elements or attributes thereof;
- (c) Pricing policy;
- (d) Provisions for the restoration of a domain name registration and penalties for late payments;
- (e) The terms of the domain name registration agreement which registries and registrars must adopt and use in registering domain names, including issues in respect of privacy, consumer protection and alternative dispute resolution;
- (f) Processes and procedures to avoid unfair and anti-competitive practices, including bias to, or preferential treatment of actual or prospective registrants, registries or registrars, protocols or products;
- (g) Requirements to ensure that each domain name contains an administrative and technical contact;
- (h) The creation of new sub-domains;
- (i) Procedures for ensuring monitoring of compliance with the provisions of this Act and the regulations provided for in this Chapter, including regular .ZA domain name space technical audits;
- (j) Such other matters relating to the .ZA domain name space as it may be necessary to prescribe to achieve the objectives of this Chapter; and
- (k) Policy to be applied by the Authority."

In addition, Section 69 of the Act mandated the Minister to promulgate Alternative Dispute Resolution (ADR) Regulations for the resolution of .ZA domain name disputes. The Regulations were promulgated in 2007, and allocate ZADNA the following responsibilities:

- (a) Accreditation of ADR providers;
- (b) Establishment of a fund to provide ADR financial assistance; and
- (c) Publication of ADR decisions on the ZADNA website.

1.8 ORGANISATIONAL STRUCTURE





PART B: PERFORMANCE INFORMATION

2.1 OVERVIEW OF THE PUBLIC ENTITY'S PERFORMANCE

ZADNA's 2018/2019 APP was based on the abovementioned stipulations of the Act and ADR Regulations. Under each strategic goal was a set of performance targets for the year. A detailed Annual Performance Report is provided below (Annexure A).

2.1.1. Policy and Regulation

ZADNA's work as the .ZA country code Top Level Domain (ccTLD) manager involves substantive policy development work.

2.1.1.1. .ZA Domain Name Disputes

The .ZA Alternative Dispute Resolution (ADR) is provided for in the ADR regulations promulgated by the Department of Telecommunications and Postal Services. The amendment of the .ZA Alternative Dispute Resolution Regulations on the 10 November 2017 (Notice no 1246. Gazetted 41237) extended ZADNA's scope in the ADR process. ZADNA is now mandated to provide a voluntary, informal mediation service. The amendments were made with the aim of improving the overall functioning of the dispute resolution process in respect of the domain names. They also ensure that the process is affordable and accessible as well as aligned with international best practice.

A total of Twenty- Nine



disputes were lodged in 2019/20 financial year. This effectively relates to close to three hundred and sixty-three (363) of .ZA domain name disputes having been resolved since May 2007. The disputes decisions are published at <https://www.zadna.org.za/content/page/adr-decisions/>.

The ADR process also gives credibility and integrity to the ZA namespace because the ADR process makes it easy for intellectual property (IP) owners to reclaim their names from squatters, and thus protect their IP and brands from abuse and dilution. The process also remains more expedited than the normal court process as it takes a maximum three (3) months to have an ADR dispute settled and finalised. Also, the ADR costs are more competitive than court costs. A single adjudicator ADR dispute costs R10 000 while a three (3)-panel adjudicator dispute costs twenty-four thousand Rands (R24 000). Experience shows that the single adjudicator settlement is overwhelmingly the most preferred option.

The SA Institute of Intellectual Property Law (SAIPL) and Arbitration Foundation of Southern Africa (AFSA) remain the two (2) accredited ADR providers. ZADNA will seek to create access and assistance to SMME's and Black enterprises in the ADR adjudication space.

2.1.1.2. ADR Disputes in 2019/2020

Twenty- Nine (29) disputes were lodged in 2019/20 financial year (Figure A). Table 1 lists all the details including the dispute parties, disputed domain names and adjudicator decisions.

ADR DECISIONS 2019/20 FINANCIAL YEAR

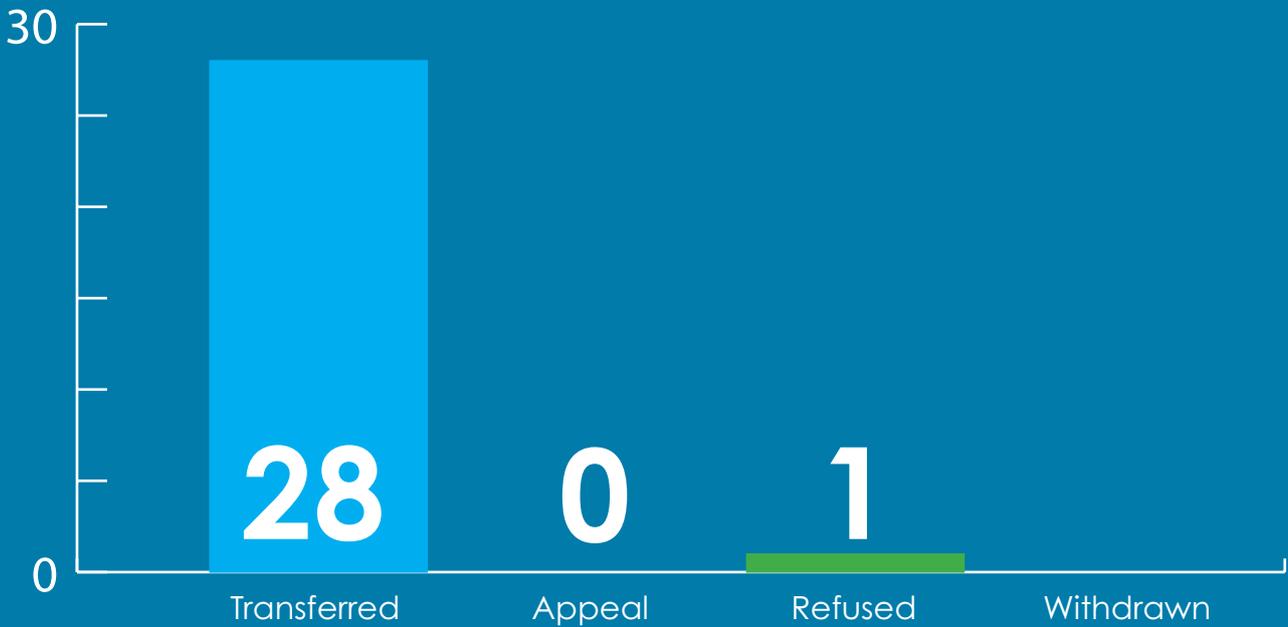


Figure A: ADR decision for 2019/20

A total of 29 disputes reached actual adjudication, with twenty-nine (29) of the decisions resulting in the transfer of the disputed domain names to the complainants. Only one (1) dispute which was refused and no appeal or withdrawal.

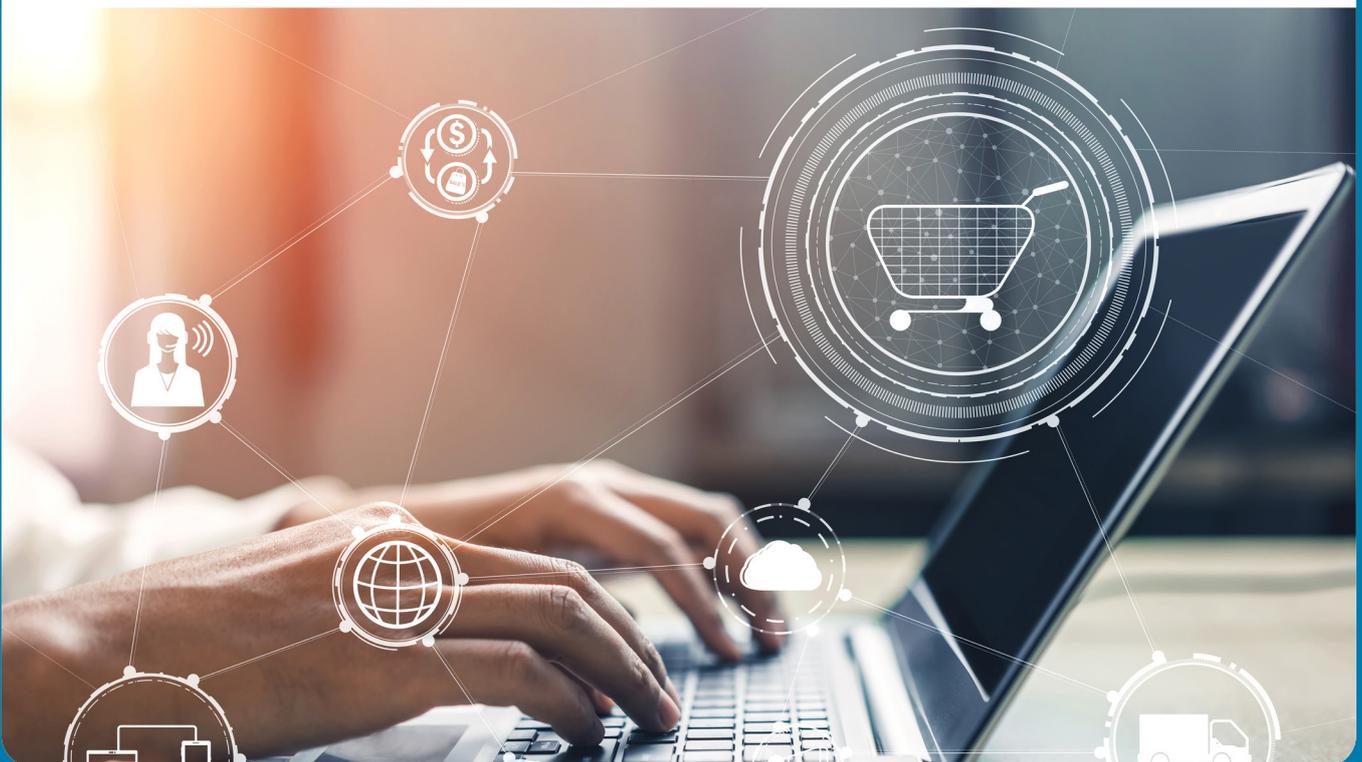


Table 1: List of ADR Decisions- 2019/20 financial year

No	Case name	Case number	Domain name	Outcome
1.	Unwembi Communications Vs African National Congress (ANC)	ZA2018-0350	Anc.org.za	Transferred
2.	Malkhaz Kapanadze Vs The South African Revenue Service	ZA2019-0366	Wwwsarseffiling.co.za sarseffing.co.za sarseffiling.co.za	Transferred
3.	Porchester Partners Inc Vs The South African Revenue Service	ZA2019-0367	Sarseffiling.co.za	Transferred
4.	Rony Rich Vs The South African Revenue Service	ZA2019-0369	Sarss.co.za	Transferred
5.	Porchester Partners Inc Vs The South African Revenue Service	ZA2019-036	Sarseffiling.co.za	Transferred
6.	Coolsystems, Inc Vs Bates & Bates LLC – Kurt Schuettinger	ZA2019-0357	Gameready.co.za	Transferred
7.	Jonas Pitts Vs The South African Revenue Service	ZA2019-0365	Sars-office.co.za	Transferred
8.	Patrick Ammann Vs Naspers Ltd	ZA2019-0362	Naspersa.co.za	Transferred
9.	Dom Force Vs firstrand Bank Limited	ZA2019-0370	Firstnational-bank.co.za fnbbank.co.za fnbhomeloans.co.za	Transferred
10.	Ivor Chipkin Vs Public Affairs Research Institute	ZA2019-0360	Pari.org.za	Transferred
11.	Gu Ge Vs Riemland Route	ZA2019-0361	Riemlandroute.co.za	Transferred
12.	Chris Lee Vs Eazi Access Rental (Pty) Ltd	ZA2019-0371	Eaziaccess.co.za	Transferred
13.	PFT Burger Attorneys Vs John Planets	ZA2019-0372	Armytek.co.za	Transferred
14.		ZA2019-0373	Afribet.co.za	Transferred
15.	Hendrik van Wyk Vervoer (Pty) Ltd Vs Casper le Roux Inc Attorneys	ZA2018-0328	hendrikvanwykvervoer.co.za	Transferred
	Loki Sun Vs LFP Training Consultants (Pty) Ltd - Nicholas Lazarides	ZA2019-038	Lfptraining.co.za	Transferred
16.	Steven Green Vs The Sugarless Company Pty Ltd	A2019-0375	Sugarless.co.za	Transferred
21.	PMDVOIP (PTY) LTD Vs Computer Core Business (PTY) LTD	ZA2019-0378	Istore.co.za	Transferred

20.	Cumtree & Greg Fredericks Vs Gumtree.com Limited	ZA2019-0380	Cumtree.co.za, cum-treedating.co.za, cumtreegirls.co.za	Transferred
	Dom Force Vs African Bank Limited	ZA2019-0381	Africanbankcredit-card.co.za	Transferred
25.	Estelle Fourie Vs Transpet CC Trading as Petport	ZA2019-0383	Petportsa.co.za	Refused
22.	Malkhaz Kapanadze Vs Telkom SA SOC Limited	ZA2019-0384	Www.telkom.co.za	Transferred
	Zhao Ke Vs Yves Saint Laurent	ZA2019-0385	Yvessaintlaurent.co.za	Transferred
23.	Kule Kidemba Vs Airports Company South Africa SOC Ltd	ZA2019-0386	Airportsa.co.za	Transferred
	Patrick Bougard Vs gofundme, Inc.	ZA2019-0388	Gofundmesouthafrica.co.za Yofundmi.co.za	Transferred
27.	Renault Repair Centre (First Registrant) Trudon Trudon (Second Registrant) Vs Renault S.A.S	ZA2019-0390	Renaultrepaircentre.co.za renau-repair-centre.co.za re-naultrepaircentre1.co.za	Transferred
	Cecilia Nonkonyane Vs Airports Company South Africa SOC Ltd	ZA2020-0391	Airportssa.co.za	Transferred
28.	Whois Agent Vs Absa Bank Limited	ZA2020-0393	Absa.net.za	Transferred
29.	Denis Mariano Vs Kabushiki Kaisha Toshiba t/a Toshiba	ZA2020-0394	Toshibaelectronics-cameras.co.za	Transferred

2.1.1.3. Introduction of Mediation in the ADR process

In November 2018, the Minister of Telecommunications and Postal Services promulgated amendments to the .ZA ADR Regulations. One of the main amendments is the introduction of a free, voluntary mediation service that ZADNA is required to provide.

One of the advantages of mediation in the .ZA ADR process is the accessibility and affordability of the process as mediation is free. It thus affords the parties the opportunity to resolve the matter in a cost-free, expeditious, informal and fair manner. There were 7 mediation cases that were resolved during 2018/2019 (Table 2). Two (2) out of the five (5) matters were successfully mediated. The impact of the successful mediation is that the matters do not proceed to adjudication and the settled disputes are cost-free to the parties.

Table 2: List Of Informal Mediations- 2019/20 Financial Year

No	Case name	Case number	Domain name	Outcome
1.	Athena Cosmetics Inc. Vs Nadia Bredenhann (Albert Bredenhann)	ZA2018-0352	revitalash.co.za	Mediation Unsuccessful – Matter Proceeded To Adjudication
2.	Public Affairs Research Institute Vs R Chipkin	ZA2019-0360	pari.org.za	Mediation Successful- Parties Settled.
3.	Andre Du Plessis Vs John Planets	ZA2019-0372	armytek.co.za	Mediation Successful- Parties Settled.
4.	Hendrik Van Wyk Vervoer (Pty) Ltd Vs Almero Bourbon	Za2019-0374	hendrikvanwykvervoer.co.za	Mediation Unsuccessful – Matter Proceeded To Adjudication
5.	The Sugarless Company (Pty) Ltd Vs Steven Green	ZA2019-0375	sugarless.co.za	Mediation Unsuccessful – Matter Proceeded To Adjudication
6.	Fidelity Security Services (Pty) Ltd Vs Raihaan Chothi	ZA2019-0376	fidelityadt.co.za	Mediation Unsuccessful – Matter Proceeded To Adjudication
7.	Computer Core Business (Pty) Ltd Vs PMVOI	ZA2019-0378	istore.co.za	Mediation Unsuccessful – Matter Proceeded To Adjudication

2.1.1.4. Internet Governance

As the custodian of Internet Governance, ZADNA attended the African Internet Governance Forum: The African Internet Governance Forum is a regional event focusing on the area of Internet Governance. The event was hosted in Ndjamena, Chad under the overarching theme “Shared responsibilities of stakeholders for a robust internet ecosystem” from 10-12 September 2019.

ZADNA’s Internet Governance Co-ordinator attended the Facebook Security wellbeing: The event focused on online security and the tools people can use when

being online. ZADNA's contributions were on flagging inappropriate content. The event was held at Facebook's offices in Brynston on the 18 September 2019

ZADNA Hosted the inaugural of the 1st South African School of Internet Governance. The school was hosted on the sidelines of the annual Internet Governance Forum. The school ran from the **21-23 of October 2019**.

Moreover, ZADNA Hosted the South African Internet Governance Forum from the **24th – 25th of October 2019** in Mbombela, Mpumalanga, under the overarching theme "Connecting the Unconnected"

ZADNA collaborated with Progressive blacks in Information Communication Technology (PBICT) to host the first Youth Internet Governance Forum in Durban, KwaZulu Natal. The meeting was held on the **15th of November 2019**. The focus was on Digital Economy and Digital Inclusion.

Furthermore, ZADNA formed part of the South African delegation led by the honorable Deputy Minister Pinky Kekana at the global Internet Governance Forum in Berlin, Germany. The forum ran from the **25 to the 29 of November 2019** under the overarching theme "One Net, One Vision, One Nation" the meeting saw over 10000 global delegates. The main emphasis and focus were on the United Nations Sustainable Goals.

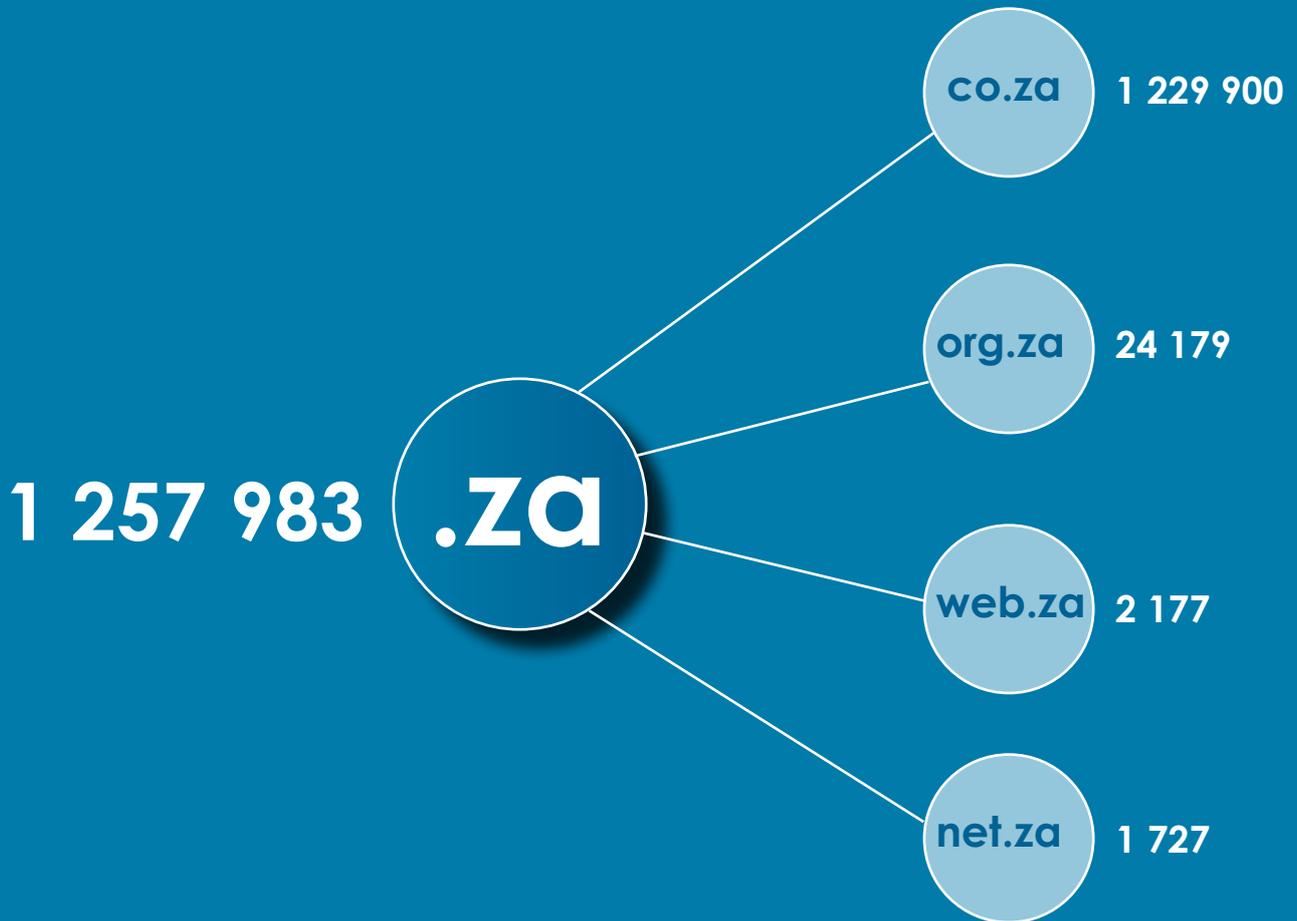
2.1.1.5. ICANN

ZADNA continued its participation in ICANN meetings (see Table 3) below. The participation allowed ZADNA to provide input in relevant policy processes, especially those that relate to country code Top Level Domains (ccTLDs) such as .ZA.

Conference	Date	Venue
ICANN-65	24-27 June 2019	Marrakesh, Morocco
ICANN-65	2-8 November 2019	Montreal, Canada

2.1.2. .ZA Namespace Development

There were 834 domain names registered in April 2018 and 2 673 by March 2019, and in March 2020 there were 3093 registered on this platform contributing to the total growth of 1 257 983 commercial SLDs.



2.1.2.1. Commercial SLDs performance

a. Growth of commercial SLDs over 03 financial years:

	ZACR 2017/18	ZACR 2018/19	ZACR 2019/20
Total Creations	37 257	47 969	40 420
Total Domains	1 165 959	1 217 563	1 257 983

Commercial SLDs, namely, CO.ZA, ORG.ZA, NET.ZA and WEB.ZA, grew by an average of 41 882 over the past 03 years:

- In 2017/18 – 18/19 total creation of commercial SLDs grew by 10 712
- In 2018/19 – 19/20 total creation of commercial SLDs decreased by 7 546

b. Subsequently, by 31st of March 2020 (FY: 2019/20), commercial SLDs amounted to a net total of 1 257 983.

DOMAIN GROWTH OVER 3 YRS

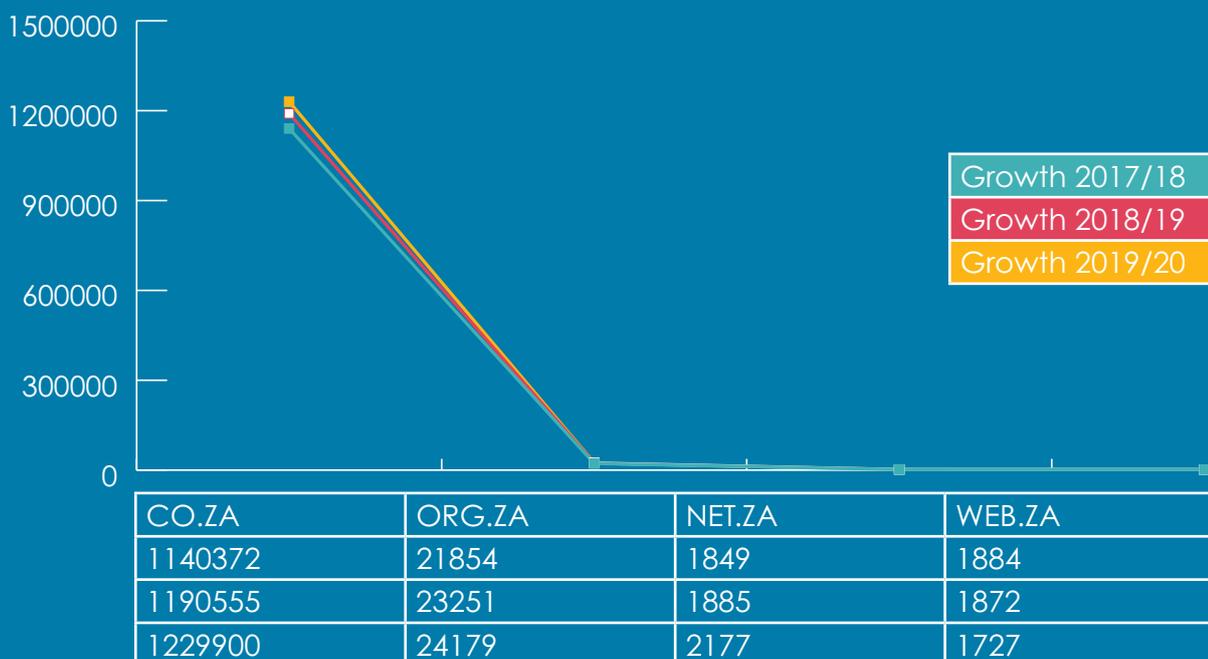


Figure 1: Total registrations in commercial SLDs

The growth in co.za is founded on its brand value as the flagship SLD for .ZA that has always been available to the public without any restrictions, whereas org.za was restricted to not-for-profit entities until 2014 when it was opened to the public on a first-come, first-served basis.

2.1.2.2. Commercial and non-commercial SLD performance

Outside of the commercial SLDs, there is usually minimal growth. This is because non-commercial SLDs are restricted to specific communities, impose eligibility requirements, and are, therefore, not available on a first-come, first-served basis. Figure 2 below shows the growth of non-commercial .ZA SLDs.

GROWTH OF NON-COMMERCIAL .ZA SLDs 2019/20

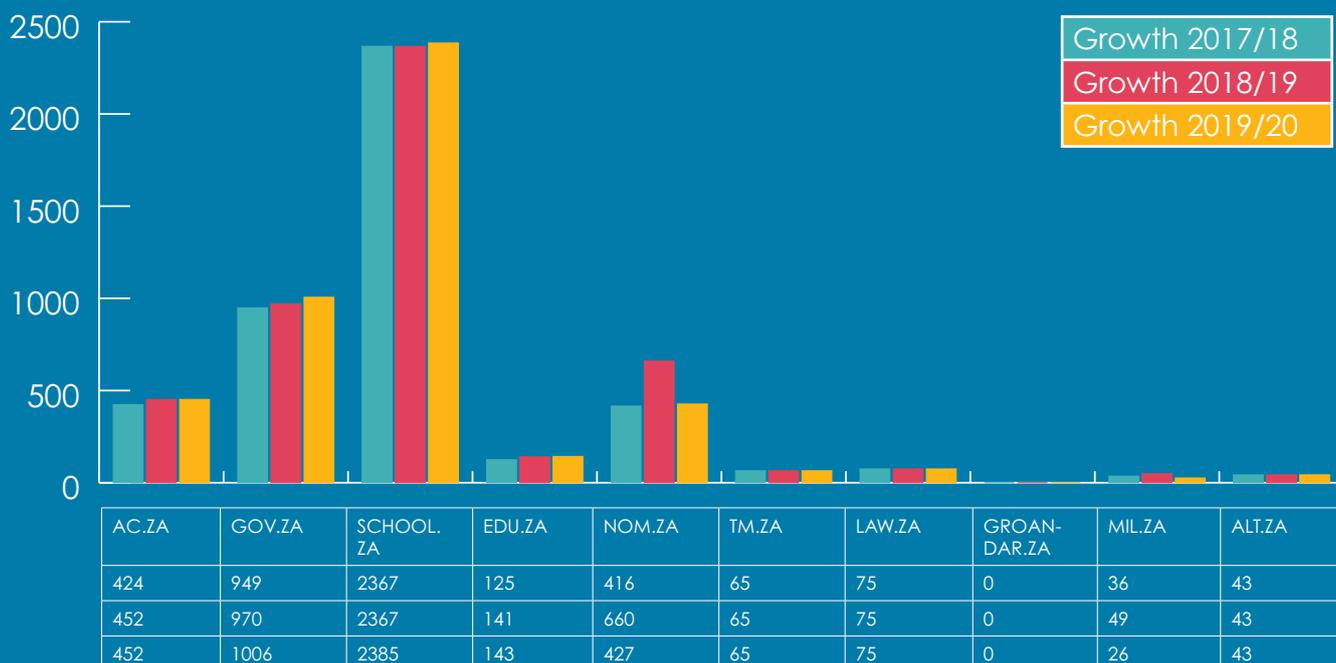


Figure 2: Total .ZA SLD performance as at 31 March 2020

2.1.2.3. Registrar Market Expansion

The number of accredited registrars continued to grow steadily. Registrar growth by 2018/19 was 585, an increase of 81 new registrars from 504 in the 2017/18 financial year. However, in 2019/20 financial year, only seven (7) registrars were accredited totalling 592.

REGISTRAR GROWTH

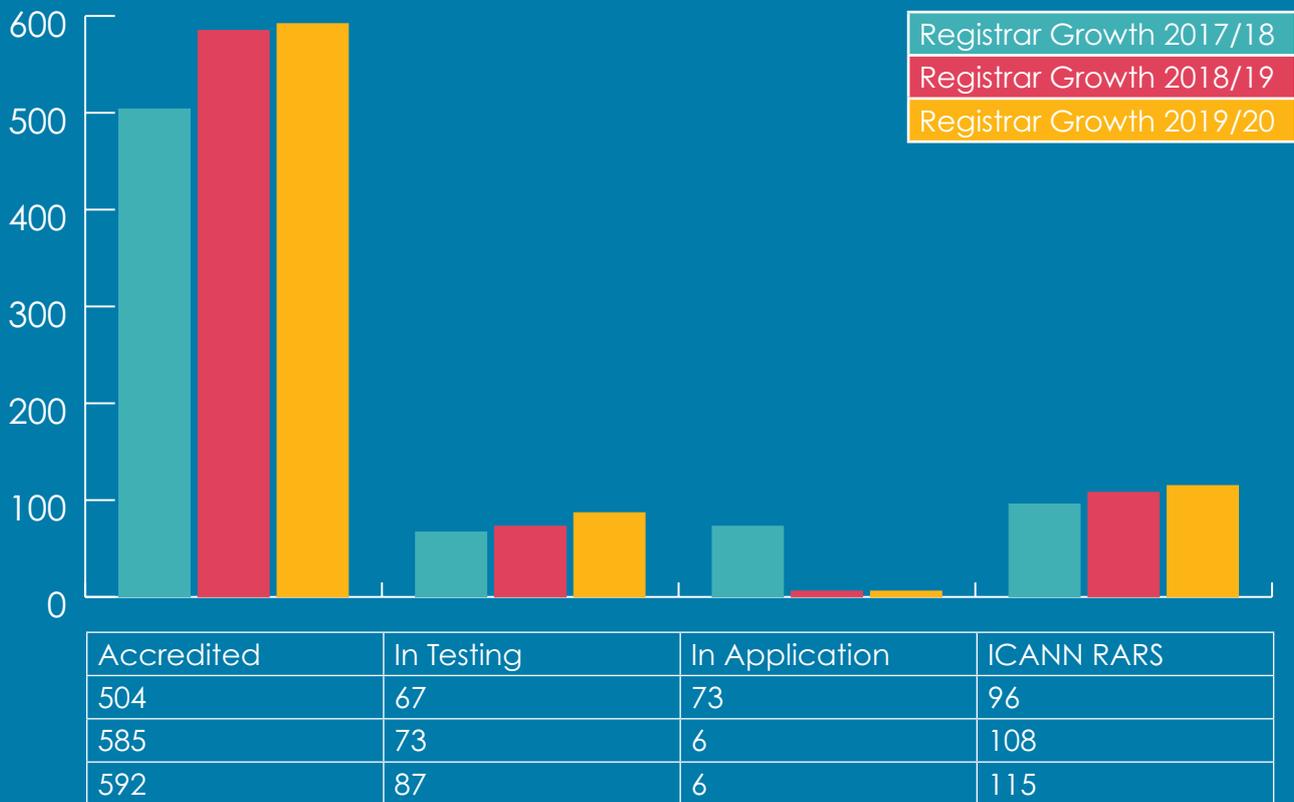


Figure 3: growth in .ZA registrar accreditation

2.1.2.4. CIPC Domain Name Collaboration

The CIPC domain registration project was launched in collaboration with the Companies and Intellectual Property Commission (CIPC) in December 2017. The partnership enables CIPC to secure a special registrar status at ZACR to allow registrants of company names also to register matching .ZA domain names on the same CIPC online registration platform.

This innovation is expected to boost growth in .ZA domain name registration as it makes it easy for CIPC customers to obtain .ZA domain name registrations, and to choose company names that are still available for domain name registration in .ZA. The project is an outcome of ZADNA's pursuit of actively educating South Africans about the importance of online presence, especially using .ZA, which is South Africa's online identity.

2.1.2.5. dotCities

DotCities growth has not progressed as fast as initially anticipated and this is largely because of passive marketing and awareness and much higher registration pricing than .ZA (Figure N). There is significant growth potential in the number of domain name registrations in .joburg, .durban and .capetown because these TLDs are uniquely South African and are more pointed in terms of geographic location.

Other cities that have their own dedicated dotCities have experienced more growth. For example, .nyc (New York City), .Tokyo and .London each exceeds 70 000 registrations since they were launched.

DOTCITIES GROWTH

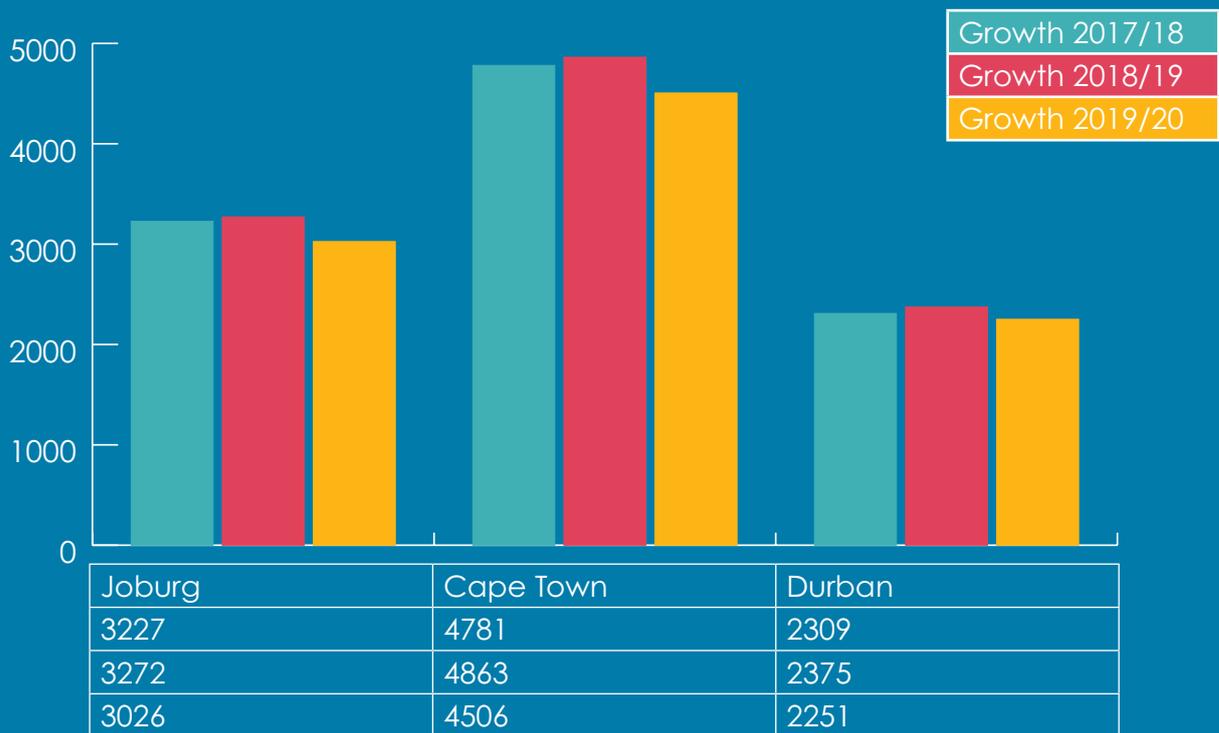


Figure 4: dotCities growth

The above graph shows that the dotcities domain experienced a decline in total domains when compared to previous financial years:

- In 2019/20 .Joburg decreased by 246 domains.
- In 2019/20 .Capetown decreased by 357 domains.
- In 2019/20 .Durban decreased by 124 domains.

2.1.3. Technical Operations

2.1.3.1. Nameserver infrastructure

The .ZA zone consists of 3 Anycast nameservers and 2 Unicast servers (see Table 12 below). Nsza.is.co.za is local name server and uses BIND, while disa.tenet.ac.za uses Windows operating system, which makes the entire .ZA zone diverse when it comes to operating platforms. Using different nameserver operating system is a best practice that enhances namespace robustness and resiliency.

The nameservers functioned without any interruption or outages during the year.

Table 4: ZA TLD name servers

;; Got answer:				
;; ->>HEADER<<- opcode: QUERY, status: NOERROR, id: 30364				
;; flags: qr rd ra; QUERY: 1, ANSWER: 0, AUTHORITY: 4, ADDITIONAL: 4				
;; QUESTION SECTION:				
za.		IN	A	
;; AUTHORITY SECTION:				
za.	19921	IN	NS	nsza.is.co.za.
za.	19921	IN	NS	za-ns.anycast.pch.net.
za.	19921	IN	NS	sns-pb.isc.org.
za.	19921	IN	NS	za1.dnsnode.net.
;; ADDITIONAL SECTION:				
nsza.is.co.za.	2283	IN	A	196.4.160.27
za-ns.anycast.pch.net.	24355	IN	A	204.61.216.55
sns-pb.isc.org.	6490	IN	A	192.5.4.1
za1.dnsnode.net.	7180	IN	A	194.146.106.78

The nameservers provide ZADNA with diverse, reliable infrastructure capacity. The nameserver “za1.dnsnode.net.” is an Anycast server provided by Autonomica of Sweden. ZADNA has additional Anycast nameserver capacity in “za-ns.anycast.pch.net.”

All the 3 Anycast servers are provided to ZADNA for free due to the small size of .ZA zone file that only has the 19 SLDs as its records.

2.1.4. Conclusion

ZADNA's performance during 2018/19 has been satisfactory, as the majority (118 of 120) of the targets have been achieved. There were some over-achievements in some targets. Particular over-achievement is in the area of communications and awareness, where ZADNA achieved substantially more than set targets



PART C: CORPORATE GOVERNANCE AND OPERATIONS

3.1 HUMAN RESOURCES

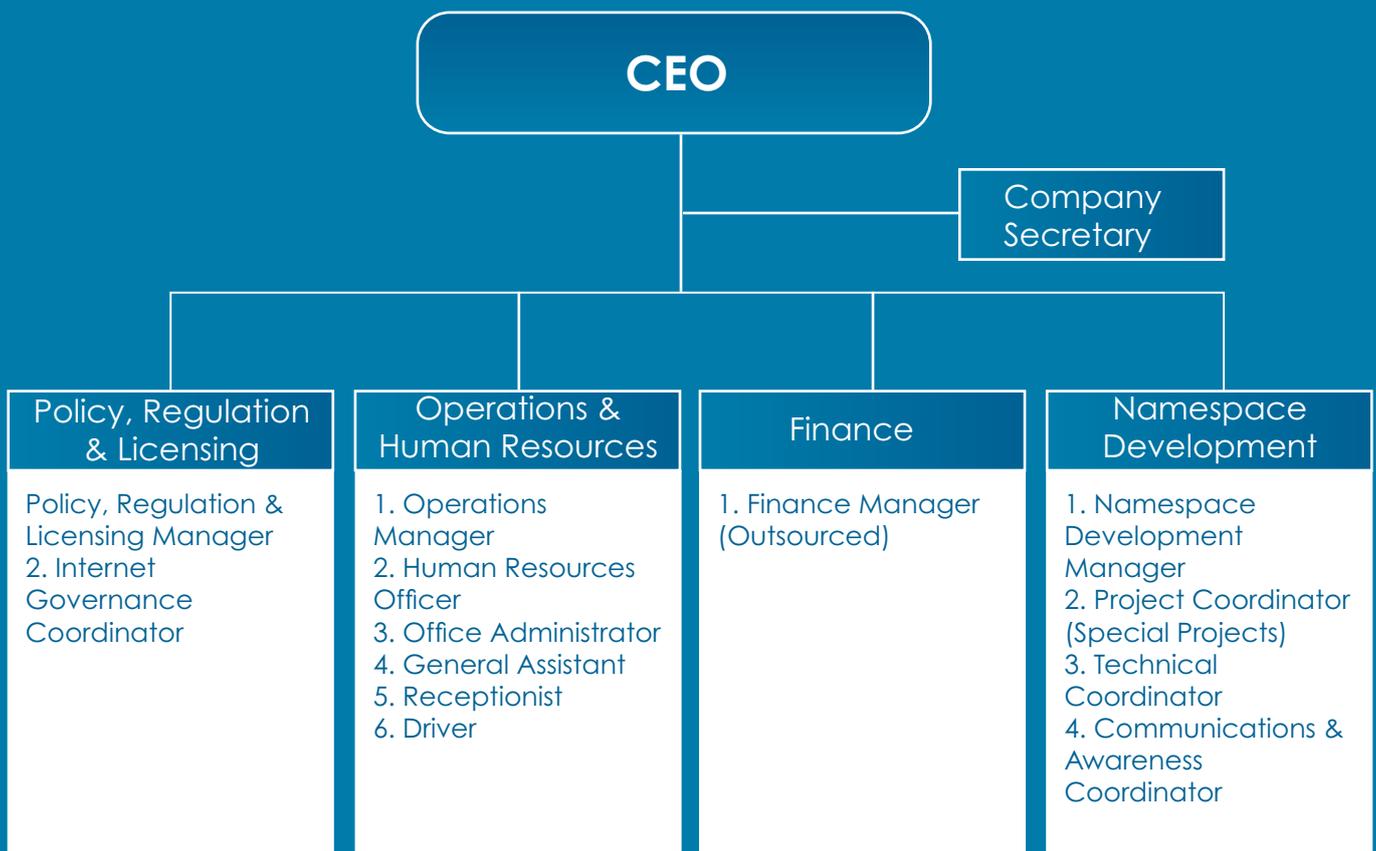
3.1.1. Introduction

Human Resources is a strategic function of the organisation and contributes immensely to the creation, enforcement and inculcation of a high-performance culture. The employee life cycle from entry to exit, is managed by Human Resources.

3.1.2. Overview of HR Matters

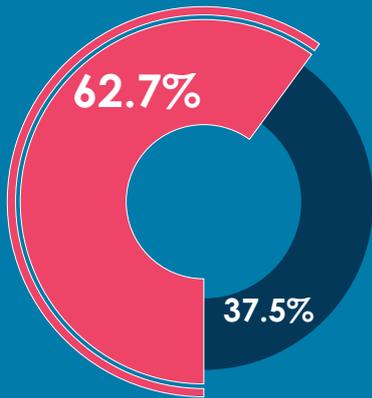
The staff complement for the 2019/20 was 8. The total number of filled positions was based on the approved structure of 14 positions.

The positions, Finance Manager and Company Secretary are outsourced, due to the size of ZADNA and its limited financial activities.



ZADNA will continue to recruit for skilled and qualified talent in order to achieve its strategic objectives, and in line with the Employment Equity targets.

3.1.3.HR Statistics



The demographic composition of ZADNA's workforce improved in terms of gender stands at a split of 62.5% female employees and 37.5% male employees. One of the female employees holds a management position as the Policy and Regulation Manager.

The organisation employs more Africans than the required national demographics (Figure 6). However, ZADNA plans to achieve a demographic inclusive of all races in the near future.

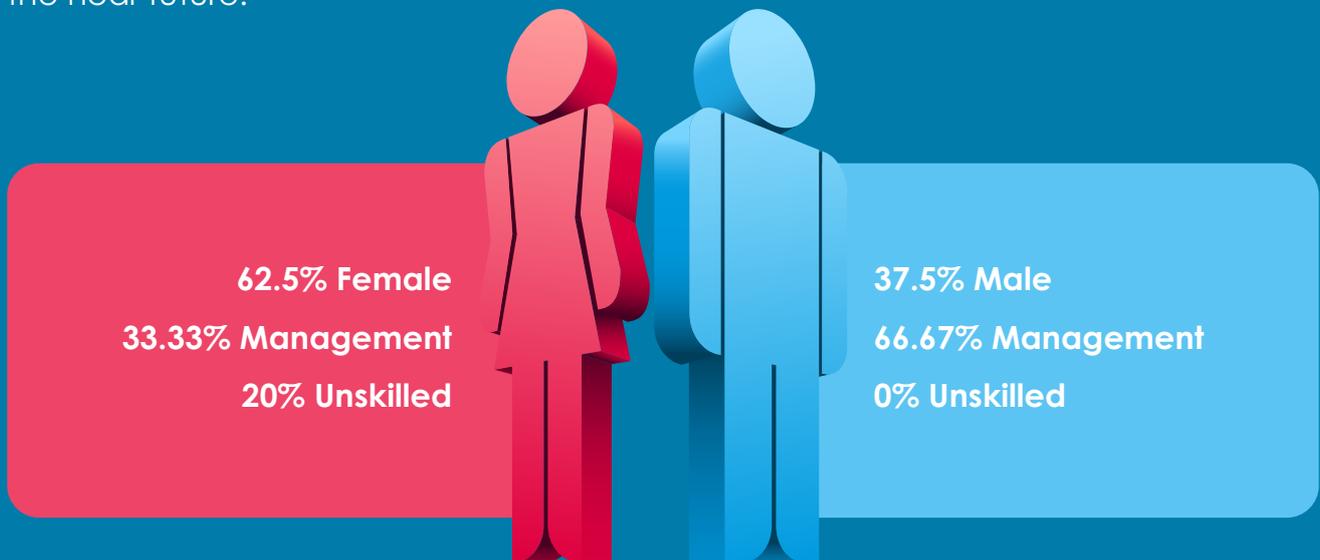
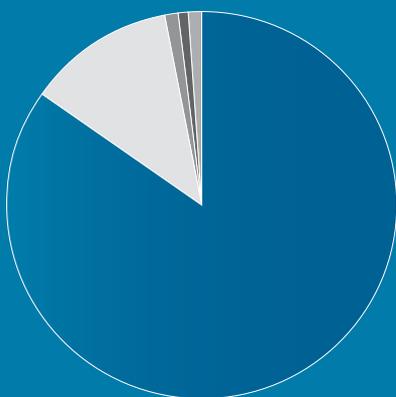


Figure 6: Employee demographic composition



- 87.5% workforce is Black
- 12.5% of the workforce is Coloured
- 0% of the workforce is White
- 0% of the workforce is Indian
- 0% of the workforce is living with disabilities

The turnover rate was 12.5% as there was one (1) resignation during the year under review.

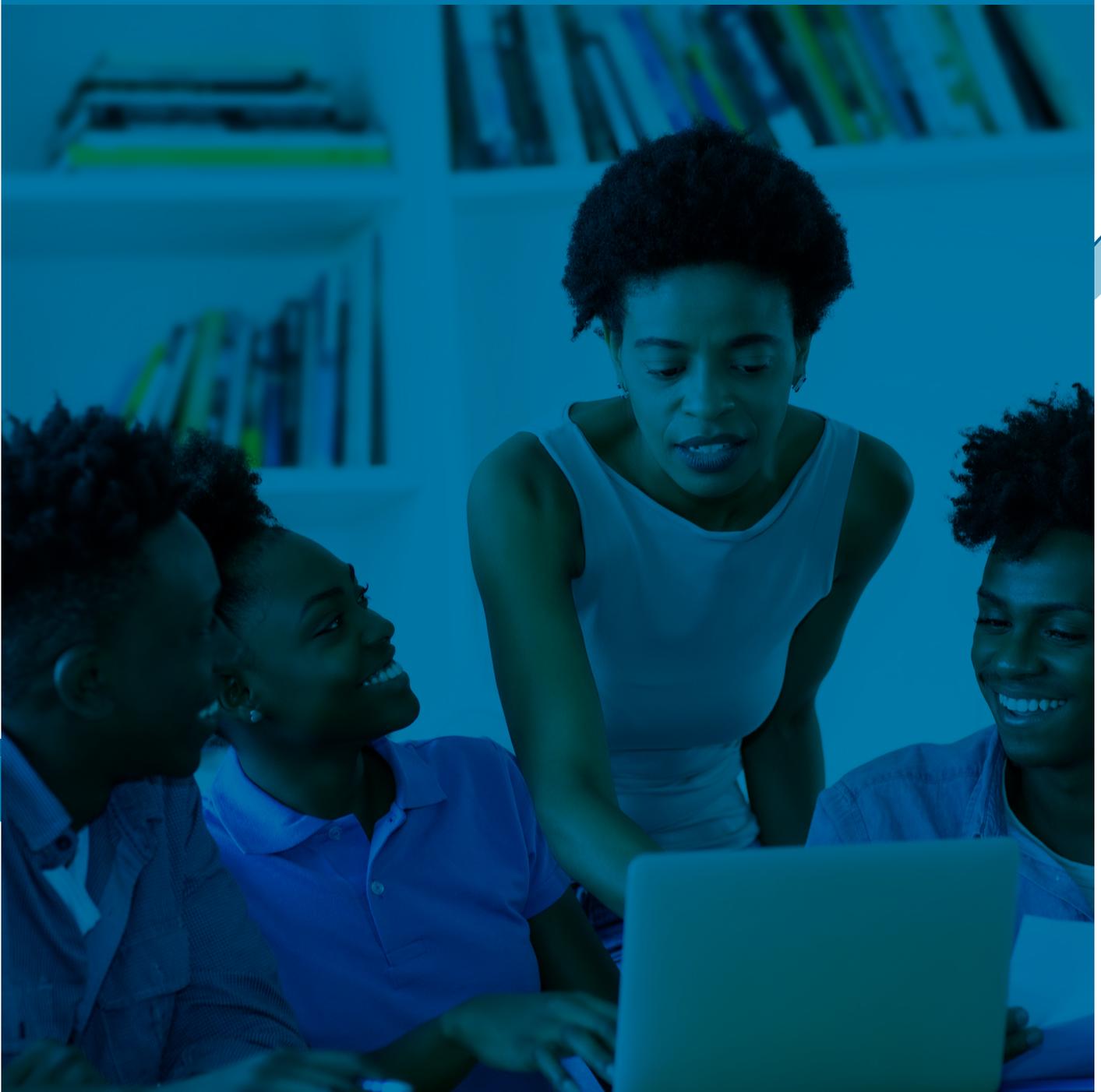
3.1.4. Internship Programme

As part of the Internship programme, ZADNA annually recruits for graduates to support various functions of the organisation. The programme is for 12 months. In the 2019/20 financial year, ZADNA appointed 3 new interns, but only 1 finished the term.

Table 5: ZADNA interns in 2019/2020

Intern name	Commencement date	Focus area
Ms. Lerato Mohlala*	12 August 2019	Marketing, communications
Mr. Onke Ntloko	12 August 2019	Human Resource (finished term)
Mr. Kgabo Manala*	12 August 2019	Technical

*resigned



3.2 CORPORATE GOVERNANCE

3.2.1. Introduction

The ZADNA's corporate governance model embodies provisions of the King IV Code of Corporate Governance (King IV Code). In addition to legislative requirements governing the Authority, and the Companies Act.

ZADNA continues to show governance prudence for the year under review by following best practice in corporate governance through its oversight structures. The following governance committees help ensure that the ZADNA meets its strategic objectives and operates in line with its mandate:

- Board of Directors
- Finance, Audit and Risk Committee
- HR and Remuneration Committee (HRREMCO)
- Technical Committee (Techcom).

3.2.2. Board of Directors

The Minister appoints ZADNA non-executive Directors (NEDs) as stipulated in Chapter X of the ECT Act. The Act stipulates that the Minister should appoint nine (9) NEDs. The current NEDs for the year under review are as detailed in Table 6.

Table 6: Current ZADNA Directors

Director	Tenure	Date appointed	Tenure expiry
Newly Appointed Board: 2019-2023			
1. Ms Palesa Legoze (Chairperson)	4 years	11-Nov-19	31-Oct-23
2. Ms Sizo Mzizi	4 years	11-Nov-19	31-Oct-23
3. Ms Veronica Motloutsi	4 years	11-Nov-19	31-Oct-23
4. Ms Malekgoloane Malapane	4 years	11-Nov-19	31-Oct-23
5. Ms Anriette Esterhuysen	4 years	11-Nov-19	31-Oct-23
6. Mr Nicholas Msibi (Treasurer)	4 years	11-Nov-19	31-Oct-23
7. Mr Rendani Mbuva	4 years	11-Nov-19	31-Oct-23
8. Prof Kasturi Moodaliyar	4 years	11-Nov-19	31-Oct-23
9. Prof Daniel Mashao	4 years	11-Nov-19	31-Oct-23
Board: 2015-2019			
1. Adv. Motlatjo Ralefatane (Chairperson)	4 years	01-Mar-19	31-Oct
2. Mr Nicholas Msibi (Treasurer)	4 years	01-Mar-19	31-Oct
3. Mr Antony Brooks	4 years	01-Mar-19	31-Oct
4. Ms Nirvani Dhevcharran	4 years	01-Mar-19	31-Oct
5. Mr Mcebo Khumalo	4 years	01-Mar-19	31-Oct
6. Dr Nono Mohutsioa-Mathabathe	4 years	01-Mar-19	17-May
7. Ms Mokgadi Morata	4 years	01-Mar-19	31-Oct
8. Dr Nondumiso Mzizana	4 years	01-Mar-19	28-Feb
9. Dr Jonty Tshipa	4 years	01-Mar-19	28-Feb

The tenure is determined in the ZADNA Articles of Association and ranges from 3 to 4 years. The Articles allow each Director to serve a maximum of 2 tenures in succession. In the current Board, Mr Mfana Msibi is a serving second term. The CEO of ZADNA is also an ex officio member of the Board and is currently the only executive of the company. For the year under review, ZADNA utilised company secretarial services were provided by DUJA Chartered Accountants which later handover to IKB Company Secretaries.

3.2.3. Board Meetings

During 2019/20 the Board met every quarter and also had special meetings. Table 7 lists the Board meetings that were held and the type of meeting that was convened.

Table 7: Board meeting in 2019/20



Board meeting date	Type of meeting
25-Apr-19	This was an ordinary Board meeting
18-May-19	This was a special Board meeting
31-May-19	This was a special Board meeting
07-Jun-19	This was a special Board meeting
16-Jul-19	This was an ordinary Board meeting
24-Oct-19	This was an ordinary Board meeting
11-Dec-19	New Board Induction
07-Mar-20	This was a board teleconference
10 & 11 January 2020	This was a strategic planning meeting
24-Jan-20	This was an ordinary Board meeting

3.2.4. Board Committees

During 2019/20 the Board Committees met every quarter and also had special meetings. Table 8 lists the Board Committees meetings that were held.

Table 8: Board Committee meeting in 2019/20

Committee	No. of ordinary meetings held	No. of special meetings held	No. of members	Name of Members
Finance, Audit and Risk Committee	4	0	3	Mr Nicholas Msibi (Chairperson) Ms Sizo Mzizi Ms. Malekgoloane Malapane
HR and Remuneration Committee (HRREM-CO)	4	2	3	Ms. Malekgoloane Malapane (Chairperson) Ms. Anriette Esterhuysen Ms. Kasturi Moodaliyar
Technical Committee (Tech-com).	4	0	5	Ms Veronica Motloutsi (Chairperson) Nicholas Msibi Prof Daniel Mashao Mr Rendani Mbuyha. Ms Palesa Legoze



3.2.5 Director's Attendance Report

Table 3 below outlines the attendance of meetings by individual Directors during the year

Period	Name of Director	Board meeting	ARC meeting	ICT meeting	HRREMCO meeting
May 2019 to October 2019	Motlatjo Ralefatane	6	-	-	-
	Nicholas Msibi	10	5	3	-
	Nono Mohutsioa-Mathabathe	1	1	-	-
	Antony Brooks	4	3	3	-
	Mcebo Khumalo	6	1	3	4
	Mokgadi Morata	6	-	-	4
	Nirvani Dercharran	5	-	-	4
November 2019 to March 2020	Palesa Legoze	4	-	1	-
	Sizo Mzizi	4	1	1	-
	Veronica Motloutsi	3	-	1	-
	Malekgoloane Malapane	2	1	-	2
	Anriette Esterhuysen	4	-	-	1
	Rendani Mbavhu	4	-	1	-
	Kasturi Moodaiyar	2	-	-	2
	Daniel Mashao	2	-	1	-





PART D: ANNUAL FINANCIAL STATEMENTS



The ZA Domain Name Authority (NPC)
(Registration number 2003/021150/08)
Annual Financial Statements
For the Year Ending 31 March 2020

The ZA Domain Name Authority (NPC)
(Registration number 2003/021150/08)
For the Year Ending 31 March 2020

General Information

Country of incorporation and Domicile South Africa

Nature of Business & Principle Activities The regulation and management of the ZA domain name space

Directors	Name	Status
	Ms P Legoze (Chairperson)	Active
	Ms V Motloutsi	Active
	Mr N Msibi (Treasurer)	Active
	Prof D Mashao	Active
	Prof K Moodaliyar	Active
	Ms M Malapane	Active
	Mr R Mbuva	Active
	Ms S Mzizi	Active
	Ms A Esterhysen	Active

Registered office 44 Grand Central Road
Sanofi House
First Floor
Midrand
1685

Business Address 44 Grand Central Road
Sanofi House
First Floor
Midrand
1685

Postal address PO Box 4620
Halfway House
Midrand
Gauteng
1685

Bankers ABSA

Auditors Rakoma and Associates Inc
Chartered Accountant (SA)
Registered Auditors
Fourways

Company Registration Number 2003/021150/08

Level of Assurance These Financial statements have been audited in compliance with the applicable requirements of the Companies act 71 of 2008.

Preparer The Financial statements were compiled by :
Synergy Capital (Pty) Ltd
Chartered Accountant (SA)

Contents

The report and statement set out below comprise of the financial statements presented to the directors:

Index	Page
Directors' Responsibilities and Approval	4
Directors' Report	5
Independent Auditor's Report	6-8
Statement of Financial Position	9
Statement of other Comprehensive Income	10
Statement of Changes in Equity	11
Statement of Cash flow	12
Accounting Policies	13-16
Notes to the Annual Financial Statements	17-21
The following supplementary information does not form part of the financial statements and is unaudited.	
Detailed Income Statement	22
Published	14-Aug-20

The ZA Domain Name Authority (NPC)
(Registration number 2003/021150/08)
Annual Financial Statements
For the Year Ending 31 March 2020

DIRECTORS' RESPONSIBILITIES AND APPROVAL

The directors are required by the Companies Act 71 of 2008, to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related information. It is their responsibility to ensure that the financial statements fairly presents the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standard. The external Auditor is engaged to express an independent opinion on the financial statements.

The Financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistency applied and supported by reasonable and prudent judgements and estimate.

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

The directors are of the opinion , based on 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 financial statements. However any system of internal financial control can provide only reasonable, and not absolute assurance against material misstatements or loss.

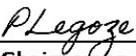
The directors have reviewed the company's cash flow forecast for the year ending 31 March 2021 and in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The External Auditor is responsible for independently auditing and reporting on the company's annual financial statements. The annual financial have been examined by the company's External Auditor and their report is presented on page 6.

The financial statements have been prepared on the going concern basis, since the directors have every reason to believe that the company has adequate resources in place to continue in operation for the foreseeable future.

Approval of the Annual Financial Statement.

The financial statement set out in pages 9 to 22, have been approved by the board of directors on the 14th August 2020



Chairperson :
Ms P Legoze
Date: 18/09/2020.....



Treasurer :
Mr N Msibi
Date: 18/09/2020.....

The ZA Domain Name Authority (NPC)
(Registration number 2003/021150/08)
Directors Report
For the Year Ending 31 March 2020

The directors present their report for the financial year ending 31 March 2020. This report forms part of the annual financial statements.

1. Business and operations

The company is engaged in the Business of Domain name regulation. The company operates principally in South Africa.

2. Financial results

The results of the entity and the state of its affairs are set out in the attached financial statements and do not, in our opinion, require further comments.

3. Equity

The company is incorporated without any share capital.

4. Events subsequent to year end

There have not been any event to report subsequent to year end.

5. Going concern basis

The financial statements have been prepared on the going concern basis, since the directors have every reason to believe that the entity has adequate resources in place to continue operating in the foreseeable future.

6. Directors

The directors of the company during the accounting period and up to the date of this report were as follows:

Name	Nationality	Status	
Ms P Legoze (Chairperson)	RSA	Active	
Ms V Motloutsi	RSA	Active	
Mr N Msibi (Treasurer)	RSA	Active	
Prof D Mashao	RSA	Active	
Prof K Moodaliyar	RSA	Active	
Ms M Malapane	RSA	Active	
Mr R Mbuva	RSA	Active	
Ms S Mzizi	RSA	Active	
Ms A Esterhysen	RSA	Active	
Adv MJ Ralefatane	RSA	End of term	(31/10/2020)
Mr AM Brooks	RSA	End of term	(31/10/2020)
Ms N Dhevcharran	RSA	End of term	(31/10/2020)
Mr MR Khumalo	RSA	End of term	(31/10/2020)
Ms MO Morata	RSA	End of term	(31/10/2020)
DR YKN Mohutsioa–Mathabathe PhD	RSA	Resigned	(17/05/2019)

7. Rakoma and Associates Inc were retained as External Auditors of the Company for the year ended 31 March 2020.

8. Company Secretary

The company is a Not-for-profit Company and it is not required to appoint a secretary.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ZA DOMAIN NAME AUTHORITY (NPC)

Opinion

We have audited the financial statements of The ZA Domain Name Authority (NPC) set out on pages 9 to 21, which comprise the statement of financial position as at 31 March 2020, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of The ZA Domain Name Authority (NPC) as at 31 March 2020, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the company in accordance with the sections 290 and 291 of the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors (Revised January 2018)*, parts 1 and 3 of the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors (Revised November 2018)* (together the IRBA Codes) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities, as applicable, in accordance with the IRBA Codes and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Codes are consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants* (including International Independence Standards) respectively. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw attention to the matter below. Our opinion is not modified in respect of this matter.

Restatement of prior year comparatives

As disclosed in note 16 to the financial statements, the corresponding figures for 31 March 2019 were restated as a result of an error in the financial statements of the company at, and for the year ended, 31 March 2020.

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "The ZA Domain Name Authority NPC Annual Financial Statements for the year ended 31 March 2020", which includes the Directors' Report as required by the Companies Act of South Africa, which we obtained prior to the date of this report. Other information does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

Chairman of the Board: EM Rakoma CA (SA)		*Registered name : Rakoma and Associates Incorporated				*A complete list of Directors and Partners is available upon request.
Head Office - Gauteng: (Primary Domicilium (Randi et executandi)) Monte Circle Office Park, Ground Floor Building B, 178 Monte Casino Boulevard, Magaliesig, Sandton, 2191, Johannesburg, South Africa P.O. Box 1117, Randpark Ridge, Randburg, 2156 Tel : +27 (0) 11 463 5781 Fax: +27 (0) 11 463 0186	Eastern Cape: 95 Western Avenue, Vincent, East London, 5247 P.O. Box 15273, Beacon Bay, East London, 5205 Tel: +27 (0) 43 721 0863 Fax: +27 (0) 43 721 0843	Limpopo: Rhodesdrift Office Park, Building One, 23 Rhodesdrift Street, Bendor, Polokwane, 0699 Tel : +27 (0) 15 296 0122/3 Fax: +27 (0) 15 296 0039	North West: 29 Von Weilligh Street, Rustenburg 0300 Tel : +27 (0) 14 594 2737 Fax: +27 (0) 86 647 1027	Northern Cape: Shop 8, 1-9A Jacobus Smit Street, Royalyard Park, Royal Glen, Kimberley, 8301 P.O. Box 3392, Diamond Pavilion Mall, Kimberley, 8305 Tel : +27 (0) 53 831 2253 Fax: +27 (0) 86 647 1027	Company Registration: 2002/024847/21 Web: www.rakoma.co.za www.linkedin.com/company/rakoma-and-associates-inc www.facebook.com/rakomainc Email (General Information): info@rakoma.co.za	



In connection with the audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standard and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Statements

Our 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 our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based



on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

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

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

In accordance with our responsibilities in terms of sections 44(2) and 44(3) of the Auditing Profession Act, we report that we have identified a reportable irregularity in terms of the Auditing Profession Act. We have reported such matter to the Independent Regulatory Board for Auditors. The matter pertaining to the reportable irregularity has been described below:

- VAT was not declared and paid to SARS for some revenue invoices relating to previous financial periods which resulted in the company incurring penalties and interest. This was non-compliance with the VAT Act. The matter has been resolved.

Rakoma & Associates Inc.

Director: Collins Malunga
Registered Auditor
Ground Floor Building B Monte Circle Office Park
178 Monte Casino Boulevard
Fourways
2191

18 September 2020

The ZA Domain Name Authority (NPC)
 (Registration number 2003/021150/08)
 Annual Financial Statements
 For the Year Ending 31 March 2020

Statement of Financial Position as at 31 March 2020

		Restated
	Note(s)	
Figures in Rand	As at 31st March 2020	As at 31st March 2019
	R	R
Assets		
Non-current assets	6 205 756	11 205 211
Property, plant and equipment	2 434 498	476 466
ZACR Receivable	3 5 771 258	10 728 745
Current assets	16 548 596	8 791 437
Investment	10 4 000 000	-
Trade and other Receivables	3 7 155 349	4 703 916
Cash and cash equivalents	4 5 393 248	4 087 521
Total assets	22 754 353	19 996 648
Equity and Liabilities	19 797 230	17 263 406
Accumulated Surplus	19 797 230	17 263 406
Liabilities		
Current Liabilities	2 957 122	2 733 242
Trade and other Payables	5 2 957 122	2 733 242
Total Equity and liabilities	22 754 353	19 996 648

The ZA Domain Name Authority (NPC)

(Registration number 2003/021150/08)

Annual Financial Statements

For the Year Ending 31 March 2020

Statement of Comprehensive Income

Figures in Rand	Note(s)	Restated	
		Year Ending 31 March 2020	Year Ending 31 March 2019
		R	R
Revenue	7	14 926 000	14 660 631
Other Income	6	8 571	15 006
Total income		14 934 571	14 675 637
Operating Expenses	8	(12 755 596)	(12 191 888)
Operating Surplus/ Deficit		2 178 976	2 483 750
Investment Revenue	9	354 849	57 021
Surplus before taxation		2 533 824	2 540 771
Tax Exempt	11	-	-
Total Comprehensive Surplus/ (Deficit)		2 533 824	2 540 771

The ZA Domain Name Authority (NPC)
 (Registration number 2003/021150/08)
 Annual Financial Statements

STATEMENT OF CHANGES IN EQUITY

Figures in Rand	Note	Accumulated Surplus/(Deficit)	Total Equity
Balance at 1 April 2017		11 122 200	11 122 200
Deficit for the Period		(3 458 088)	(3 458 088)
Prior year Adjustment		5 820 535	5 820 535
Balance at 01 April 2018		13 484 647	13 484 647
Surplus for the Period		2 787 141	2 787 141
Prior Period Error	16	991 618	991 618
Balance at 01 April 2019 restated		17 263 406	17 263 406
Surplus for the period		2 533 824	2 533 824
Balance at 31 March 2020		19 797 230	19 797 230

The ZA Domain Name Authority (NPC)
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 Annual Financial Statements

STATEMENT OF CASH FLOWS

Figures in Rand	Note (s)	Year Ended 31	Restated
		March 2020	Year Ended 31 March 2019
		R	R
Cashflows from operating activities			
Cash used in operations	12	297 947	(612 302)
Interest Income		205 319	57 021
Net cashflow from operating activities		503 266	(555 281)
Cashflows from investing activities			
Purchase of property plant and equipment	2	(155 026)	(19 475)
Decrease in Non-current receivable	3	4 957 487	3 034 413
Increase in Investment	10	(4 000 000)	-
Net cashflow from investing activities		802 461	3 014 938
Cashflows from financing activities			
Net cashflow from financing activities		-	-
Total cash movement for the period		1 305 726	2 459 655
Cash at the beginning of the period		4 087 521	1 627 866
Total cash at end of the period	4	5 393 248	4 087 521

The ZA Domain Name Authority (NPC)
(Registration number 2003/021150/08)
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
For the Year Ending 31 March 2020

1. Accounting Policies

Basis of Preparation and summary of Significant accounting policies.

The financial statements have been prepared on a going concern basis in accordance with the International Financial reporting Standards, and the South African Companies Act 71 2008. The Financial statements have been prepared on a historical cost basis, and incorporate in the principal accounting policies set out below. They are presented in South African Rands.

The financial statements were authorised for issue on 14 August 2020

Authorisation for issue of financial statements was given by the board of directors

The Entities Directors do not have the power to amend the financial statements after issue.

These accounting policies are consistent with the previous period.

1.1 Significant Judgements and source of estimation uncertainty

Critical judgement in applying accounting policies

In preparing the annual Financial statements, management is required to make estimate and assumptions that affects the amounts represented in the Annual financial statements and related disclosure. 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 , Held to Maturity investments , Loans and receivables.

The company assesses its trade receivables, held to maturity investments and loans and receivables for impairment at the end of each reporting period . In determining whether an impairment loss should be recorded in profit or loss. The company makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cashflows from a financial asset.

The Impairment for Trade receivables, held to maturity investments and loans and receivables is calculated on a portfolio basis, based on historical loss ratio, adjusted for national and industry- specific economic conditions and other indicators present at the reporting date that correlate with defaults on the portfolio. These annual loss ratios are applied to loan balances in the portfolio and scaled to the estimated loss emergence period.

Fair Value Estimation

The Carrying value less impairment provision of trade receivables and payables are 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 company for similar financial Instruments.

Impairment Testing

The company 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 cashflows are largely independent of cash flows of other assets and liabilities. If there are indicators that imparement may have occurred, estimates are prepared of expected future cashflows for each group assets. Expected future cashflows used to determine the value in use of tangible assets are inherently certain and could materially change over time.

Provisions

Provisions were raised and management determined an estimate based on the information available.

The ZA Domain Name Authority (NPC)
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
For the year Ending 31 March 2020

1.2 Property, Plant and Equipment

Property, plant and equipment are tangible assets which the company holds for its own use or for rentals to other and which are expected to be used for more than one period.

An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the company, and the cost of the item can be measured reliably.

Property, Plant and equipment is initially measured at cost.

Cost includes 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.

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses, except for land which is stated at cost less any accumulated impairment losses.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the company.

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

Item	Depreciation Method	Average Useful life
Furniture and Fixtures	Straight Line	6 Years
Motor Vehicles	Straight Line	5Years
Office Equipment	Straight Line	3Years
IT Equipment	Straight Line	3Years
Computer Software	Straight Line	3Years
Cellphone Equipment	Straight Line	2Years

When indicators are present that the useful lives and residual values of items of property, plant equipment have been impaired since the most recent annual reporting date, they are reassessed. Any changes are accounted for prospectively as a change in accounting estimate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefit is expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment determined as the difference between the net disposal proceeds, if any and the carrying amount of the item, is included in profit or loss when the item is derecognised.

1.3 Financial Instruments Classification

The classification depends on the purpose for which financial instrument were obtained / Incurred and takes place recognition. Classification is re-assessed on an annual basis, except for derivatives and financial assets designated as at fair value through profit and loss, which shall not be classified out of the fair value through profit Loss.

Financial instruments are recognised initially when the company becomes a party to the contractual provisions of the instruments. In accordance to the substance of contractual arrangement the company recognises the financial instrument and classify it as a financial asset, a financial liability or an equity instrument. Financial instruments are measured initially at fair value. For financial instruments which are not at fair value through profit and loss transaction costs are included in the initial measurement of the instrument. Transaction costs on financial instruments at fair value are through profit and loss are recognised in profit or loss.

Subsequent Measurement

Financial instruments at fair value through profit or loss are subsequently measured at fair value, with gains and losses arising from changes in fair value being included in profit or loss for the period. Net gains or losses on the financial instruments at fair value through profit or loss dividends and interest. Dividend income is recognised in profit or loss as part of other income when the company's right to receive payment is established.

The ZA Domain Name Authority (NPC)
(Registration number 2003/021150/08)
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
For the year Ending 31 March 2020

Derecognition

Financial Assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the company has transferred substantially all risks and rewards of ownership.

Impairment of Financial Assets

At each reporting date the company assesses all financial assets, other than those at fair value through profit and loss, to determine whether there is objective evidence that a financial asset or group of financial assets has been impaired. For amounts due to the company, significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default of payments are all considered indicators of impairment.

Impairment losses are recognised in profit or loss

Impairment losses are reversed when an increase in the financial assets recoverable amount can be related objectively to an event occurring after the impairment was recognised. Subject to the restriction that the carrying amount of the financial asset at the date that the impairment is reversed shall not exceed what the carrying amount would have been had the impairment not been recognised.

Trade and other receivables

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The allowance recognised is measured in difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in profit or loss within operating expenses. When a trade receivable is uncollectable, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against operating expenses in profit or loss.

Trade and other receivables are classified as loans and receivables.

Trade and other payables

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

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

1.4 Leases—Lessee

Leases will be recognised, measured, presented and disclosed using the single lessee accounting model, requiring lessor to recognise assets and liabilities for all leases unless the lease term is 12 Months or less or the underlying asset has a low value.

1.5 Employee benefits

Short-term employment benefits

The cost of short-term employee benefit (those payable within 12 months after the service is rendered, such as leave pay and sick leave, bonuses, and non-monetary benefits such as medical care). Are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

1.6 Provisions and contingencies

Provisions are recognised when the company has a present obligation at the reporting date as a result of a past event; and the amount of the obligation can be estimated reliably.

Provisions are measured at the present value of the amount expected to be required to settle the obligation.

The ZA Domain Name Authority (NPC)
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
For the year Ending 31 March 2020

1.7 Revenue– Registry fees

ZA Central Registry (ZACR) must charge and collect, from Registrars, the relevant fees as stipulated in Schedule 3 of the ZA Central Registry Operating Agreement (Register Fees) as amended from time to time.

· ZACR must pay over to ZADNA the relevant fees as stipulated in Schedule 4 (ZACR Registry Fees) as amended from time to time

Register Payment Terms

· Creates or Rewards committed through the Legacy System into Central Registry System will only be payable on receipt of payment.

· Creates or Rewards committed by an EPP Registrar will be due and payable on commitment to the Central Registry System.

Transaction Fee Payment Terms:

· The legacy Transaction Fee (Legacy creates and renewals) will only be based on receipt of payment and not on the transaction itself.

· Creates, Renewals and/or Grace Period Refunds committed by an EPP Registrar into the Central Registry system, will be due upon commitment of the transaction.

Interest Income

Interest income refers to interest that is accrued over time through a business's investment in financial instruments.

Interest income is recognized when it is earned.

Other Income

Other Income is recognized when realized and earned, not necessarily when received.

1.8 Risk management

Capital Risk

Capital risk is the risk that the company will not be able to continue as a going concern for the foreseeable future. Capital risk is managed by robust budgeting and forecasting to ensure that current retained earnings as well as funding to be received is sufficient to fund current planned activities in the foreseeable future. There are no externally imposed capital requirements.

There have been no changes to what the entity manages as capital, the strategy for capital maintenance or externally imposed capital requirements from the previous year.

Liquidation Risk

The company's liquidity risk relates to the availability of funds over the future commitments. The company manages liquidity risk by not entering into future commitments before funding for such expenditure is obtained. Cashflow forecasts are prepared and monitored to ensure adequate management of cash resources and short term investment maturities in order to ensure that cash resources are available when obligations become due.

Interest rate risk

The company is exposed to interest rate risk through its cash balances, loan funding and short term investments in fixed deposits. Changes in market interest rates affect the fair value of cash and investment assets. Interest rate risk is managed by matching the maturities of short term fixed deposits and the repayment of loan funding with management's expectations of future changes in interest rates, taking into account the company's liquidity needs.

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents and trade debtors. The company's maximum exposure to credit risk is the carrying amount of cash and cash equivalents and trade and other receivables.

Credit risk is managed by only banking with financial institutions that have a good reputation and a very good credit rating.

1.9 New and Amended Standards.

IFRS 16

In accordance to IFRS 16 leases will be recognised, measured, presented and disclosed using the single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases unless term is 12 months less or the underlying asset has a low value. IFRS 16's approach to lessor, and the standard replaces IAS 17 effective for all accounting periods after 31 January 2019.

The Entity has not applied the standard and interpretation of IFRS 16, par 22 to 49 for this reporting period as the lease has less than 12 months remaining, the standard will be applied to all other new leases after 1 January 2019.

The ZA Domain Name Authority (NPC)
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
For the year Ending 31 March 2020

2. PROPERTY PLANT AND EQUIPMENT

	Year Ended 31 March 2020			Year Ended 31 March 2019		
	Cost/ Valuation	Accumulated depreciation	Carrying value	Cost/ Valuation	Accumulated depreciation	Carrying value
Furniture and Fixtures	283 136	(156 999)	126 137	283 136	(109 806)	173 330
Motor Vehicle	422 425	(255 045)	167 380	422 425	(170 560)	251 865
Office Equipment	40 494	(40 494)	-	35 886	(31 340)	4 546
Computer Equipment	478 349	(407 598)	70 751	419 222	(372 498)	46 724
Computer Software	14 270	(14 270)	-	14 270	(14 270)	-
IT Equipment	91 291	(21 061)	70 230	-	-	-
Total	1 329 965	(895 467)	434 498	1 174 939	(698 474)	476 466

Reconciliation of PPE 2020	Opening Balance	Additions	Disposal	Depreciation	Closing Balance
Furniture and Fixtures	173 330	-	-	(47 193)	126 137
Motor Vehicle	251 865	-	-	(84 485)	167 380
Office Equipment	4 546	4 608	-	(9 154)	-
Computer Equipment	46 724	59 127	-	(35 101)	70 751
Computer Software	-	-	-	-	-
IT Equipment	-	91 291	-	(21 061)	70 230
Total	476 465	155 026	-	(196 994)	434 498

Reconciliation of PPE 2019	Opening Balance	Additions	Disposal	Depreciation	Closing Balance
Furniture and Fixtures	220 523	-	-	(47 193)	173 330
Motor Vehicle	336 350	-	-	(84 485)	251 865
Office Equipment	14 525	-	-	(9 979)	4 546
Computer Equipment	77 625	19 475	-	(50 376)	46 724
Computer Software	1 867	-	-	(1 867)	-
IT Equipment	-	-	-	-	-
Total	650 890	19 475	-	(193 900)	476 466

The ZA Domain Name Authority (NPC)
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
For the year Ending 31 March 2020

	Year Ending 31 March 2020	Restated Year Ending 31 March 2019
3. Trade and other receivables		
Central Registry Arbitration	6 667 483	4 458 098
Deposits	245 818	245 818
Accrued Income	149 530	-
Prepaid Expense	92 518	-
	<u>7 155 349</u>	<u>4 703 916</u>

Credit quality of trade and other receivables

The credit quality of trade and other receivables that are neither past due impaired can be assessed by reference to external credit rating (If available) or to historical information about counterparty default rates. The majority of trade receivables pertain to one specific counterparty of which the risk is assessed by directors on a continuous basis.

Fair Value of Trade receivables

The fair value of trade receivable approximate their carrying value due on the short term maturity of these receivables.

Age Analysis

Current	1 517 687	1 423 686
1 Month past due	-	-
2 Months past due	-	-
3 Months past due	-	-
over 3 Months past due	10 921 054	13 763 157

Non-current Asset Receivable

ZACR settlement agreement receivable in instalments

5 771 258 **10 728 745**

4. Cash and Cash Equivalents

Bank Balances	5 106 492	3 853 978
Credit card	39 724	-
Petty Cash	5 080	2 399
Other Cash and Cash Equivalents (ADR Account)	241 951	231 145
	<u>5 393 248</u>	<u>4 087 521</u>

The fair value of Cash and Cash equivalents approximate their carrying value due to the short term maturity of these assets.

5. Trade and other Payables

Trade creditors	222 991	143 360
ABSA – Credit Card	-	14
UIF	-	2 730
Payee Expense payable	-	134 134
Provision for Directors Remuneration	87 980	-
Provision For Employees Bonus	167 874	216 038
VAT Liability	1 734 673	1 670 498
Provision for VAT Penalties and Interest	321 513	201 123
Provision For Audit fees	160 000	141 608
Accrual for leave pay	262 092	223 738
	<u>2 957 122</u>	<u>2 733 243</u>

6. Other Income

Insurance Outbonus	8 571	11 756
ADR Fees Received	-	3 250
	<u>8 571</u>	<u>15 006</u>

7. Revenue

ZA Central Registry Fees	14 926 000	14 660 631
	<u>14 926 000</u>	<u>14 660 631</u>

Revenue is derived from domain registry fees ,ZACR must pay over to ZADNA the relevant fees as stipulated in Schedule 4 ZACR Registry Fees) as amended from time to time.

The .ZA Second level Domain (SLD) operating Agreement concluded between ZADNA and ZACR in 2012 , entitles ZADNA to receive revenue from ZACR on per domain name basis from .co.za, .org.za, .net.za , .web.za domain name registrations. And the Annual fee of R12 (Excl Vat) is retrospectively applied from Increase agreement date.

The ZA Domain Name Authority (NPC)
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
For the year Ending 31 March 2020

	Year Ended 31 March 2020	Restated Year Ended 31 March 2019
8. Operating Expenses		
Employee cost		
Salaries & Wages	2 374 581	2 901 050
Accrual for Leave pay	262 092	223 738
Accrual for Employees Bonus	167 874	216 038
PAYE	892 907	1 150 192
UIF	29 382	33 322
	<u>(3 726 835)</u>	<u>(4 524 340)</u>
Auditors Fees	(174 736)	(141 608)
Directors Remunerations	(1 781 356)	(1 675 066)
Other Operating Expenses	(7 072 668)	(5 850 874)
Total operating Expenses	<u>(12 755 596)</u>	<u>(12 191 888)</u>
9. Investment Revenue		
Interest Income	354 849	57 021
	<u>354 849</u>	<u>57 021</u>
10. Investment		
	4 000 000	-
	<u>4 000 000</u>	<u>-</u>
365 Days Fixed deposit with ABSA bank at 7,75% interest capitalised at maturity, matures on the 26th October 2020.		
11. Taxation		
No provision has been made for the 2019 Tax year as the entity has been granted tax exemption by SARS in terms of section 10(1)(N) of the Income Tax Act. The Company is a registered Non Profit Company in terms of Schedule 1 and Section 10 of the companies Act, Act 71 of 2008 and section 122 of the companies Amendment Act , Act 3 of 2011.		
12. Cash used in operations		
Profit/(Loss) before taxation	2 533 824	2 540 771
Adjustments for:		
Depreciation and ammortisation	196 994	193 900
Interest Received	(205 319)	(57 021)
Changes in working capital		
Trade and other receivables	(2 451 433)	(4 110 871)
Trade and other payables	223 880	820 919
	<u>297 947</u>	<u>(612 302)</u>
13. Commitments		
Leases – lessee		
Minimum Lease payments due		
–With one year	299 633	568 882
–in second to fifth year inclusive		
	<u>299 633</u>	<u>568 882</u>

The commitment relates to Growth point rentals, the contract ends 31 August 2020. Paragraphs 22–49 (IFRS 16) has not been applied as the remaining term of the lease is less than 12 months.

The ZA Domain Name Authority (NPC)
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
For the year Ending 31 March 2020

14. Related Parties

In terms of the Act, the Minister of Telecommunications and Postal Services is entitled to appoint directors. Directors and Public Officers Remuneration.

Directors Remunerations

Executive

	Emoluments	Totals
2020		
ACEO	149 656	149 656
V Mpisane	388 316	388 316
2019		
V Mpisane	1 099 008	1 099 008

Non Executive

2020

	Directors remuneration	Stakeholder Related Remuneration	Total
Ms P Legoze (Chairperson)	99 671	20 000	119671
Mr N Msibi (Treasurer)	240 875	50 000	290875
Ms V Motloutsi	62 540	20 000	82540
Prof D Mashao	52 540	-	52540
Prof K Moodaliyar	67 080	20 000	87080
Ms M Malapane	59 454	20 000	79454
Mr R Mbuvha	62 540	20 000	82540
Ms S Mzizi	54 720	10 000	64720
Ms A Esterhysen	56 720	10 000	66720
Adv MJ Ralefatane (31 October 2019)	207 293	30 000	237293
Mr AM Brooks (31 October 2019)	113 540	20 000	133540
Ms N Dhevcharran (31 Octoberr 2019)	91 214	10 000	101214
Mr MR Khumalo (31 october 2019)	165 510	30 000	195510
Ms M Morata (31 October 2019)	140 579	30 000	170579
Dr YKN Mohutsioa- Mathabathe (17 May 2019)	17 080	-	17080
	1 491 356	290 000	1 781 356

Non Executive

2019

	Directors remuneration	Stakeholder Related Remuneration	Total
Adv MJ Ralefatane (Chairperson)	227 440	30 000	257440
Mr N Msibi (Treasurer)	226 770	30 000	256770
Mr AM Brooks	162 190	10 000	172190
Ms N Dhevcharran	125 570	30 000	155570
Mr MR Khumalo	189 202	30 000	219202
Dr YKN Mohutsioa- Mathabathe	145 620	20 000	165620
Ms MO Morata	219 485	30 000	249485
Dr NYH Mzizana	156 789	-	156789
Dr Jonty Tshipa ,PHD	42 000	-	42000
	1 495 066	180 000	1 675 066

Directors Remuneration is in relation to directors and committee meetings.

Stakeholders related remuneration is in relation to Special General, Annual and General Parliament meetings.

15. Going Concern

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

The ability of the company to continue as a going concern is dependent on a number of factors. The most significant of these is that the directors continue to procure funding for the ongoing operations of the company.

These conditions give rise to a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern and therefore that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The ZA Domain Name Authority (NPC)
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16. Prior Period Error

Trade Receivables

Trade receivables were understated with R1 423 686, this resulted in an understatement in the Accumulated surplus by R 1237 718 and in VAT liability by R185 698, they have since been restated. The portion of the receivable which is due within a year is classified as current asset, with the portion receivable in more than 12 Months being classified Non-current asset. Trade receivables were credited with R10 728 745 and ZACR Settlement account a Non-Current Account debited with R 10 728 745.

VAT Penalties and Interest

The VAT Liability payable to SARS as a result of the settlement agreement has attracted penalties and Interest, the declarations have been submitted to SARS and a provision for the Penalties and Interest recognised. The Penalties and Interest were understated by R246 370, While Accumulated surplus was over stated by R 246 370. VAT Liability of R 45 247 was recognised and a provision on VAT Penalties and Interest of R 201 123 has been made.

Operating Expenses	2019
Increase in Penalties and Interest	45 247
Increase in Provision for penalties and Interest	201 123
Current Assets	
Decrease in Trade receivables	(10 728 745)
Increase in Trade receivables	1 423 686
Equity and Liabilities	
Increase in Accumulated Surplus	1 237 988
Decrease in Accumulated Surplus	(246 370)
Current liability	
Increase in VAT liability	230 945
Increase in Provision for VAT Penalties and Interest	201 123
Non-current Asset Receivable	
Increase in ZACR settlement agreement	10 728 745

17. Categories of Financial Instruments

Categories of Financial Instruments 2020	Financial Assets at Amortised value	Financial Assets at Fair Value	Financial liabilities at amortised cost	Total
Assets				
Non-current assets				
ZACR Receivable	5 771 258	-	-	5 771 258
Current assets				
Investment	4 000 000	-	-	4 000 000
Trade and other Receivables	7 155 349	-	-	7 155 349
Cash and cash equivalents	-	5 393 248	-	5 393 248
Total assets	16 926 607	5 393 248	-	22 319 855

Equity and Liabilities

Current Liabilities

Trade and other Payables

	-	-	2 957 122	2 957 122
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Total Equity and liabilities

	-	-	2 957 122	2 957 123
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Categories of Financial Instruments 2019	Financial Assets at Amortised value	Financial Assets at Fair Value	Financial liabilities at amortised cost	Total
Assets				
Non-current Asset				
ZACR Receivable	10 728 745	-	-	10 728 745
Current assets				
Trade and other Receivables	4 703 916	-	-	4 703 916
Cash and cash equivalents	-	4 087 521	-	4 087 521
Total assets	15 432 661	4 087 521	-	19 520 182

Current Liabilities

Trade and other Payables

	-	-	2 733 242	2 733 242
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Total Equity and liabilities

	-	-	2 733 242	2 733 242
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The ZA Domain Name Authority (NPC)
(Registration number 2003/021150/08)
DETAILED STATEMENT OF COMPREHENSIVE INCOME
For the Year Ending 31 March 2020

	2020	Restated 2019
	R	R
Revenue	15 289 420	14 792 658
Central Registry	14 926 000	14 660 691
Interest Received	354 849	57 021
ADR Fees Received	8 571	3 250
Outsurance -Outsurance	8 571	11 756
Total Income	15 289 420	14 792 658
Operating expenses	12 755 596	12 191 888
Accounting Fees	413 325	262 867
Africa Internet Governance Forum	49 043	-
Auditors remuneration	174 736	141 608
Bank Charges	25 375	14 107
Bad debts	-	984 966
C & A I-Week	49 206	-
Recruitment Agencies	50 905	-
Computer Expenses / IT Hosting	122 741	111 519
Compliance	188 322	-
Conference Expenses	38 895	20 518
Courier & Postage	-	82
Depreciation	196 994	193 900
DTPS Meeting and Events	130 975	-
Staff Engagement and Meeting catering	52 944	59 530
ICANN Contribution, ZA South Africa	29 786	-
ICANN Travel /Accommodation / Subsistence	235 815	280 791
Insurance	87 421	93 668
Internship Program	85 570	43 787
Internal Auditors	153 888	-
Legal Fees	1 163 148	1 471 633
Loss on Fraudulent Transactions	6 146	-
Meeting Reimbursements /Directors remunerations	1 491 356	1 495 066
Motor Vehicle : Fuel & Oil	4 637	6 639
Motor Vehicle : Expenses & Maintainance	2 300	922
Motor Vehicle :Tracking	1 920	179
Namespace Dev : Online Presence Project	-	5 866
Namespace Awareness	803 844	77 611
Namespace Dev : Registrar- Reseller	441 193	126 772
Other external relations	-	66 373
Office Supplies	33 041	-
PAYE	892 907	1 150 192
Parliament Events and Travel	172 399	-
Printing, Stationery and Supplies	110 725	119 095
Professional Fees	162 896	319 994
Penalty and Interest SARS VAT	99 121	45 247
Provision for Penalty and Interest SARS VAT	120 390	201 123
Rent Paid	900 215	828 743
Repairs & Maintainance	13 041	1 660
Research	15 700	-
Salaries & Wages	2 804 547	3 340 826
SA Internet Governance Forum	253 083	-
SA School of Internet Governance	197 921	-
Staff Welfare	-	24 852
Stakeholders Relations & Board Travel	290 000	180 000
Subscriptions : IoDSA	23 909	20 522
Telephone & Internet	94 978	145 063
Training staff	22 333	8 500
Training Directors	32 432	-
Travel / Accommodation Staff	188 878	105 691
Travel / Accommodation Directors	71 866	-
UIF	29 382	33 322
ZA Infrastructure & DNSSEC	225 349	208 656
Total Surplus / (Deficit)	2 533 824	2 540 771
Finance Costs	-	-
Surplus/ Deficit before taxation	2 533 824	2 540 771
Tax Exempt	0	0
Surplus/(Deficit) for the year	2 533 824	2 540 771



ANNEXURE A: ANNUAL PERFORMANCE REPORT

STRATEGIC GOAL	ANNUAL OBJECTIVE AND KEY TASKS	ACTUAL ACHIEVEMENT	CHALLENGES/COMMENTS	RECTIFICATION
1. STIMULATE DOMAIN REGISTRATION GROWTH	1.1 Completed 12 registration workshop	Achieved	<p>The ultimate target was to complete 12 .ZA registration workshops. ZADNA achieved this target as the following events were held:</p> <p>(i) ZADNA exhibited and conducted a registration workshop for .ZA SLDs, and .ZA SLR. Conducted registration workshops in:</p> <p>Gauteng (JHB, 2 April '19, Sandton convention center).</p> <p>Limpopo (6 Jun '19, Masana Lodge).</p> <p>Gauteng (Benoni, 18 Jun '19, Lakeside Mall).</p> <p>(ii) ZADNA exhibited and conducted a registration workshop for .ZA SLDs, and .ZA SLR. Topics being SLD & SLR. Conducted registration workshops in:</p> <p>North West (5th & 6th Aug) Vryberg, 53 people in attendance</p> <p>Mpumalanga (1st Aug) Emalahleni, 50 people in attendance</p> <p>Northern Cape (19th – 20th Sept) Kimberley, 53 people in attendance</p>	

			<p>(iii).ZADNA conducted a registration workshop for .ZA SLDs, and .ZA SLR. Topics being SLD & SLR. Conducted registration workshops in:</p> <p>Khayelitsha, Western Cape (16th Oct '19) 26 people in attendance</p> <p>Nelspruit, Mpumalanga (07th Nov '19) 19 people in attendance</p> <p>Port Elizabeth, Eastern Cape (28th Nov '19) 19 people in attendance</p> <p>(iv) .ZADNA conducted a registration workshop for .ZA SLDs, and .ZA SLR. Topics being SLD & SLR. Conducted registration workshops in:</p> <p>Newcastle, Kwa-Zulu Natal (19th Feb '20) 46 people in attendance</p> <p>Rustenburg, North West (27th Feb '20) 39 people in attendance</p> <p>Queenstown, Eastern Cape (17th Mar '20) 46 people in attendance</p>	
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STRATEGIC GOAL	ANNUAL OBJECTIVE AND KEY TASKS	ACTUAL ACHIEVEMENT	CHALLENGES/COMMENTS	RECTIFICATION
1. ENHANCE DOMAIN VALUE PROPOSITION	1.2 Completed annual evaluation report on SLR registrar experience	Not Achieved	(i) Target not achieved due to SLRs not being implemented yet. (ii) Target not achieved due to SLRs not being implemented yet.	Pending target 3.3 Target 3.3 needs to be completed
	1.3 Completed Annual report on Registrar satisfaction survey outcomes	Achieved	The annual target was achieved, .ZADNA conducted the Registrar's Whois experience survey, asking whether the info displayed is clear and useful or unclear. .ZADNA received 19 responses thus far, with 8 stating that information on Whois is clear and 11 said its unclear.The surey was shared with ZACR to interrogate and reassess the current state of .ZA WHOIS	N/A

STRATEGIC GOAL	ANNUAL OBJECTIVE AND KEY TASKS	ACTUAL ACHIEVEMENT	CHALLENGES/COMMENTS	RECTIFICATION
2. STIMULATE DOMAIN REGISTRATION GROWTH	2.1 Completed 15 Awareness events	Achieved	<p>The annual target was to have 15 completed awareness event.</p> <p>1) On April the 02nd .ZADNA presented and engaged an audience at the ICT Summit in Sandton at the convention center – in Gauteng.</p> <p>2) On April the 9th .ZADNA presented and engaged the community of Ntabankulu municipality in the Eastern Cape province. The core of the presentation was the importance of using .ZA for online presence and educating the audience on what is a domain name.</p> <p>3) On April the 13th .ZADNA exhibited and engaged audiences attending Freedom Walk and Economic Opportunities EXPO hosted by the DTSP in Eastern Cape - Mfundisweni Village, to raise awareness on the importance of having an online identity and presence.</p> <p>4) On 6th of Jun 2019, .ZADNA exhibited and engaged a concentrated number of people in Limpopo at the Masana Lodge. In attendance were SMMEs, youth and entrepreneurs.</p> <p>5) On June the 13th .ZADNA presented in Gauteng, Nasrec Expo, to a number of young entrepreneurs and SMMEs the importance of .ZA online identity for your business.</p> <p>6) ZADNA through exhibition had an opportunity to showcase the .ZA brand at the 2019 National Small Business Show which was held at Gallagher Convention Centre from 31 July – 01 August</p>	

		<p>7) ZADNA attended the annual Mpumalanga Show, which was held at Mbombela Stadium from 29-31 August 2019. The event enabled ZADNA to engage the community of Mpumalanga province about the role of the .ZA regulator, the importance of having online presence and to promote the CIPC domain name registration platform.</p> <p>8) ZADNA promoted the .ZA brand and created awareness of the benefits using the South African identity for online presence. The awareness drive took place at the SA Innovation Summit that was held at the Cape Town Stadium from 11 – 13 September 2019.</p> <p>9) On 26 September 2019 ZADNA held an awareness event at the Bethlehem City Library in Free State province. The event presented ZADNA with an opportunity to engage the Free State province community on matters pertaining to the .ZA domain name space; encourage .ZA domain name registration and to further educate the audience about the importance of having online presence.</p> <p>10) On 31 Oct – 2 Nov: ZADNA exhibited the .ZA brand at the 2019 Taste of Tzaneen event that was held in the Limpopo Province. The event enabled ZADNA to educate the Tzaneen market about the role of the regulator and the importance utilising.ZA for online presence. The event attendees were not familiar with ZADNA, its role and that .ZA represents the South African Internet country code.</p> <p>11) On 11 – 15 Nov: ZADNA exhibited the .ZA brand at the United Cities and Local Governments (UCLG) World Congress, which was held at the Durban ICC in Kwazulu-Natal Province. Other than increasing awareness of .ZA and promotion of its usage, the event enabled ZADNA to build relations with its relevant stakeholders i.e.: Mayors and Ward Councilors across South Africa.</p>	
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			<p>12) On 22 Nov: ZADNA held a ZA workshop in conjunction with the National Youth Development Agency (NYDA), South African Police Services (SAPS) and the Osizweni Local Council. The outreach event was held at Osizweni (Newcastle) in KwaZulu-Natal Province. The event enabled ZADNA to educate the community of Osizweni about the importance of using .ZA for online presence and SMME development opportunities that are presented by the .ZA namespace.</p> <p>13) On 27 - 28 Nov: ZADNA exhibited the .ZA brand at the African Advanced Manufacturing & Composites Show, which was held at Port Elizabeth in Eastern Cape Province.</p> <p>14) On 18 February: ZADNA in conjunction with the National Youth Development Agency (NYDA) conducted a .ZA workshop at Banquet Hall, Umthatha in the Eastern Cape Province.</p>	
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STRATEGIC GOAL	ANNUAL OBJECTIVE AND KEY TASKS	ACTUAL ACHIEVEMENT	CHALLENGES/COMMENTS	RECTIFICATION
2. STIMULATE DOMAIN REGISTRATION GROWTH	2.2 Achieved 16 .ZA media coverages instances (Education & Awareness)	Achieved	<p>The annual target was to have 16 completed media coverage instances.</p> <p>ZADNA surpassed the targets by achieving 23 media coverage instances</p> <p>1) 13 June: Interview on CapsRadio which is an online radio station</p> <p>2) 26 June: Interview on SOWETO TV which is Community Television Station based in Johannesburg</p> <p>3) 27 June: Interview on GIYANI FM which is a Community Radio station based in Limpopo</p> <p>4) 29 June: Interview on YFM which is a Gauteng based youth radio station</p> <p>5) On the 1st of July – SABC News Online published an article about “encouraging South Africans to register their websites” http://www.sabcnews.com/sabcnews/zadna-encourages-s-africans-to-register-their-websites/</p> <p>6) On 8 July 2019 – ZADNA was featured on Phalaphala FM. The media coverage was an interview that intended to encourage registration of .ZA domain name.</p> <p>7) On the 10th of July – ZADNA had a radio interview on Motsweding FM interview to encourage South Africans to register a .ZA domain name.</p> <p>8) On 16 September 2019 – ZADNA was featured on SME South Africa news portal. Article headline: Best Practise for Domain Names With ZADNA https://smesouthafrica.co.za/best-practices-for-domain-names-with-zadna/</p>	N/A

			<p>9) On 20 September 2019 – ZADNA had a radio interview on JOZI FM which is a community radio station based in Soweto. The interview touched on various factors pertaining to the .ZA domain name much as the importance of online presence for businesses.</p> <p>10) On 26 November 2019: ZADNA secured an Advertorial on ITWeb Online Publication</p> <p>https://www.itweb.co.za/content/</p> <p>11) On 05 December 2019: Article about ZADNA's CIPC Domain Name Registration on Business Day Online: https://www.businesslive.co.za/bd/opinion/2019-12-05-busi-mavuso-government-needs-to-pull-out-all-the-stops-to-escape-low-growth-trap/</p> <p>12) December 2019: Advertorial on the December edition of Brainstorm Print Magazine</p> <p>13) On 10 December 2019: ZADNA received media coverage (Video-Profile) on ITWeb Online:</p> <p>https://www.itweb.co.za/videos/</p> <p>14) On 10 December 2019: ZADNA received media coverage (Video-Profile) on ITWeb YOUTUBE Channel https://www.youtube.com/watch?v=HG4xYhzt3Q</p> <p>15) December 2019: ZADNA received media coverage on Mango Juice Quarterly Print Magazine</p> <p>16) December 2019: ZADNA received media coverage on Sawubona Quarterly Print Magazine</p>
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		<p>17) December 2019: ZADNA received media coverage on Black Business Quarterly Print Magazine</p> <p>18) 20 January 2020: Media coverage on TechCentral Online https://techcentral.co.za/interview-acting-zadna-ceo-peter-madavhu-zadprom/95311/</p> <p>19) 13 February 2020: Media Coverage on BBQ Online http://www.bbqonline.co.za/articles/securing-our-online-identity-30310.html</p> <p>20) 21 February 2020: Media coverage on TechCentral https://techcentral.co.za/a-domain-name-is-one-of-your-companys-most-valuable-assets-secure-it-zadprom/96077/</p> <p>21) February 2020: Media coverage on the SONA edition of Public Sector Magazine https://issuu.com/topcomedia/docs/psm_feb?fr=sY2VkMDlwNjc</p> <p>22) 9 March 2020: Media coverage on CIO East Africa: https://www.cio.co.ke/secure-your-companys-domain-name-its-a-valuable-asset/</p> <p>23) 11 March 2020: Media coverage on Director's Talk Online News Portal: https://www.directorstalk.net/secure-your-companys-domain-name-its-a-valuable-asset/</p>	
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STRATEGIC GOAL	ANNUAL OBJECTIVE AND KEY TASKS	ACTUAL ACHIEVEMENT	CHALLENGES/COMMENTS	RECTIFICATION
3. DRIVE SERVICE INNOVATION	3.1 Completed 12 Registrar-Reseller Trainings	Achieved	<p>(i) .ZADNA conducted a registrar reseller training in Eastern Cape - Ntabankulu Municipality Hall on the 9th – 12th of April.</p> <p>.ZADNA conducted a registrar reseller training in Limpopo – Masana Lodge on the 6th – 7th of Jun.</p> <p>.ZADNA conducted a registrar reseller training in Johannesburg - Benoni on the 18th – 19th of Jun.</p> <p>(ii) ZADNA conducted a registrar reseller training in North West - Vryburg on the 5th – 6th of Aug. 27 people in attendance. Covering business opportunity in Reselling .ZA domains.</p> <p>.ZADNA conducted a registrar reseller training in Mpumalanga – Emalahleni on the 1st of Aug. 50 people in attendance. Covering business opportunity in Reselling .ZA domains.</p> <p>ZADNA conducted a registrar reseller training in KZN - Durban on the 5th – 6th Sept. 20 people in attendance. Covering business opportunity in Reselling .ZA domains.</p> <p>(iii) .ZADNA conducted a registrar reseller training in Khayelitsha, Cape Town, Western Cape on the 17 October 2019. 32 people in attendance. Covering business opportunity in Reselling .ZA domains.</p> <p>.ZADNA conducted a registrar reseller training in Nelspruit, Mpumalanga on the 06th November 2019. 18 people in attendance. Covering business opportunity in Reselling .ZA domains.</p> <p>.ZADNA conducted a registrar reseller training in Lephalale, Ga-Seleka, Limpopo on the 27th November 2019. 18 people in attendance. Covering business opportunity in Reselling .ZA domains.</p>	N/A

			<p>(iv) .ZADNA conducted a registrar reseller training in Queenstown, Eastern Cape, on the 16 March 2020. 49 people in attendance. Covering business opportunity in Reselling .ZA domains.</p> <p>.ZADNA conducted a registrar reseller training in Durban, Kwa-Zulu Natal on the 11th February 2020. 13 people in attendance. Covering business opportunity in Reselling .ZA domains.</p> <p>.ZADNA conducted a registrar reseller training in Rustenburg, North West on the 26th February 2020. 28 people in attendance. Covering business opportunity in Reselling .ZA domains.</p>	
	3.2 Completed annual best practice benchmark	Achieved	<p>(i) Drafted benchmark scope with focus on SLR's, comparing ourselves against other TLDs, namely .UK, .CO and .KE:</p> <ul style="list-style-type: none"> • Technical – Accreditation, DNSsec, and Escrow accounts. • Pricing – Launch phases prices (Grandfathering, Landrush and General Availability). Regulatory Aspects - Comparing our policies on Grandfathering, Landrush, General Availability, RNL and Launch <p>(ii) Completed draft report on annual best practice benchmark. Benchmarking against .UK, .CO, & .KE. Looking into how they best approached SLRs.</p> <p>(iii) N/A</p> <p>(iv) The conducted benchmark compared SLR implementations for 03 TLDs, assessed whether or not there was uniformity within their approach in Technical, Pricing and Regulatory Aspect. The findings proved that there was uniformity:</p> <p>.UK:-</p> <ul style="list-style-type: none"> •Technical:- Jurisdiction, Transaction (EPP or not), DNSSec signed •Pricing:- Via Registrars. •Regulatory Aspects:- Sunrise Period, Landrush Period, General Availability (GA), Reserve Name List 	

			<p>.CO</p> <ul style="list-style-type: none"> •Technical:- Jurisdiction, Transaction (EPP or not), DNSSec signed •Pricing:- Via Registrars. •Regulatory Aspects:- Sunrise Period, Landrush Period, General Availability (GA), Reserve Name List <p>.KE</p> <ul style="list-style-type: none"> •Technical:- Jurisdiction, Transaction (EPP or not), DNSSec signed •Pricing:- Via Registrars. •Regulatory Aspects:- Sunrise Period, Landrush Period, General Availability (GA), Reserve Name List <p>Completed report on annual best practice bench mark.</p>	
	3.3 Commencement of SLR	Not Achieved	The Board resolved to review the SLR project during 2021/22 Financial year	N/A

STRATEGIC GOAL	ANNUAL OBJECTIVE AND KEY TASKS	ACTUAL ACHIEVEMENT	CHALLENGES/COMMENTS	RECTIFICATION
4.MAINTAIN INCLUSIVE POLICY AND REGULATION FRAMEWORK	4.1 Completed 2 .ZA policy benchmarks or reviews	Achieved	<p>The target was to Complete 2.ZA policy bench marks or reviews.</p> <p>1.A policy benchmark focusing on SLR Registration, Pricing, Accreditation, Reservation, Security and Conflict resolution was prepared with specific reference to .uk and .nz and their SLR Policy implementation process. The benchmark is intended to assist ZADNA in finalising a suitable policy framework for .ZA SLRs</p> <p>2.A policy benchmark focusing on SLR Registration, Pricing, Accreditation, Reservation, Security and Conflict resolution has been prepared and approved by the CEO</p>	N/A
4.MAINTAIN INCLUSIVE POLICY AND REGULATION FRAMEWORK	4.2 Completed 9 Internet Governance Engagements	Achieved	<p>The target was to Complete 9 internet Governance Engagements. There was an overachievement on this target, ZADNA achieved 13 internet Governance engagements.</p> <p>1. On 27-29 May 2019. ZADNA participated at the ITWEB Security Summit 2019 Hackathon (SS19Hack) a hackathon event set on the sidelines of the 14th annual ITWeb Security Summit. It is set against a backdrop of the need to address the national crisis of a shortage of Cyber Security skills capacity in the country</p> <p>2. On the 11 June 2019. ZADNA collaborated with the South African Weather Service to host a Cybersecurity workshop that was aimed at addressing employee awareness on data protection, incidence response and domain name fraud/abuse.</p> <p>3. On 31 July 2019, ZADNA Attended and participated at the Mark Monitor Brand Protection engagements: Trademark lawyers, compliance officers, and IP professionals attended the event. The event had a clear focus on brand protection, domain name disputes, and Intellectual Property preservation. The engagement was held at the Saxon Hotel.</p>	

4. On 21 August 2019, ZADNA attended the My broadband Cybersecurity conference at Sloan in Bryanston: The conference focused on a wide range of cybersecurity threats, printer security, malware, and USB devices.

5. ZADNA presented at the Women We think Code on the 29 August 2019 at SANDTON: The engagement focused on Women in ICT intending to inspire women to excel in technology careers and bridge the digital divides.

6. As the custodian of Internet Governance, ZADNA attended the African Internet Governance Forum: The African Internet Governance Forum is a regional event focusing on the area of Internet Governance. The event was hosted in Ndjamena Chad under the overarching theme "Shared responsibilities of stakeholders for a robust internet ecosystem" from 10-12 September 2019.

7. ZADNA's Internet Governance Co-ordinator attended the Facebook Security wellbeing: The event focused on online security and the tools people can use when being online. ZADNA's contributions were on flagging inappropriate content. The event was held the facebook's offices in Brynston on the 18 September 2019

8 ZADNA Hosted the hosted the inaugural of the 1st South African School of Internet Governance. the school was hosted on the sidelines of the annual Internet Governance Forum. The school ran from the 21-23 of October 2019

9. ZADNA Hosted the South African Internet Governance Forum from the 24th – 25th of October 2019 in Mbombela, Mpumalanga, under the overarching theme " Connecting the Unconnected"

			<p>10. ZADNA collaborated with Progressive blacks in Information Communication Technology (PBICT) to host the first Youth Internet Governance Forum in Durban, KwaZulu Natal. The meeting was held on the 15th of November 2019. The focus was on Digital Economy and Digital Inclusion.</p> <p>11. ZADNA's formed part of the South African delegation led by the honorable Deputy Minister Pinky Kekana at the global Internet Governance Forum in Berlin, Germany. The forum ran from the 25 to the 29 of November 2019 under the overarching theme " One Net, One Vision, One Nation" the meeting saw over 10000 global delegates. The main emphasis and focus were on the United Nations Sustainable Goals.</p> <p>12. Unisa Open Data Hackathon, A consultation with industry bodies was held in preparations for the hackathon, the event was hosted on 29- February to 01 March 2020 at the University of South Africa. The objective of the engagement was to enhance the use of open data which will benefit the government and citizens. ZADNA gave a presentation on Data Classification and developed the judging criteria with ITWEB</p> <p>13. The Annual Business Intelligence Summit is hosted by ITWEB, the event was held at the Sandton Convention Centre on the 3 – 4 March 2020. ZADNA focus was on open data governance was defined as the interplay of rules, standards, tools, principles, processes, and decisions that influence what government data is opened up.</p>	
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STRATEGIC GOAL	ANNUAL OBJECTIVE AND KEY TASKS	ACTUAL ACHIEVEMENT	CHALLENGES/COMMENTS	RECTIFICATION
4.MAINTAIN INCLUSIVE POLICY AND REGULATION FRAMEWORK	4.3 Completed Annual Internet Governance report	Achieved	<p>The target was to Complete 2.ZA policy bench marks or reviews.</p> <p>An Internet Governance Report has been compiled. The report covers all ZADNA's IG related activities of the 2018/19 financial year (31 March 2019-25 March 2020) from a national, regional and global perspective. The report focused on ICT innovations, digital inclusion, emerging technologies and data security.</p> <p>ZADNA completed the annual Internet Governance Report that seeks to highlight the 2019/2020 annual IG landscape inclusive of notable issues that affect the internet on an global and regional sphere, discussion that took place for the below mentioned meetings. It reflects the wide variety of opinions held within the governance of the internet and It will also serve as a benchmark for the South African Internet Governance planetary process and guidance. Forums that are reported on are:</p> <ul style="list-style-type: none"> • South African Internet Governance Forum (ZAIGF) • The African Internet Governance Forum (AfIGF) • Global Internet Governance Forum (GIGF) 	N/A

STRATEGIC GOAL	ANNUAL OBJECTIVE AND KEY TASKS	ACTUAL ACHIEVEMENT	CHALLENGES/COMMENTS	RECTIFICATION
4.MAINTAIN INCLUSIVE POLICY AND REGULATION FRAMEWORK	4.4 Completed Annual domain name statistic reports	Achieved	<p>The target was to Complete 2.ZA policy bench marks or reviews.</p> <p>An Internet Governance Report has been compiled. The report covers all ZADNA's IG related activities of the 2018/19 financial year (31 March 2019-25 March 2020) from a national, regional and global perspective. The report focused on ICT innovations, digital inclusion, emerging technologies and data security.</p> <p>ZADNA completed the annual Internet Governance Report that seeks to highlight the 2019/2020 annual IG landscape inclusive of notable issues that affect the internet on global and regional sphere, discussion that took place for the below mentioned meetings. It reflects the wide variety of opinions held within the governance of the internet and It will also serve as a benchmark for the South African Internet Governance planetary process and guidance. Forums that are reported on are:</p> <ul style="list-style-type: none"> • South African Internet Governance Forum (ZAIGF) • The African Internet Governance Forum (AfIGF) • Global Internet Governance Forum (GIGF) 	N/A

4.MAINTAIN INCLUSIVE POLICY AND REGULATION FRAMEWORK	4.4 Annual domain name registration statistics report	Achieved	<p>ZACR annual domain name registration stats:</p> <ul style="list-style-type: none"> • Q1: CO.ZA: 1 197 365 <ul style="list-style-type: none"> ○ Q2: CO.ZA: 1 207 558 ○ Q3: CO.ZA: 1 213 970 ○ Q4: CO.ZA: 1 229 900 • Q1: WEB.ZA: 1 891 <ul style="list-style-type: none"> ○ Q2: WEB.ZA: 1 701 ○ Q3: WEB.ZA: 1 703 ○ Q4: WEB.ZA: 1 727 • Q1: NET.ZA: 1 919 <ul style="list-style-type: none"> ○ Q2: NET.ZA: 2 007 ○ Q3: NET.ZA: 2 060 ○ Q4: NET.ZA: 2 177 • Q1: ORG.ZA: 23 559 <ul style="list-style-type: none"> ○ Q2: ORG.ZA: 23 581 ○ Q3: ORG.ZA: 23 678 ○ Q4: ORG.ZA: 24 179 	N/A
4.MAINTAIN INCLUSIVE POLICY AND REGULATION FRAMEWORK	4.5 Completed ZACR Operating Agreement compliance audit	Achieved	<p>.ZADNA achieved the target as per the detailed achievement below,</p> <p>.ZADNA Completed the final report on ZACR compliance. the main purpose of the questionnaire assessment was to provide a basic overview of the compliance standards maintained by the Registry Operator and the techniques used to maintain these standards.</p> <p>The ZACR Compliance Audit scope framework is focused on identifying the auditing process and formulating a detailed audit scope of ZACR's performance of its obligations in terms of the agreement entitling ZACR to manage co.za, net.za, org.za and web.za.</p>	N/A

	4.6 Completed ADR compliance audit	Achieved	<p>The main objective of the ADR Accredited Provider assessment was to establish the level of compliance of the ADR Providers, ensure consistency in the domain name dispute resolution processes and mitigate any risks to which the domain name industry may be exposed to, if any</p> <p>The ADR compliance assessment also sought to to assess the overall effectiveness of the ADR provider's performance of its obligations in terms of the ADR Accreditation agreement.</p>	
4.MAINTAIN INCLUSIVE POLICY AND REGULATION FRAMEWORK	4.5 Completed ZACR Operating Agreement compliance audit	Achieved	<p>.ZADNA achieved the target as per the detailed achievement below,</p> <p>.ZADNA Completed the final report on ZACR compliance. the main purpose of the questionnaire assessment was to provide a basic overview of the compliance standards maintained by the Registry Operator and the techniques used to maintain these standards.</p> <p>The ZACR Compliance Audit scope framework is focused on identifying the auditing process and formulating a detailed audit scope of ZACR's performance of its obligations in terms of the agreement entitling ZACR to manage co.za, net.za, org.za and web.za.</p>	N/A
	4.6 Completed ADR compliance audit	Achieved	<p>The main objective of the ADR Accredited Provider assessment was to establish the level of compliance of the ADR Providers, ensure consistency in the domain name dispute resolution processes and mitigate any risks to which the domain name industry may be exposed to, if any.</p> <p>The ADR compliance assessment also sought to to assess the overall effectiveness of the ADR provider's performance of its obligations in terms of the ADR Accreditation agreement.</p>	

STRATEGIC GOAL	ANNUAL OBJECTIVE AND KEY TASKS	ACTUAL ACHIEVEMENT	CHALLENGES/COMMENTS	RECTIFICATION
5. IMPROVE ORGANISATION'S DELIVERY CAPACITY	5.1 100% of training budget used	Not Achieved	ZADNA did not achieve the target due to less interest on domain name courses	.ZADNA will introduce compulsory training on DNS related courses
	5.2 Completed Annual salary % job grading review	Not Achieved	The target was not achieved because of the absence of the Human Resource officer, the salary survey was conducted but could not be finalised.	.ZADNA will get the services of the Human Resource Practitioner to finalise the grading process
	5.3 Completed quarterly & annual employee performance assessment.	Not Achieved	The target was not achieved due to two employees who had labour related matters with the employer.	The Human Resource Practitioner will help .ZADNA internal with labour related matters .

STRATEGIC GOAL	ANNUAL OBJECTIVE AND KEY TASKS	ACTUAL ACHIEVEMENT	CHALLENGES/COMMENTS	RECTIFICATION
6. MAINTAIN ACTIVE RESEARCH	6.1 3 research topics completed on technical, domain name pricing and regulatory aspects.	Achieved	<p>ZADNA achieved the target by completing research on technical, pricing and regulatory aspects for ccTLDs such as .KE, .UK, .CO and .AU. Looking into how they best approached SLRs. Conclusion of the report confirmed and affirmed that .ZA is presently on the right path should it continue to establish SLRs.</p> <p>Completed research on technical, pricing and regulatory aspects for ccTLDs such as .KE, .UK, .CO and .AU. Looking into how they best approached SLRs. Conclusion of the report confirmed and affirmed that .ZA is presently on the right path should it continue to establish SLRs.</p>	

STRATEGIC GOAL	ANNUAL OBJECTIVE AND KEY TASKS	ACTUAL ACHIEVEMENT	CHALLENGES/COMMENTS	RECTIFICATION
7. ENHANCE BUSINESS SUSTAINABILITY	7.1 Achieved 30 creditors days	Achieved	ZADNA achieved the target through collecting the per-domain name revenue from ZACR on a monthly basis within 20 days of each invoice.	N/A
	7.2 Completed risk review & mitigation process	Achieved	The target was achieved through reviewing the quarterly risk. The risks varied as per different quarters	N/A



Thank You

.zadna
Domain Name Authority