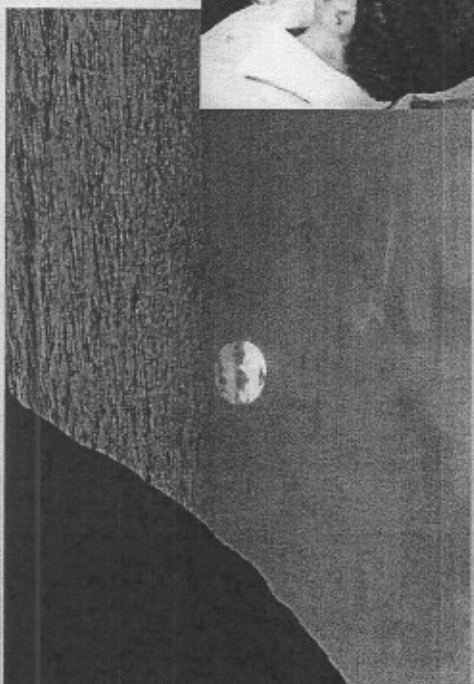
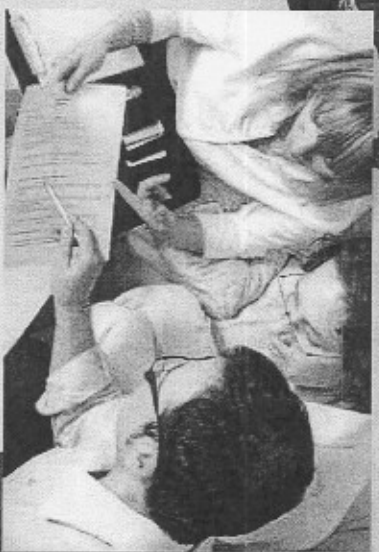
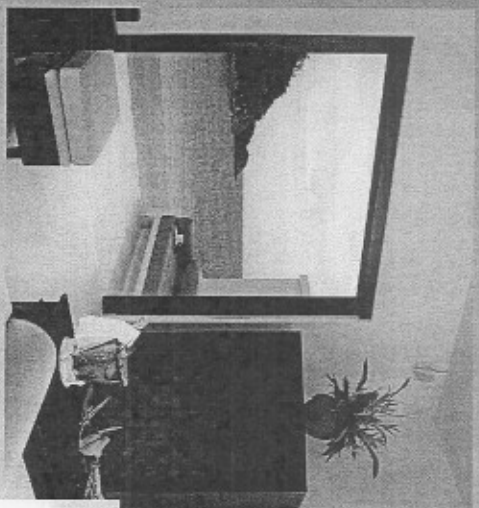


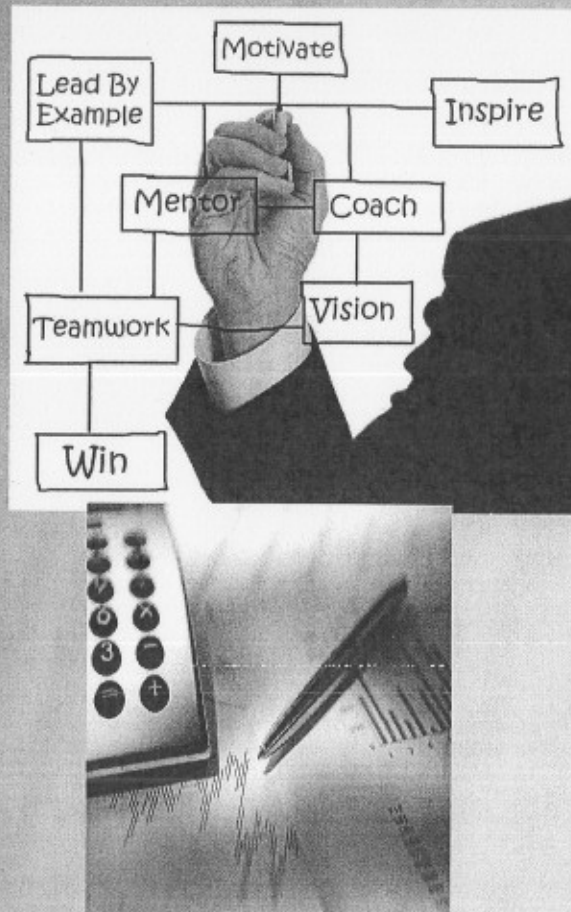
SME ACCESS TO FUNDING PRESENTATION

Presented by Mr Donovan Muirhead (Ntshoms) &
Ms Caroline Ungersbock (NAA-SA)





OPENING & PRESENTATION HIGHLIGHTS

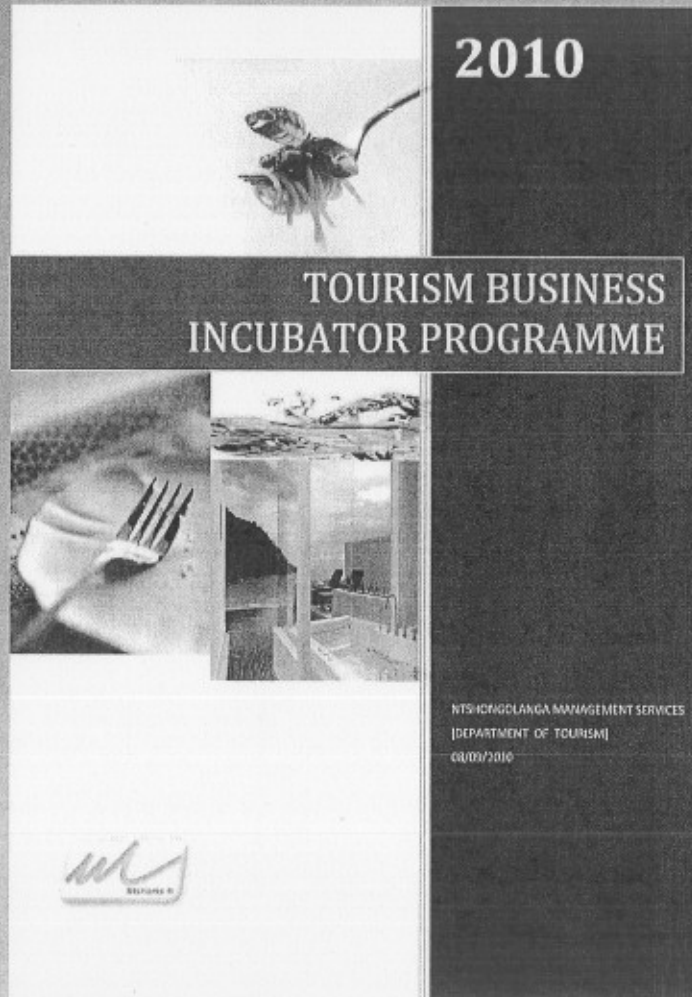


Who we are?

Ntshongolanga Management Services ("Ntshoms") is a national specialist hospitality consulting & management company focusing specifically on Small, Medium and Micro Enterprises ("SMME's") *in the tourism industry.*

Our range of services include consulting & mentorship, administration services, sales & marketing services and workplace skills development.

Each service is focused on providing a 1 stop turnkey solution to our clients by applying the 5 pillars of business.



TBIP

In line with the 5 pillars of business we have developed a multi phase Tourism Business Incubator Programme, designed to accelerate the successful development of identified business ventures through an array of business support resources and services.

Our Sector

Sub Sector	Reg. Establishments	Direct Employees	Indirect Employees	% of SMME's within sector
Hospitality	28,000	290,000	389,000	96%
Travel & Tourism	6,200	28,000	85,000	96%
Conserv. & Guiding	3,500	30,000	53,000	95%
EST. TOTAL	37,700	348,000	527,000	95,67%

Source: THETA Draft Sector Skills Plan 2011/12 – 2015/16

Current Common Practices



Although there are numerous programmes available for our sector.

As turnkey consultants who add a wealth of experience, knowledge and support to these businesses, we cannot access these programmes.

Nor are we seen as credible business entities by the financial institutions often been sent from pillar to post with empty promises and unrealistic expectations.

Example

We approached the department of Tourism ("NDT") with our TBIP to see if it is a viable programme.

They agreed that this programme is effective, and will be of huge benefit to our sector. But had certain reservations of which we addressed.

The NDT recommended that we approach the Tourism Enterprise Partnership ("TEP") for funding assistance with this programme, even requesting for a meeting with TEP on our behalf. This was at the beginning of September, we received acknowledgement that this would be actioned.

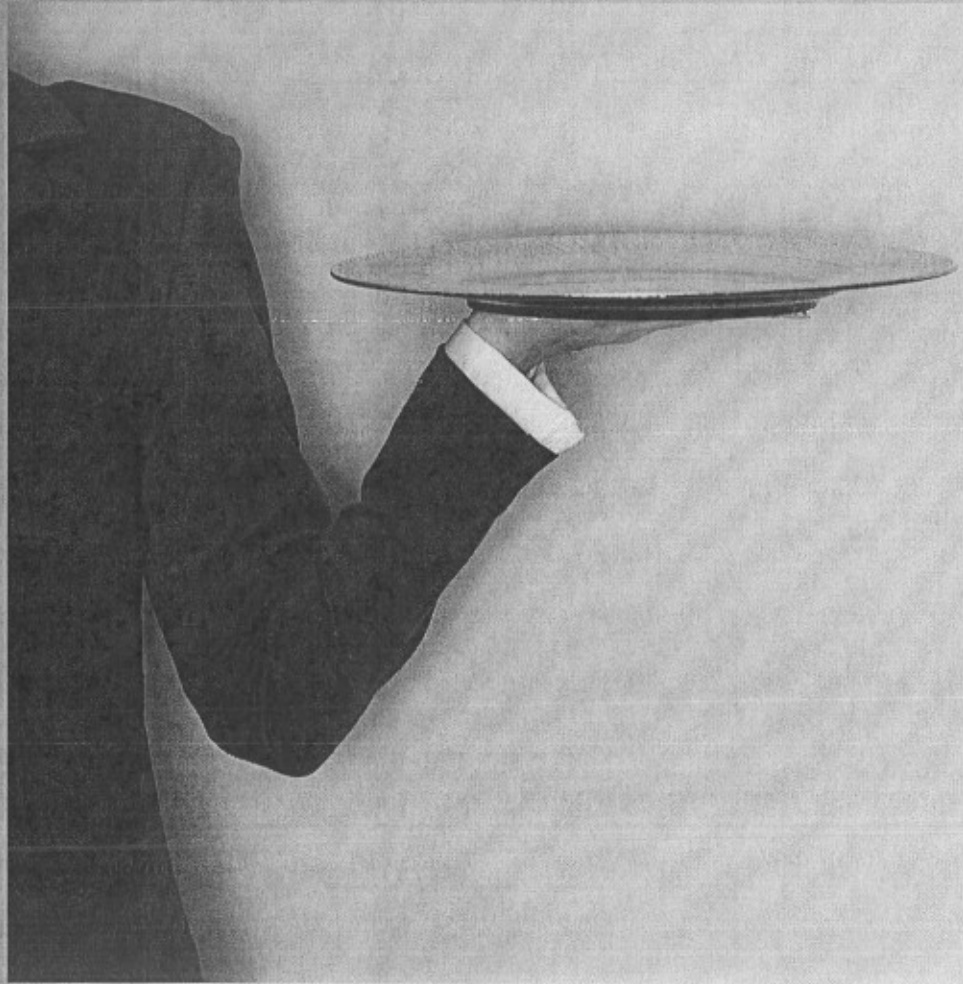
Since then however no further communication has taken place even after several reminder e-mails.





Recommendations

These businesses need to be recognized and rewarded for the essential services they provide, through access to finance and funding.



Public/Private Equity Fund

The most functional type of funding opportunity that we have identified is through a public/private equity fund.

The fund is specifically geared towards funding and financing support service structures through tranche/milestone investments.



Programme Principle

In principle the programme can be utilized in numerous sectors and can be aimed at funding numerous activities.

With financing being made available from R50k to R500k with clearly defined exit strategies and activity benchmarking.



Qualifying Criteria

The qualifying entity must be owner run
Employ at least 3 employees,
Have been in operation for 6 months
Have long term contracts in place.

The projected annual turnover should be less than R2million

Upon programme completion the entity is to have created a further 3 employment opportunities and have achieved agreed milestones, along with having contributed time and other non-financial resources to community development projects.



Investment Returns/ Risk

Investment returns should be paid quarterly and based on turnover and cash-flow allowances.

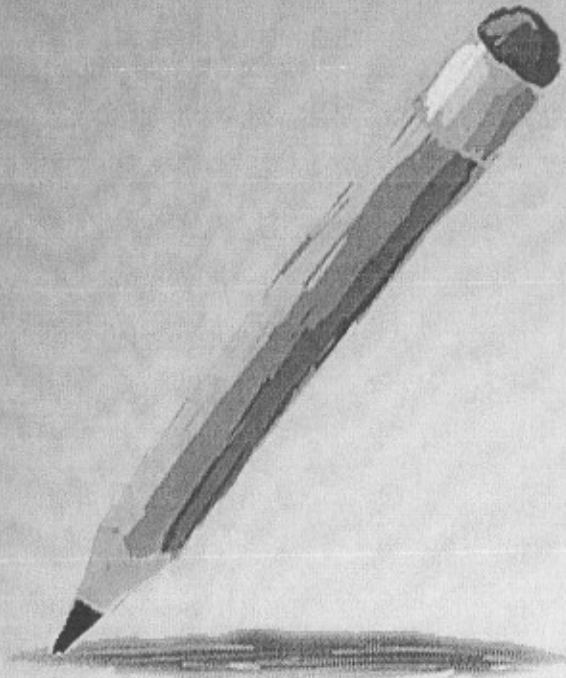
The business is to ensure effective business and financial generally accepted accounting practices.

This along with milestone/ tranche investment payouts ensures that the risk expose is minemalized.

Application Process

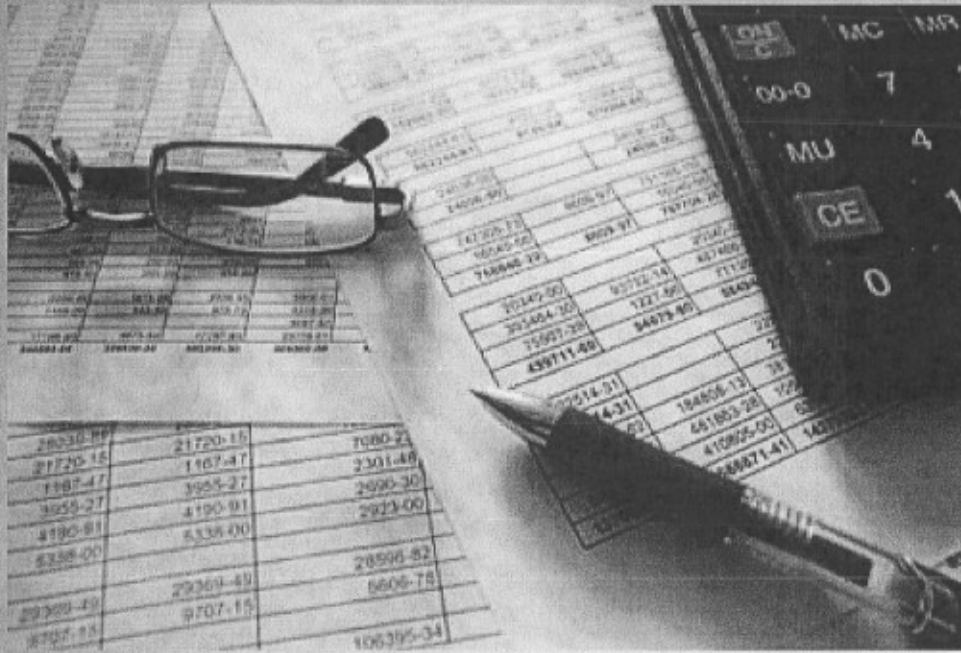
Application process should be no longer than 90 days from application date to the initial payout if accepted.

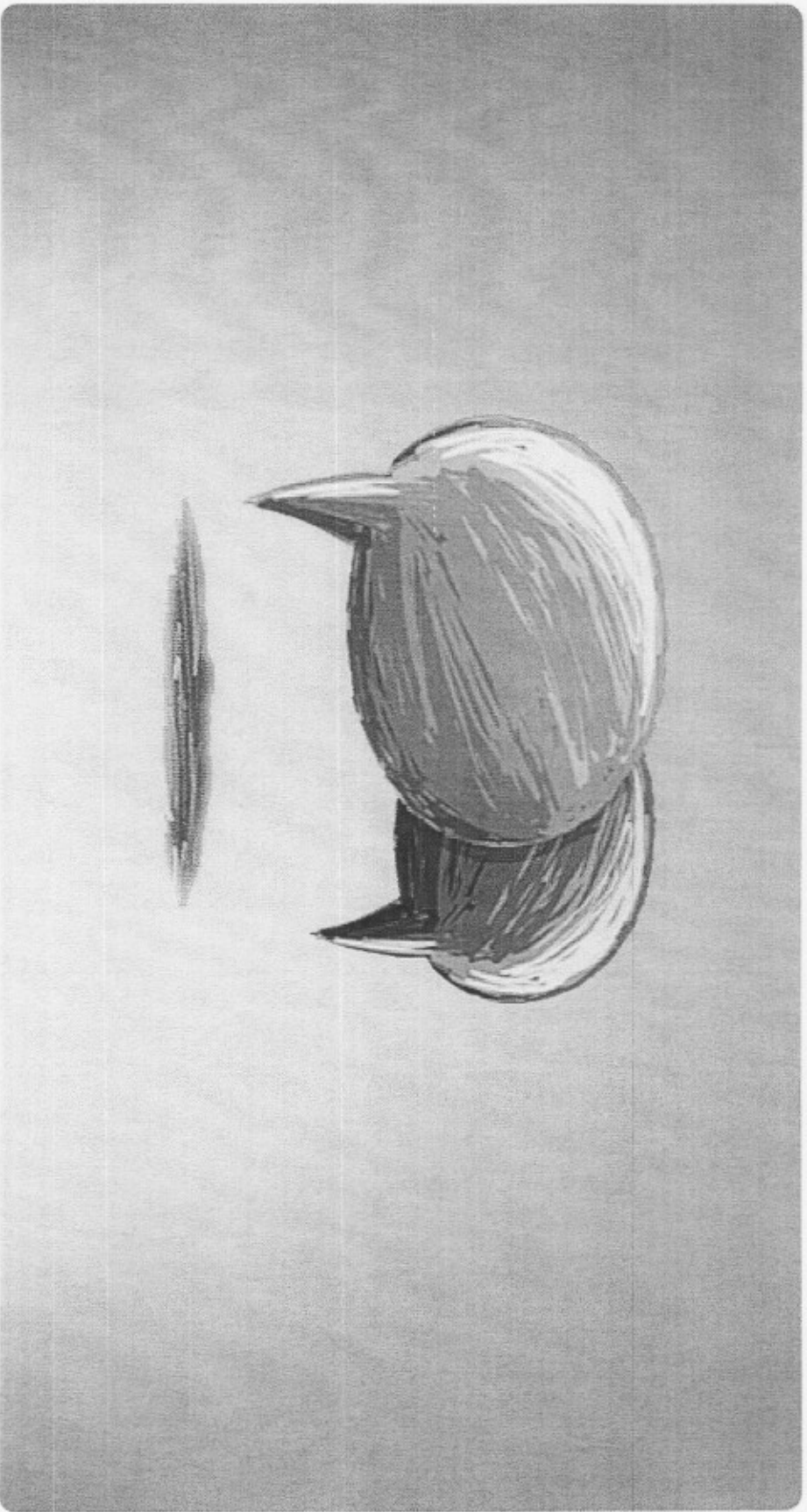
The applicant must provide a detailed business plan with realistic assumptions and financial projections, original certified copies of all long term contracts, 6 month bank statements, tax clearance certificate and FICA.



Programme Administration

The programme can be managed and administered through current existing platforms such as SEDA.





Closing Statement & Handover