

BRAND *South Africa*

ANNUAL REPORT  
2023|24

UNITY RESILIENCE GROWTH



Inspiring new ways





# CONTENTS

<b>PART A GENERAL INFORMATION.....</b>	<b>4</b>	<b>PART C GOVERNANCE.....</b>	<b>72</b>
Public Entity’s General Information.....	5	<b>PART D HUMAN RESOURCE MANAGEMENT .....</b>	<b>92</b>
Foreword by the Minister and Deputy Minister in the Presidency.....	8	<b>PART E PFMA COMPLIANCE REPORT .....</b>	<b>98</b>
Chairperson’s Statement.....	10	<b>PART F FINANCIAL INFORMATION .....</b>	<b>104</b>
Acting Chief Executive Officer’s Overview.....	12	Board of Trustee’s Responsibility and Approval.....	107
Statement of Responsibility page.....	16	Audit and Risk Committee Report .....	108
Strategic Overview page.....	18	Report of the Auditor-General of South Africa.....	109
About Brand South Africa.....	20	Statement of Financial Position .....	116
Organisational Structure page.....	22	Statement of Financial Performance.....	117
<b>PART B PERFORMANCE INFORMATION .....</b>	<b>24</b>	Statement of Changes in Net Assets.....	118
Auditor’s Report: Predetermined Objectives.....	25	Cash Flow Statement.....	119
Progress towards achievement of institutional Impacts and Outcomes.....	26	Statement of Comparison of Budget and Actual Amounts.....	120
Overview of Public Entity’s Performance.....	29	Accounting Policies.....	122
Institutional Programme Performance .....	39	Notes to the Annual Financial Statements.....	137



PART

A

GENERAL  
INFORMATION

# Public Entity's GENERAL INFORMATION

REGISTERED NAME OF THE PUBLIC ENTITY	Brand South Africa
REGISTRATION NUMBERS AND/OR OTHER RELEVANT NUMBERS	IT1986/02
REGISTERED OFFICE ADDRESS	103 Central Street, Houghton, Johannesburg, 2041
POSTAL ADDRESS	PO Box 87168, Houghton, 2041
CONTACT TELEPHONE NUMBERS	011 483 0122
EMAIL ADDRESS	info@brandsouthafrica.com
WEBSITE ADDRESS	www@brandsouthafrica.com
EXTERNAL AUDITOR INFORMATION	Auditor-General South Africa, 4 Davenry Street Lynnwood Bridge Office Park, Lynnwood Manor, Pretoria, 0001
BANKER INFORMATION	Nedbank Limited, 1st Floor Lakeview, Constantia Kloof, Roodepoort, 1709
BOARD SECRETARY	Adv. Sifiso Nyoni Director: Governance, Legal and Board Secretariat

# List of ABBREVIATIONS/ACRONYMS

<b>AfCFTA</b>	African Continental Free Trade Area
<b>AGSA</b>	Auditor-General of South Africa
<b>APP</b>	Annual Performance Plan
<b>ARCO</b>	Audit and Risk Committee
<b>AV</b>	Audiovisual
<b>AU</b>	African Union
<b>B-BBEE</b>	Broad-Based Black Economic Empowerment
<b>BRICS</b>	Brazil, Russia, India, China and South Africa
<b>CAETE</b>	China Africa Economic and Trade Expo
<b>CALS</b>	Centre for Legal Studies
<b>COSAS</b>	Congress of South African Students
<b>COSATU</b>	Congress of South African Trade Unions
<b>COVID-19</b>	Coronavirus Disease
<b>CTFL</b>	Clothing, Textile, Footwear and Leather
<b>CWP</b>	Critical Work Force Positions
<b>DIRCO</b>	Department of International Relations and Cooperation
<b>DoH</b>	Department of Home Affairs
<b>the dtic</b>	Department of Trade, Industry and Competition
<b>EBII</b>	Emerging Business Intelligence & Innovation
<b>EFF</b>	Economic Freedom Fighters

<b>ERRP</b>	Economic Reconstruction and Recovery Plan
<b>EwB</b>	Education without Borders
<b>EWP</b>	Employee Wellness Programme
<b>Exco</b>	Executive Committee
<b>FDI</b>	Foreign Direct Investment
<b>FOCAC</b>	Forum for China-Africa Cooperation
<b>FOSAD</b>	Forum of South African Directors
<b>FTP</b>	File Transfers Protocol
<b>GBF</b>	Africa Global Business Forum Africa
<b>GBV</b>	Gender-Based Violence
<b>GCIS</b>	Government Communication and Information System
<b>GDP</b>	Gross Domestic Product
<b>GSA</b>	Global South Africans
<b>GRAP</b>	Generally Recognised Accounting Practice
<b>HCRSEC</b>	Human Capital, Remuneration, Social & Ethics Committee
<b>HR</b>	Human Resources
<b>IATF</b>	Intra-Africa Trade Fair
<b>ICT</b>	Information and Communication Technology
<b>IDC</b>	Industrial Development Corporation of SA
<b>IEC</b>	Independent Electoral Commission

<b>IESBA</b>	Ethics Standards Board for Accountants
<b>IoDSA</b>	Institute of Directors in South Africa
<b>IOL</b>	Independent Online
<b>IRC</b>	Investments Risks and Compliance
<b>IRS-CI</b>	Internal Revenue Service Criminal Investigation
<b>ISA</b>	International Standards on Auditing
<b>JCPS</b>	Justice, Crime Prevention, and Security
<b>MARCO</b>	Marketing Committee
<b>MASA</b>	Marketing Association of South Africa
<b>MDDA</b>	Media Development and Diversity Agency
<b>NDT</b>	Department of Tourism
<b>NFVF</b>	National Film and Video Foundation
<b>OAU</b>	Organization of African Unity
<b>PFMA</b>	Public Finance Management Act
<b>PMDS</b>	Performance Management and Development System
<b>PAA</b>	Public Audit Act
<b>PPE</b>	Personal Protective Equipment
<b>PYP</b>	Play Your Part
<b>RAG</b>	Risk Audit and Governance Committee
<b>RMC</b>	Risk Management Committee

<b>SABPP</b>	South African Board for People Practices
<b>SADC</b>	Southern African Development Community
<b>SADTU</b>	South African Democratic Teachers Union
<b>SAIC</b>	South African Investment Conference
<b>SAICA</b>	South African Institute of Chartered Accountants
<b>SAiD</b>	Institute Society for Africans in Diaspora
<b>SANSA</b>	South African National Space Agency
<b>SAPS</b>	South African Police Service
<b>SARA</b>	South African Reward Association
<b>SARIPA</b>	South African Restructuring and Insolvency Practitioners Association
<b>SARS</b>	South African Revenue Service
<b>SAT</b>	South African Tourism
<b>SAFTAs</b>	South African Film and Television Awards
<b>SHE</b>	Safety, Health, and Environment
<b>SONA</b>	State of the Nation Address
<b>SAAHK</b>	Southern African Association of Hong Kong
<b>UAE</b>	United Arab Emirates
<b>UN</b>	United Nations
<b>WOSA</b>	Wines of South Africa

# Minister's FOREWORD



It is an honour to present the Brand South Africa annual report for the period 2023/ 2024 financial year on behalf of myself and the Deputy Minister Kenneth Morolong, MP.

As we reflect on the achievements of the past financial year, it is heartening to note the strides Brand South Africa has made in promoting our Nation Brand, both domestically and internationally. The entity's commitment to enhancing our country's image and reputation has been unwavering, and its efforts have yielded some positive outcomes.

One of the highlights of this financial year has been Brand South Africa's successful attainment of a clean audit. This achievement underscores the organisation's dedication to sound governance, financial integrity, and accountability, which are pivotal in maintaining trust and confidence among our stakeholders.

The past year has also been marked by significant milestones and challenges that tested our resilience and adaptability. However, through innovative strategies and collaborative efforts, Brand South Africa has continued to position our nation as a competitive destination and a country that inspires pride and patriotism among its citizens. Another significant highlight of this year has been the results from the Global Reputation Study. The study points to the progress we have made in enhancing

South Africa's image on the international stage. We have seen improvements in several key dimensions, including exports, investment, and general prominence. These insights are crucial as we continue to refine our strategies to build a robust and positive global reputation for South Africa.

As we move forward, we are particularly excited about the Government of National Unity. This initiative represents a new chapter in our democratic journey, fostering unity, inclusivity, and shared prosperity. It is imperative that Brand South Africa continues to play a crucial role in shaping and communicating this vision, both within our borders and to the world.

Looking ahead, our focus will remain on leveraging our nation's strengths across the Nation Brand Hexagon—Tourism, Governance, Sports, Culture & Heritage, People, Exports, and Investment & Immigration. By harnessing these pillars, we aim to enhance South Africa's global competitiveness and secure a favourable level of affinity in key international markets.

I would also like to welcome Ms Ipeleng Selele and her fellow trustees in the Board of Brand SA who came on board days before the end of the reporting period. Working with her and the other trustees, we look forward to overseeing a Brand South Africa that is a highly effective and capable entity and that undertakes programmes in partnership with other institutions that shape the national identity by elevating South Africa above single stories.

In conclusion, I would like to thank all the Brand South Africa's stakeholders, public and private sector partners, staff members and every single South African – in the

country and abroad – who choose every day to play their part in co-creating a Nation Brand that exemplifies excellence and intelligence and that is respected at home and abroad.

---

**Khumbudzo Ntshavheni, MP**  
**Minister in the Presidency**



UNITY · RESEILIENCE · GROWTH



## Chairperson's **STATEMENT**

I am pleased to present Brand South Africa's annual report as the new chairperson of the board. It covers our achievements in what has been another busy and productive year, operating in a complex and uncertain economic environment domestically and globally.

The board was appointed on 20 March 2024, we are all excited to be part of a team entrusted to build South Africa's nation brand. My fellow trustees and I are already pleased with the scope of activities Brand South Africa carried out, as well as the intent behind them, during a difficulty time for the organisation and the country given global realities.

Big shifts and changes seen through the pandemic and its aftermath continued to strain economies around the world. However, the South Africa economy showed resilience in the face of these headwinds. Important to note is the strategic role played by our stakeholders who believed in our vision of building a prosperous nation brand, which benefits every citizen. It is therefore with pride and a sense of anticipation and for the term ahead that I put this annual report before our stakeholders.

The successful promotion of South Africa as a globally competitive destination for investment, trade, higher education, and tourism has a direct impact on the

socioeconomic fortunes of the country and its citizens. This has been proven by many economies that have followed suit and built strong nation brands.

During the year 2023/24, Brand South Africa navigated an intricate global landscape marked by economic uncertainty and unstable geopolitical dynamics. Amidst these challenges, the entity demonstrated resilience and innovation, by driving initiatives that significantly enhanced the nation brand's image and reputation, on the global stage. This was evident in the independent global reputation study that highlighted an improvement in the reputation profile score of South Africa's nation brand. Brand South Africa leveraged the rich cultural heritage, the outstandingly talented people of South Africa in both sporting prowess and excellence in performing arts, as well as the buoyant economy of South Africa, to craft a compelling narrative that resonates with both domestic and international audiences.

Looking ahead, Brand South Africa will continue to focus on strategic and impactful storytelling, digital innovation, and strategic stakeholder engagement to ensure that South Africa remains top-of-mind as a preferred destination for investors, tourists, and students. Steadfast dedication to innovation, entrepreneurship, strategic partnerships with like-minded partners will bolster the economy. The board pledges its full and constructive support to the organisation in its mission to connect the world to the exquisiteness and opportunities of South Africa.

I extend my deepest gratitude to the Honourable Minister in the Presidency, Ms Khumbudzo Ntshavheni, for her leadership and support for Brand South Africa during the year under review. The trustees and I look forward to a close and productive working relationship with the Minister.

To the Brand South Africa executive team and employees, I extend the board's appreciation for a job exceptionally done over the past year, especially without a board of trustees. The executive shouldered a great responsibility and did so with a blend of alacrity and competence that is a hallmark of Brand South Africa. It is because of our outstanding stakeholder community of supporters and advocates that Brand South Africa celebrates another year of vibrant activity and remains an inspiring nation brand with endless opportunities for all people.

Thank you for all that you have done to support Brand South Africa.



**Ipeleng Selele**  
Chairperson of the Board of Trustees  
Brand South Africa

# Acting Chief Executive Officer's OVERVIEW



The year 2023, demonstrated remarkable resilience and dedication amidst global challenges. Brand South Africa emerged stronger than before. It is with gratitude that I introduce the 2023/24 annual report. It fills me with immense pride to witness the enormous progress achieved by the nation and the entity tasked with managing the reputation of South Africa.

I am thrilled to report that the organisation achieved 91% of its performance obligations as stipulated in the 2023/24 annual performance plan. In 2023, the entity remained steadfast in its commitment to fostering sustainable and inclusive stakeholder collaboration across the delivery of its key strategic programmes. This report offers detailed insights into the progress and milestones achieved during a year characterised by resilience and inclusive growth, especially in domains such as showcasing the nation brand attractiveness and strength, alignment by stakeholders in the execution of the nation brand experience, and partnerships. This annual report provides an outlook of how the activities undertaken by Brand South Africa have contributed towards advancing South Africa's image, reputation, and long-term competitiveness.

The entity developed integrated marketing and communication strategies to win the hearts and minds of the global community as well local citizens. Throughout the year, we prioritised platforms that targeted investors, with an understanding that articulating the value proposition of our country in those platforms will afford us a share of voice and visibility. Notable achievements included BRICS and its expansion which took place in South Africa, Team SA successfully showing up at WEF DAVOS, collectively rallying behind the nation brand value proposition and messaging. The WEF DAVOS saw a number of private sector collaborations with Brand South Africa which stands as a testament to businesses' commitment to progress despite formidable challenges. The entity further leveraged on AGOA and COP 28 to reinforce its positioning anchored on "Grow with South Africa".

The year also saw, tough economic conditions that resulted in budgetary and funding constraints becoming even more amplified than ever before. In implementing this past financial year's Annual Performance Plan, the entity focused on international marketing, strategic partnerships, and communication interventions.

In protecting the nation brand reputation, the nation dealt with geo political issues that had a potential of denting the nation brand image, amongst other issues, was the issue of grey listing by the Financial Action Task Force shortly before the end of the previous financial year. The Brand South Africa team worked tirelessly with the National Treasury to manage the impact this had on our Nation Brand, as it fell squarely in our mandate to promote South Africa as a trade partner and foreign direct investment destination.

Our nation brand strategy is anchored on its people and celebrating everyday wins, promote active citizenry and nation brand pride are critical to how discharge our mandate. The continued success of the Global South Africans programme afforded the entity to lean on South Africans living abroad in promoting a positive narrative of the country. The good stories that shaped our narrative, ranged from sport and entertainment to politics to human rights. The year 2023 marked the first time that the Netball World Cup was hosted in South Africa, saw the Springboks becoming the first men's national team to win the Rugby World Cup four times, while the Blitz Boks clinched their fifth consecutive Sevens title in Dubai. The women's national football team performed exceptionally well in the FIFA Women's World Cup and the men' team finished third in the 2024 men's edition of the African Cup of Nations held in Côte d'Ivoire. Our women's cricket team were the runners-up in the 2023 International Cricket Council's

Cricket World Cup. It was, therefore, no surprise that the already strong positive association with South Africa, sport featured even stronger in the 2023/24 Global Reputation Study. This is again, testament to a successful strategy that focuses on sports to showcase the country's values anchored on determination, diversity , resilience and ubuntu.

South Africa not only cares about what happens in South Africa but plays a crucial role in issues of global importance. The year saw South Africa advocating for people of Palestine's, at the genocide-intent case it brought against the government of Israel in the International Court of Justice. The world responded positively to the stance South Africa took to protect human rights in war-ravaged Gaza.

Domestically the Play Your Part programme, was impactful in discharging initiatives that are aimed at creating employment opportunities for youth. Brand South Africa works with and through different stakeholders who are committed towards contributing to a positive social change in our communities and country. The hard work was evident in in the Global Reputation Study, where it saw Sout Africa's nation brand reputation improve by 13% compared to 2022 rating. Notable increases were seen in sports, investments, and prominence, along with foreign policy.

In the financial year under review, Brand South Africa, again received an unqualified audit outcome with no material adjustments. This is key milestone as it is the second consecutive year that the organisation received clean audit result. This is an enormous achievement considering the challenges that the organisation faced, amongst which include the absence of a Board of Trustees as a key and strategic governance and oversight body.

As we embark on the journey ahead, let us carry forward the spirit of determination that has defined us as a nation. Together, let us continue to build a brighter, more prosperous future for South Africa and her people. In conclusion, Brand South Africa extends its sincere appreciation to all stakeholders: public, private, media, civil society and citizens for their continued support and partnerships. Together, we remain committed to enhancing South Africa's nation brand reputation, long term competitiveness and ultimately drawing FDI that will improve the economic trajectory and the standard of living of our people. Let us all continue to play our part.

I extend my gratitude to the Minister in the Presidency for her support and the GCIS for its oversight role in the past year. I wish to warmly welcome our new trustees and assure them of our cooperation and high performance during their term of office. Together we will achieve much.



---

**Ms Sithembile Ntombela**  
Acting Chief Executive Officer

I  My SA



@Brand\_SA @BrandSouthAfrica @brandsouthafrica @PlayYourPartSA @PlayYourPart

#InspiringNewWays  
#PlayYourPart  
#GetInvolved



I  My SA



@Brand\_SA @BrandSouthAfrica @brandsouthafrica @PlayYourPartSA @PlayYourPart

#InspiringNewWays  
#PlayYourPart  
#GetInvolved



UNITY  
RESILIENCE  
GROWTH

## STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2024

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

All information and amounts disclosed in the annual report is consistent with the annual financial statements audited by the Auditor-General.

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

The annual report has been prepared in accordance with the guidelines on the annual report as issued by National Treasury.

The annual financial statements (Part E) have been prepared in accordance with the Generally Recognised Accounting Practice (GRAP) standards applicable to the public entity.

The accounting authority is responsible for the preparation of the annual financial statements and for the judgements made in this information.

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

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

In our opinion, the annual report fairly reflects the operations, performance and human resources information and the financial affairs of the entity for the financial year ended 31 March 2024.

Yours faithfully

---

Chief Executive Officer  
Ms Sithembile Ntombela

---

Chairperson of the Board  
Ms Ipeleng Selele



UNITY  
RESEILIENCE  
GROWTH

## Strategic OVERVIEW



### VISION

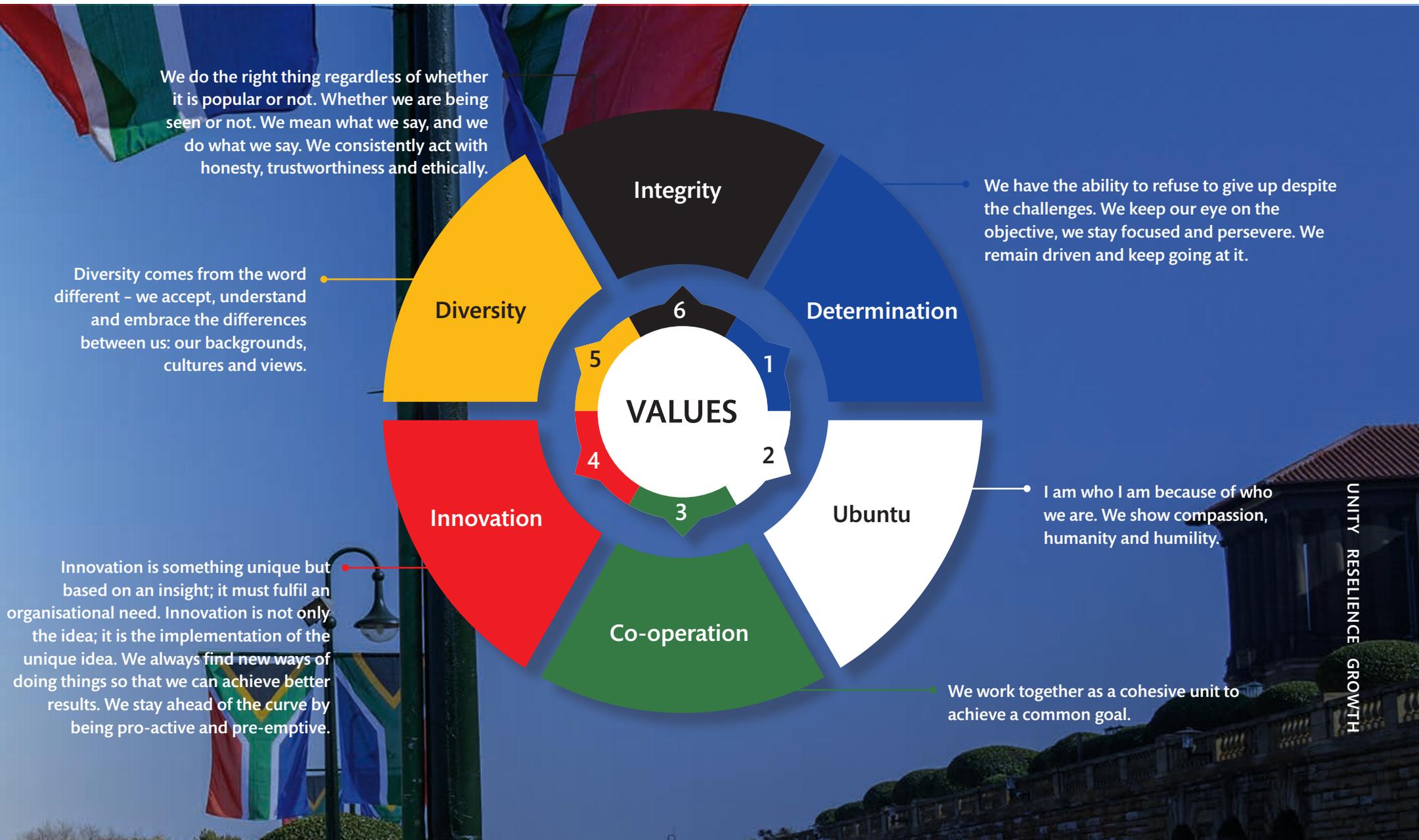
A Nation Brand that inspires its people and is admired globally.



### MISSION

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

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



UNITY RESEILIENCE GROWTH

# About BRAND *South Africa*

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

## PURPOSE AND PRIMARY OBJECTIVE

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

## MANDATE

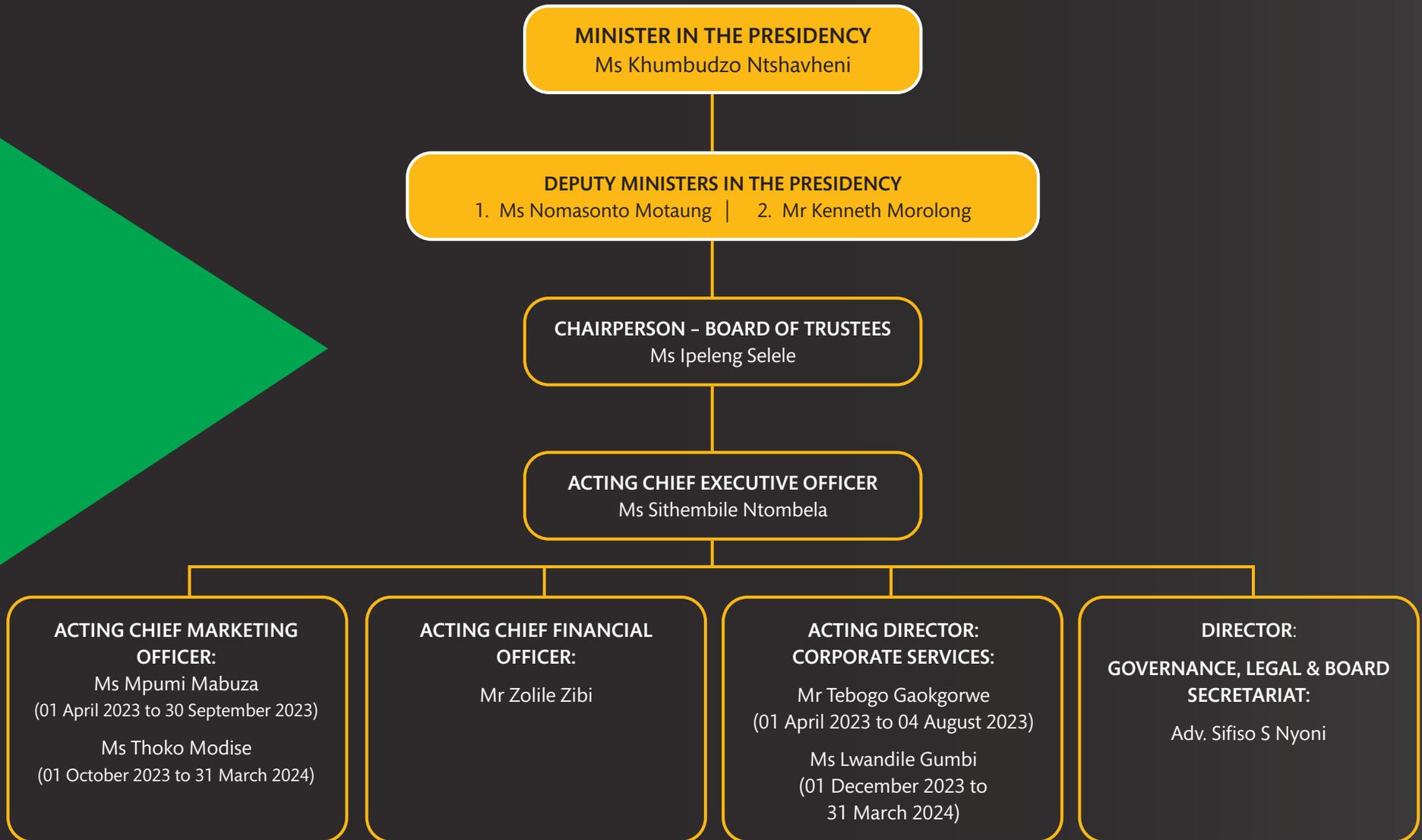
To manage South Africa's Nation Brand reputation in order to improve the country's global attractiveness. Arising from its mandate, Brand South Africa exists to build South Africa's Nation Brand to:

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

## LEGISLATIVE AND OTHER MANDATES

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

# Organisational **STRUCTURE**





UNITY · RESILIENCE · GROWTH





## Auditor's Report: **PREDETERMINED OBJECTIVES**

The AGSA currently performs the necessary audit procedures on the performance information in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with material findings being reported under the predetermined objectives heading in the legal and regulatory requirements section of the auditor's report.

Refer to page 103 of the auditor's report, published in Part F: Financial Information.



## Progress towards achievement of institutional impacts and outcomes

Performance to date as per the outcomes stipulated in the Brand South Africa 2020 – 2025 Strategic Plan is assessed as follows:

### 1. Outcome 1: Improved reputation of Brand South Africa as an entity

- **Outcome Indicator:** Positive perception of Brand South Africa as an entity, internally and externally according to the stakeholder perception survey.
- **Progress to date:** 38% in 2021

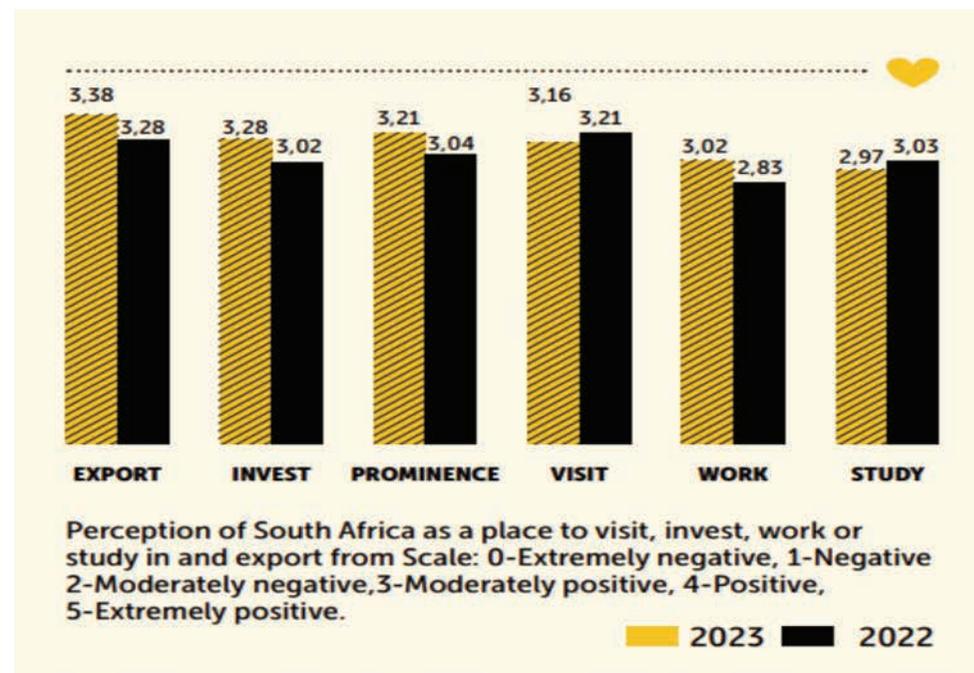
### 2. Outcome 2: Increased attractiveness and competitiveness of the Nation Brand

- **Outcome Indicator:** Percentage understanding of the Nation Brand. Brand South Africa’s awareness levels increased from 20% in 2022/23 to 29% in 2023/24.
- **Progress to date:**  
On average, during the year 2023/24 the perception of South Africa has improved approximately by 45% of participants surveyed, indicating a 13% improvement since 2021/22.  
South Africa enhanced its reputation in almost all of the dimensions measured, reducing the gap between those who are familiar and those who are not familiar with the country.

#### Global Reputation Study Perception Elements:

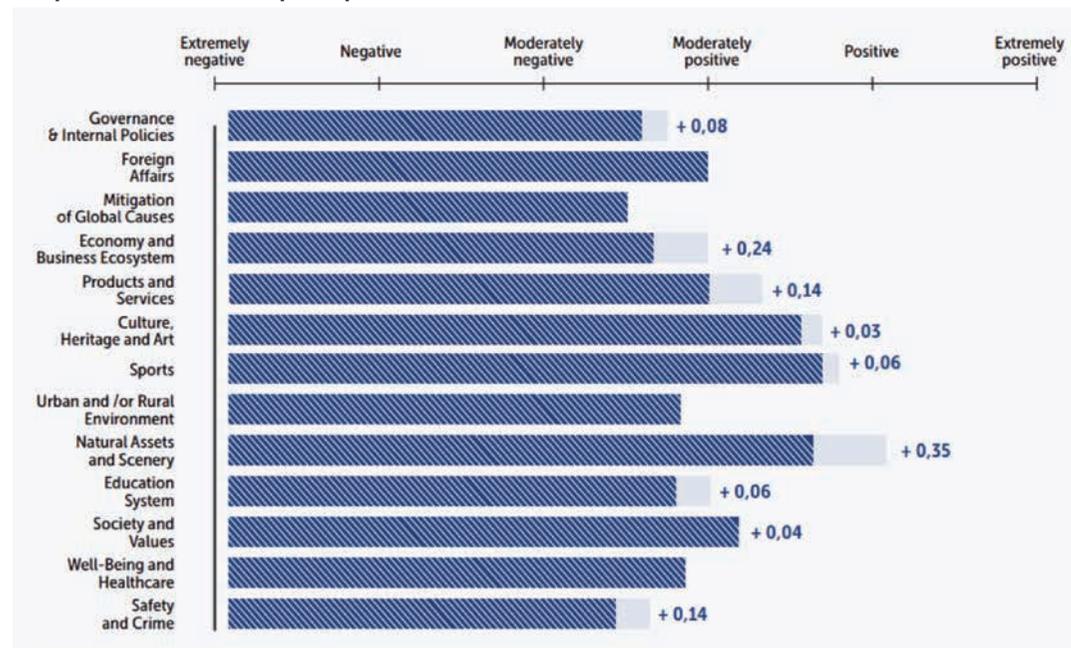
Three of the 13 perception elements are perceived significantly higher compared to the past study, with an increase of approximately 0.14-0.34 scores. These elements are Products and Services, Economy and Business Ecosystem, and Natural Assets and Scenery. Other perception elements are perceived similarly over time by South Africa’s target markets.

Graph 1: South Africa’s performance between 2021/22 and 2023/24:



Source: Global Reputation Study.

Graph 2: South Africa's perceptions elements scores:



Source: 2023/24 Global Reputation Study.

Graph 4: Brand South Africa's awareness levels over three years:



Source: Domestic Perceptions Research Study.

### 3. Outcome 3: Increased Nation Brand advocacy and active citizenship

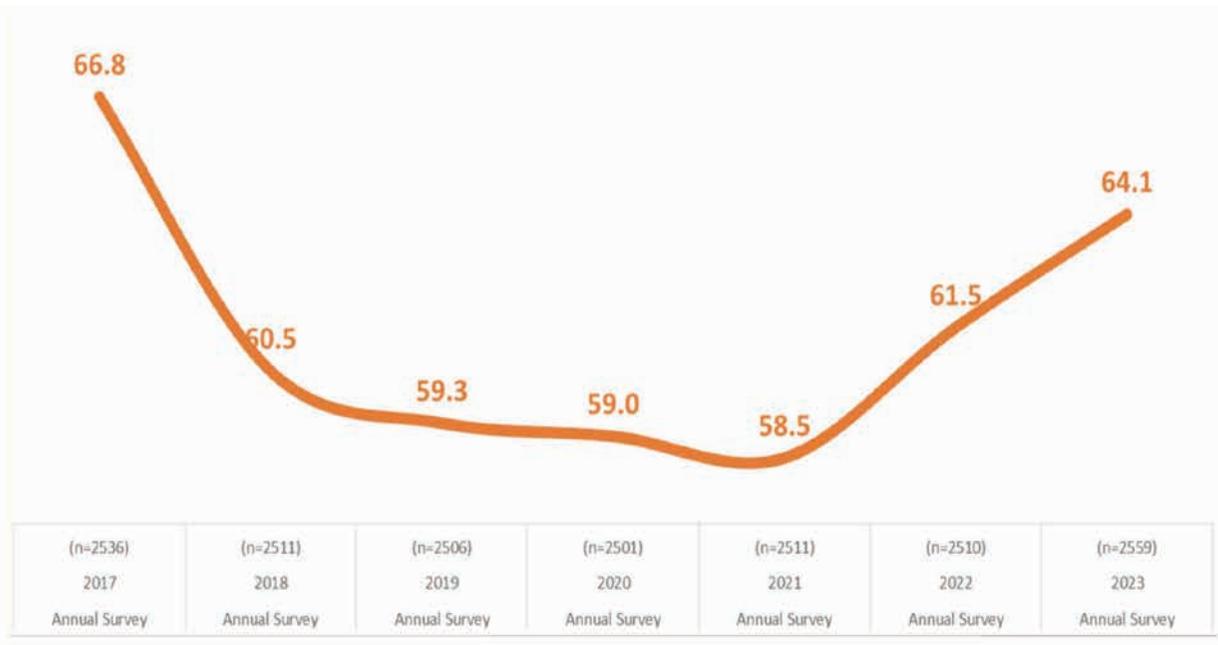
- Outcome Indicators:
  1. Percentage levels of awareness of the Play Your Part Programme
- Progress to date: 2023/24 data from Domestic Perceptions Study reflected a score of 35%, indicating a 15% increase compared to 2022/23

Brand South Africa's awareness level increased from 20% to 29%. Although not back to its former strength in 2021 at 38% and before that in the lower 40% range, this is a positive shift. The same is seen in the South African logo and slogan "Inspiring New Ways". Play Your Part, the flagship active citizenship initiative also saw an improvement. The Constitutional Awareness campaign increased to 18%.

## 2. Measurement of Active Citizenship Index

- **Progress to date:** The 2023/24 score was 64.1%. This score increased due to the social nature of active citizenship and development of localised community intervention activities which are clearly gaining momentum. From the first measure in 2017 at 67% to the sudden decline of 60.5 %, the score continued to decrease in 2019 to 59.3%, to 59.0% in 2020 to 58.8 in 2021, and substantially increased to 61.5 in 2022 continuing into 2023 to a high of 64.1%.

Graph 3: Active Citizen Trend:



Source: Domestic Perceptions Research Study.

## 3. Number of Global South Africans (GSA) subscribed to the GSA web-based networking platform per annum.

- **Progress to date:** 15 316,00 attendees reached with on-the-ground activations and over 25,000,000 through digital and social media platforms for the 23/24 financial year.

## 4. Outcome 4: Aligned Nation Brand execution and experience domestically and internationally

- **Outcome Indicator:** Number of registrations for toolkit to improve consistency in Nation Brand messaging by different stakeholders
- **Progress to date:** 7961 (from 1 April 2019 to date)

# Overview of PUBLIC ENTITY'S PERFORMANCE

## 1. External environment analysis



### BRICS Summit

South Africa successfully hosted the 15th annual BRICS summit in August 2023, which was attended by more than 40 heads of states from Africa and the global south.

Brand South Africa participated in the summit's organisation through collaborative activities with the Department of Trade Industry and Competition (**the dtic**) and the South African chapter of the BRICS Business Council (SABBC). The BRICS Business Editors Breakfast on 31 July 2023, organised by Brand South Africa and the SABBC, promoted intra-BRICS trade, highlighted Africa's potential and showcased the work of the nine workstreams operating under the BBC.

Brand South Africa also participated in creating a fifteenth-year commemorative brochure which charted intra-BRICS trade and its potential, as well as fact sheets profiling South Africa and highlighting its investment potential. The content and engagements held in relation to the data provided by Brand South Africa sought to curate a clearly defined picture of South Africa, and to re-position the country's Nation Brand identity to the summit audience. The research insights furthermore promoted investment and trade agreements between country leaders through cooperation and alignment, and included an analysis of BRICS successes.



The summit's success was evident in six new states joining BRICS, namely, Saudi Arabia, Argentina, the UAE, Egypt, Iran and Ethiopia. The bloc now includes the two countries with the largest global oil reserves, and with the UAE joining the new

UNITY  
RESEILIENCE  
GROWTH

development bank in February 2023, the group's share of global GDP is larger than the G7's and its global influence rivals that of the G20. The summit declaration took stock of the bloc's growing influence by advocating cooperation and encouraging the use of local currencies in intra-BRICS trade.

South Africa's hosting of the event was praised, especially given that non-BRICS member states were invited to attend, which will tie the expansion of the bloc to the Johannesburg Summit. South Africa was once again seen as a champion of the African continent, linking the BRICS group with the African Continental Free Trade Area (AfCFTA). The impact on the country's reputation is evident in the fact that South Africa's score in the 2024 Global Soft Power Index increased by 0.3 points to 6.1. The clustering of the index means that this 0.3-point increase improved the country's reputation ranking by 20 positions in relation to the other 193 countries measured.

### AGOA Summit

South Africa's bilateral relationship with the United States of America remains strong, especially following visits by ministers Enoch Godongwana (Finance), Ebrahim Patel (Trade, Industry and Competition) and Khumbudzo Ntshavheni (Minister in the Presidency) to Washington. In turn, South Africa received the US Secretary of Treasury Janet Yellen and trade representative Katherin Tai. These interactions did much to ease tensions stirred up when US Ambassador Reuben Brigety accused South Africa of supplying arms to the Russian Federation in December 2022, threatening South Africa's hosting of the AGOA Summit. Brigety has subsequently apologised, while an independent investigative panel, instituted by the South African government, found the accusation unwarranted and lacking evidence.

South Africa successfully hosted the 20th AGOA Summit at Nasrec in Johannesburg from 2 to 4 November 2023. Brand South Africa supported the dtic in executing the pre-AGOA business roundtable, which was hosted by Minister Ebrahim Patel. Brand South Africa also contributed to **the dtic's** newsletter on the forum with an article that charted the evolution of AGOA and its impact on trade.

The AGOA Summit 2023 was a resounding success with over 360 US delegates and 520 businesses that registered to exhibit. The bipartisan bill that is currently before the US Senate, will likely extend AGOA by a further 16 years to 2041 and expand it to the rest of the continent.

Questions raised in the US Congress about South Africa's relationship with Russia and Iran prompted Foreign Minister Naledi Pandor's visit to the US in March 2024, as part of an independent South African initiative to meet with congressional officials and explain South Africa's position.

### COP28

The 28th United Nations Climate Change Conference (UNCCC) or Conference of the Parties of the UNCCC, more commonly known as COP, was held from 30 November to 12 December 2023 at the Expo City in Dubai. Brand South Africa, as part of Team SA, helped position South Africa as an advocate for climate change and communicated the country's balanced approach to energy security underpinned by the Just Energy Transition. To this end, Brand South Africa developed a messaging document that explains South Africa's Just Energy Transition Implementation Plan, efforts instituted by government to ensure renewable energy procurement and decarbonisation of the economy, and South Africa's multilateral efforts with the rest of the continent to develop the Nairobi Declaration and ensure the operationalisation of the Lost and Damaged Fund.

Forestry, Fisheries and Environment Minister Barbara Creecy and her counterpart from Denmark, Minister Dan Jorgensen, were tasked with facilitating discussions between ministers ahead of the first Global Stock Take (GST), which assessed the consequences and opportunities associated with implementing the Paris Accord. Minister Creecy's appointment was considered as recognition of South Africa's contribution to the multilateral process for addressing climate change and securing the adoption of the Paris Accord. The country's focus on green energy generation, as well as hydrogen and electric-vehicle manufacturing and usage is seen as a model for other developing countries.

## Israel and the International Court of Justice (ICJ)

The International Court of Justice ruled mostly in favour of South Africa on 26 January 2024 in the case it brought against Israel, accusing the latter of committing acts of plausible genocide in the Gaza strip. The court ordered Israel to implement provisional measures to prevent the killing of innocent civilians and to allow more aid to flow into the region.

Brand South Africa supported Government Communications and Information System (GCIS) and the Department of International Relations and Cooperation (DIRCO) with compiling messages and publishing of articles on the entity's website detailing the reasons that informed South Africa's stance on the Israel-Palestine conflict and highlighting the country's consistency in advocating for human rights and multilateral mediation as a means of solving global conflict.

A dialogue aimed at "understanding the current state in Palestine and sustaining solidarity" was held in March 2024 at the Human Rights Festival at Constitution Hill. The event sought to assess the government's role in formulating the ICJ case and encourage solidarity.

In this regard, Brand South Africa assessed public sentiment in different countries through the Global Reputation Study, finding that five of South Africa's international policies indicate a predominantly positive impact on the country's global perception. Notably, peacekeeping efforts are highly regarded, with 63% of respondents viewing them positively, significantly enhancing South Africa's

favourable image. The handling of the genocide intent case also received support, with 50% of respondents perceiving it positively, though 32% remain neutral and 17% view it negatively. South Africa's stance on the Russia-Ukraine conflict, while eliciting a significant degree of neutrality (42%), is viewed more positively (34%) than negatively (14%). This suggests that the country's position on this issue is generally well-received, contributing positively to its international image. These findings underscore the crucial role of peacekeeping and human rights policies in bolstering South Africa's international reputation. Additionally, the positive response to South Africa's geopolitical stance highlights an opportunity for further strategic communication and engagement. This indicated that the country's position was congruent with global public opinion, contributing to the 45% improvement in overall perceptions about South Africa in the 2023/24 study.

Although the case is expected to take years to unfold fully, South Africa's bold stance has garnered praise from the international community. The country received support from the 57-member Organisation of Islamic Cooperation, as well as Brazil, Colombia, Bolivia, Jordan, Lebanon and Namibia. Furthermore, Ireland, Türkiye, Mexico, Egypt and Columbia have stated their intention to directly participate when the case is fully heard in the coming months and years.

South Africa's stance demonstrated the country's moral leadership, but it has come at a cost. In January 2024, more than 200 members of the US Congress requested President Joe Biden to reassess South Africa's relationship with the US, based on allegations of antisemitism and support for Iran.



### South Africa's grey listing

In February 2023, South Africa was added to the Financial Action Task Force's so-called grey list, a development that is likely to impact the Nation Brand and foreign direct investment if allowed to endure. In response to the uncertainty domestically and globally around the technical nature of the findings and remedies required, Brand South Africa has been actively involved in efforts to demystify the matter. Communication pieces that unpack the grey listing were published on the Brand South Africa website, along with information on investments in the country as a means of illustrating its on-the-ground impact. These also served to address global and domestic paranoia about the grey listing, given the technical and nuanced findings of the Financial Action Task Force.

During the year under review, National Treasury reported that 14 of the 17 outstanding action items have been partially addressed and that South Africa has achieved full or partial compliance with 35 of the Task Force's 40 recommendations on combating money laundering and countering terrorism financing. It is unfortunate that private sector resistance, notably in the area of beneficial ownership reporting, has hindered government's compliance efforts.

It is worth highlighting that grey listing means that a country is actively reviewing and trying to remedy its shortcomings. Blacklisting, in contrast, indicates non-compliance; only Iran, Myanmar and North Korea are currently on the blacklist. It is also noteworthy that no country is fully compliant with all the recommendations of the Task Force.

South Africa is, furthermore, still the highest ranked country in the 2023 edition of the Africa Financial Markets Index, which measures the continent's investment and economic landscape in terms of accessibility, transparency and openness. South Africa is ranked more than 10 points higher than Mauritius, ranked second, and is responsible for the upliftment of the SADC financial market as a whole, despite dropping a single point in the overall score. This was attributed to the weakened rand, which decreased the dollar value of pension funds held.





### Sporting achievements

South Africa's women's football team stunned the world by reaching the round of 16 at the 2023 edition of the FIFA Women's World Cup. Banyana Banyana won against Italy and drew with Argentina en route to the second round. Similarly, the women's cricket team finished second in the 2023 International Cricket Council's Cricket World Cup, while the netball team finished sixth in the 2023 Netball World Cup, which was held in Cape Town – a first for the African continent. Netball is the largest female sport in the country, with over two million players.

The national men's rugby team beat New Zealand by a single point on 28 October 2023 to lift the Rugby World Cup for an unprecedented fourth time, a feat no other rugby-playing nation has attained before. Adding to the wave of national pride, the Blitz Boks clinched their fifth consecutive Sevens title in Dubai, while the men's soccer team beat the Democratic Republic of Congo 6-5 in a penalty shootout to finish third in the 2024 men's edition of the African Cup of Nations held in Côte d'Ivoire. This much better than expected performance was reflected in Brand South Africa's Global Reputation Study results, where football-related brand tags appeared over 630 000 times in 2023/24, up from around 400 000 in 2021/22.



In support of all these events, Brand South Africa hosted activations and promoted the teams through its communications channels. The Global South Africans programme in Australia included a fan park during South Africa's games at the Women's World Cup, while the Heritage Day activations in France featured the Braai Army in celebrating and promoting the Springboks. Additionally, Brand South Africa had on-the-ground presence at the Netball World Cup.

### Grammy Awards

South African artist Tyla became the youngest African to win a Grammy when her song *Water* took top honours in the inaugural Best African Performance category at the 66th edition of the Grammy Awards in February 2024. The same song also won Best International Act at the first Cultural and Creative Industry Awards.



## Tourism recovery

According to Statistics South Africa, the country saw 8.5 million tourist arrivals in 2023, up 2.8 million from 2022 and 83% of the pre-Covid number of 10.23 million in 2019. Increases were reported across the board, with arrivals from the Middle East growing by more than 33% and those from North America and Europe by 37.4% and 38.1% respectively. Tourist numbers from Asia, Australasia and South America grew by over 60% and those from Africa by 51.3%. The diversification of the sector is illustrated by the fact that African tourist arrivals, at over 6.4 million, were more than quadruple the number from Europe, which stood second, at 1.2 million. This is especially significant, since intra-African travel only stands at around 20% in sub-Saharan Africa and 30% in North Africa; South Africa is the exception, with 6.4 of the 8.5 million tourists in 2023 being from the continent.

The World Tourism Barometer reported that global tourism continued to grow in 2023, reaching 88% of the 2019 peak. The Middle East is reported to have already received more arrivals than in 2019. Globally, the sector is predicted to grow by 2% in 2024; accounting for inflation, it will contribute more to global GDP than in the pre-Covid peak in 2019.

Brand South Africa played its part in promoting the country's tourism sector by, among others, participating in the annual Tourism International Forum Africa (TIFA) event held in Cape Town. Natural scenery received a score of 3.79 out of 5 in the latest edition of the Global Reputation Study, indicating its enduring attraction value. Further, from a brand perspective, the study found that wildlife (11%), beauty (10%), safari (7%) and tourism (3%) were the main top-of-mind associations with South Africa, which received around 8 million searches in relation to the sector in 2023-2024.

## 2. Global Reputation Study 2023/24

In executing its mandate to monitor and enhance South Africa’s Nation Brand reputation in collaboration with government, the business sector and civil society, Brand South Africa undertakes global research to assess the country’s reputation and competitiveness in key strategic markets. A nation’s reputation is fundamental to attracting investment, tourism and talent. Understanding South Africa’s position relative to other nations is essential for identifying areas of strength and improvement alike.

The 2023/24 Global Reputation Study surveyed 9 800 individuals in 17 countries (an estimated 576 surveys per country) across four continents, namely, the Americas (United States and Canada), Europe (the UK, Germany, France, the Netherlands and Switzerland), Asia (China, Japan, India, the UAE, Saudi Arabia and Australia) and, for the first time, Africa (Ghana Kenya, Egypt and Botswana). Furthermore, the study compared South Africa’s performance against the UK, Brazil, Chile, Vietnam, Thailand, Nigeria, Egypt, the UAE and Türkiye in relation to tourism, exports, investments, prominence and talent, i.e., studying and working in the country.

The survey results indicated a marked improvement of 13% compared to 2022 in the country’s brand health. Over 45% of respondents reported more positive perceptions of South Africa during 2023; only 4% noted a decline. Exports, investments and prominence saw a notable rise, indicating the strength of South African products and the country’s economy in general. Significantly, the foreign policy positions South Africa adopted improved the country’s prominence, with over 66% of respondents in favour of its global peacekeeping and mediation efforts. Additionally, 51% of respondents approved of South Africa’s genocide intent case at the ICJ.

The overall assessment of how positively respondents perceive a dimension is referred to as the “love mark”, with 3.5 out of 5 considered the target score. South Africa exceeded the love mark target in terms of natural scenery (3.87), sports (3.67) and culture, heritage and arts (3.55). Crime and safety (2.32), however, and general unfamiliarity dragged down the overall score. Despite the notable increases seen in exports, investments and prominence, none of the five dimensions were scored above the love mark. In relation to the benchmarked countries, South Africa ranked in the top 3 in all dimensions, except tourism.

The reduction in the tourism score is mainly because of worsening perceptions in Europe, which accounts for a third of the countries surveyed, and the large percentage of respondents who were not familiar with South Africa. Despite this, 38% more tourists from Europe visited South Africa between January and December 2023 than in 2022. Moreover, 68% of top-of-mind associations about the country were positive, this is 11% higher than in the previous study.

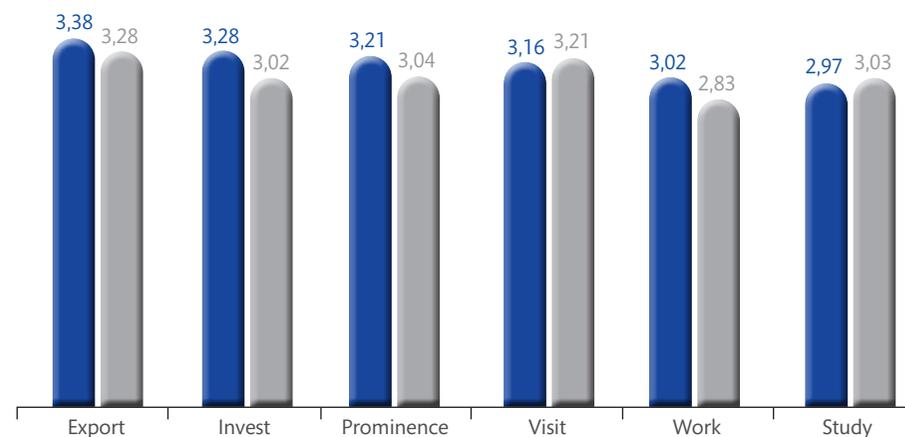
### 2.1 Comparative analysis of global perceptions 2022 and 2023

In comparison with the 2022 results, South Africa improved its perception in four out of the five dimensions. Exports led the brand dimension benchmark, followed by investment, which has improved significantly compared to the 2022 report. Tourism has experienced a slight decline in positive perceptions and is now behind prominence (the general reputation of the country), which has grown significantly. Perceptions about South Africa as a place to work have increased, whereas studying in South Africa has experienced a slight decline.

**Graph 1: South Africa’s global perceptions: brand dimensions performance**

*Perception about South Africa as an investment destination, exports and a place to visit, study and work.*

Scale: 0-Extremely negative, 1-Negative 2-Moderately negative,3-Moderately positive, 4-Positive, 5-Extremely positive ■ 2023 ■ 2022



Source: 2023/24 Global Reputation Study

The graph above reflects an improvement in perceptions about South Africa, with half of the respondents confirming a positive change and a notable number not changing their perceptions. The score in the 2023 report was 14 points higher than in the 2022 report. International policies contributed significantly to this increase.

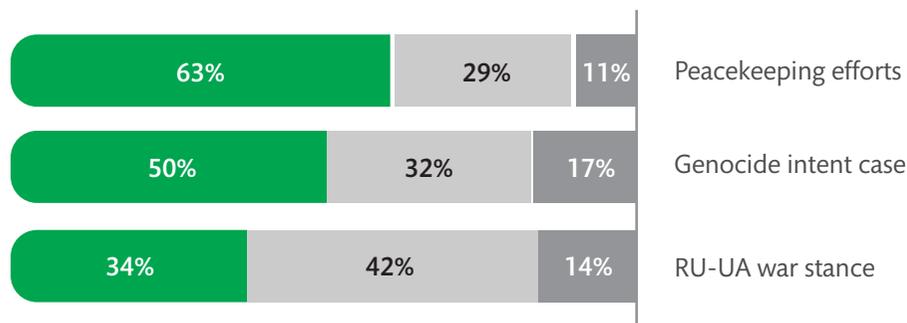
## 2.2 South Africa's foreign policies

South Africa's foreign policies had a positive impact on perceptions and its global reputation. The most notable support stems from the country's global peacekeeping and mediation efforts. While the stance on the war between Russia and Ukraine has generated some negative responses, South Africa's ICJ genocide intent case against Israel has had a positive impact on the country's global reputation, which is reflected in its growing soft power and influence in global politics. This is further supported by the country's robust participation in global governance and multilateral institutions.

### Graph 2: Impact of South Africa's foreign policies

How events/policies affect the general perception of South Africa.

--- Positive --- Not Affected --- Negative



Source: 2023/24 Global Reputation Study

In considering South Africa's foreign policies, 63% of respondents reported a positive perception, 29% were indifferent and only 11% had a negative perception. Further, 50% of respondents had a positive perception about South Africa's genocide intent case, 32% reported indifference and 17% had a negative perception. In relation to the Russia-Ukraine War, 34% of respondents had a positive perception about the country, 42% were indifferent and 14% had negative perceptions (see graph 2).

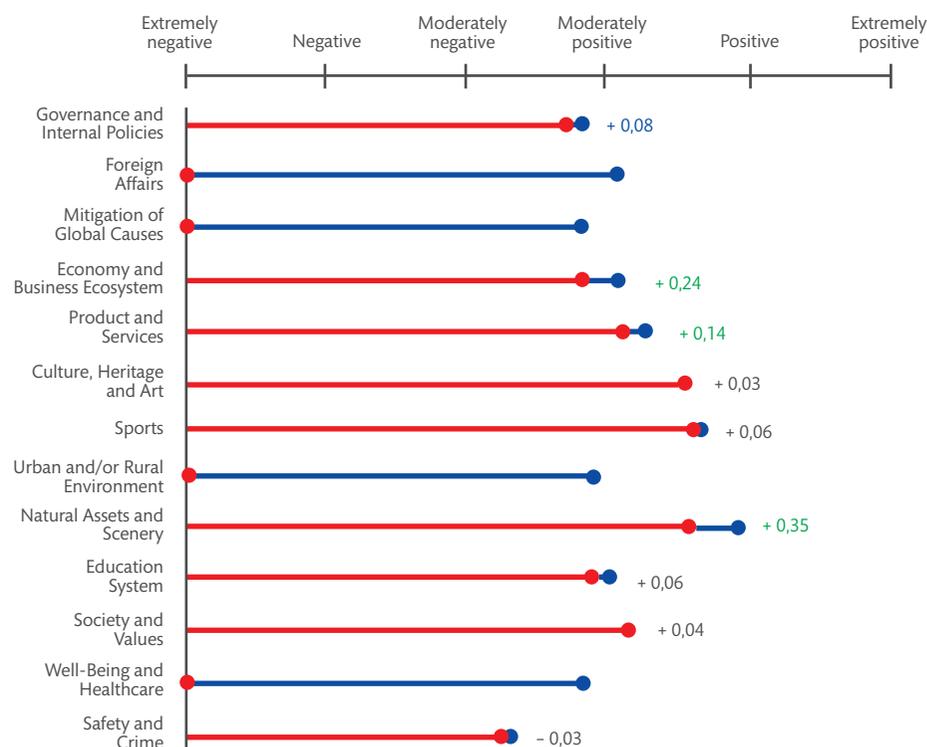
## 2.3 Overall perception elements

Three of the 13 perception elements have improved significantly since the 2022/23 study, with increases of between 0.14 and 0.34. These elements are products and services, economy and business ecosystem, and natural assets and scenery. Other perception elements remained static.

### Graph 3: Perception elements

13 perception elements of the Bloom Consulting's Nation Brand Taxonomy Model C Q9. Could you please rate South Africa in terms of...? –Prominence

--- Love Mark (3.5)

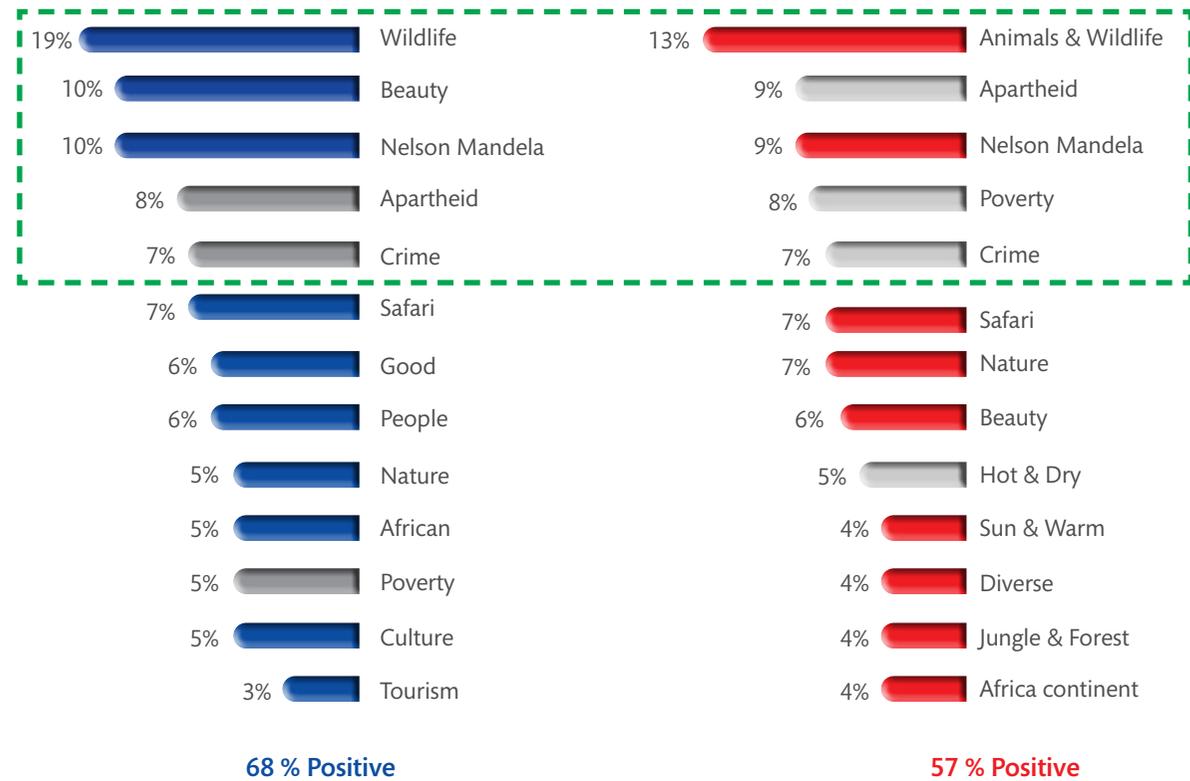


Source: 2023/24 Global Reputation Study

## 2.4 Top-of-mind associations

Natural scenery and South Africa's history continue to influence perceptions about the country. The fact that fewer people have poverty as the top-of-mind association with South Africa, coupled with more people associating South Africa with good, means that two out of three respondents see the country positively. This is likely a result of the continued popularity of our natural assets combined with our recent stances on global affairs.

Graph 4: Top-of-mind associations



Source: 2023/24 Global Reputation Study

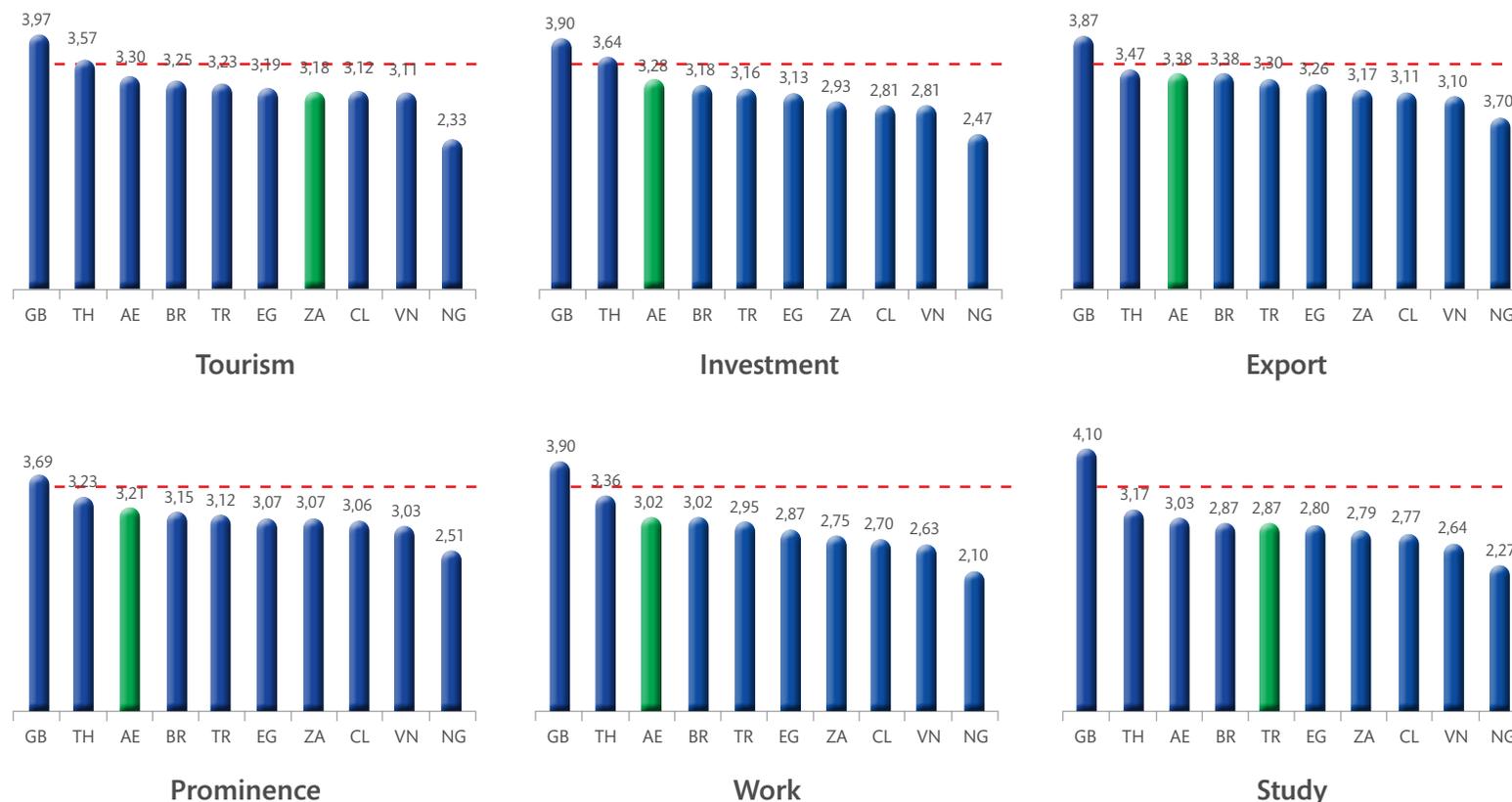
Positive perceptions about wildlife, Nelson Mandela and beauty have significantly increased, surpassing apartheid. The latter, along with poverty and crime, are the main perception detractors.

## 2.5 Comparing South Africa's performance

In a highly globalised and crowded marketplace, countries compete for inward investment, trade, tourism and talent. In tracking its international brand image, the Global Reputation Study benchmarked South Africa against nine developing and developed country brands across four continents (Europe, Asia, South America and Africa).

The UK outperforms all countries measured, including South Africa. However, South Africa performs well overall, ranking third in prominence, work, investment and exports – a significant increase in ranking. While tourism ranked lower than other dimensions, it maintained its 2022 position.

Graph 5: South Africa's performance compared



Source: 2023/24 Global Reputation Study

## Key Policy Developments and Legislative Changes

There were no key policy and legislative changes during the period under review.

# Institutional

## PROGRAMME INFORMATION

### Programme 1: Administration

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

In contributing towards Brand South Africa impact of *“A prosperous Nation Brand / A patriotic and socially cohesive nation”*, the Administration Programme delivers against the following outcomes in the strategic plan:

**Outcome 1: Improved reputation of Brand South Africa as an entity**

#### Strategic Planning and Performance Monitoring

Strategic planning requires ongoing assessment and monitoring to identify under-performance and risk and enable the implementation of appropriate action. Brand South Africa subscribes to a rigid evaluation framework as prescribed by government and holds the achievement of its mandate in the highest regard. Brand South Africa implemented its approved five-year strategic plan as well as the aligned 2023/24 annual performance plan, which was approved by the Minister in the Presidency on 28 April 2023.

#### Information Technology Governance

Technology governance and management is seen as crucial to the enhancement of the Nation Brand. The Board, through its Audit and Risk Committee (ARCO), is responsible for information technology oversight. During the year under review the organization did not have ICT steering committee. This was as a result of not having a Board in place. Plans are in place to appoint the resource following the appointment of the Board in March 2024. ARCO considers quarterly reports, which provide assurance on the security, business continuity and availability of Brand South Africa’s information and technology systems of control, as well as assessments on the adequacy and effectiveness of governance, risk management, compliance and controls relating to technology and information.

During the year under review the origination did not have an ICT Steering committee, this was due to not having a Board of Trustees in place. A proposal to request an IT expert to provide Chairperson responsibilities of the ICT Steering Committee was in place to ensure effective IT governance within the organization. Plans are in place to appoint this resource following the appointment of the Board in March.

The IT Governance Framework and policies guide how information technology should be managed to ensure the confidentiality, security, integrity and availability of systems, as well as the management of personal information.

## Programme 2: Brand, Marketing and Reputation Management



The Brand, Marketing and Reputation Management Programme develops and articulates a Nation Brand identity that will advance South Africa's long-term positive reputation and global competitiveness. This includes using research to monitor sentiment and the performance of the Nation Brand; analysing trends and providing insights that will inform decision making and communication strategies; and proactively and reactively communicating the country's value proposition and values, as well as progress.

In contributing to Brand South Africa impact of *"A prosperous Nation Brand / A patriotic and socially cohesive nation"*, the Brand, Marketing and Reputation Management Programme delivers against the following outcomes in the strategic plan:

**Outcome 2: Increased attractiveness and competitiveness of the Nation Brand.**  
**Outcome 3: Increased Nation Brand advocacy and active citizenship.**

These outcomes are aligned with the national priorities of a better Africa, a better world, social cohesion and promoting Nation Brand pride and patriotism.

### Increased attractiveness and competitiveness of the Nation Brand

To achieve its mandate of managing the Nation Brand's reputation to improve the country's global attractiveness and competitiveness, Brand South Africa implemented various strategic marketing and reputation management initiatives. The objective of these campaigns was to promote South Africa's competitive strengths and communicate how the country is dealing with domestic and international challenges. As the official custodian of the Nation Brand, Brand South Africa must take the lead in showcasing authentic South African products, services and talent internationally, regionally and domestically.

### OUTPUT: MARKETING CAMPAIGNS AIMED AT POSITIONING SOUTH AFRICA AS A PREFERRED DESTINATION FLIGHTED INTERNATIONALLY, REGIONALLY AND DOMESTICALLY

Several campaigns were rolled out during the financial year which were targeted at both international and domestic audiences. By leveraging these strategic domestic and international campaigns, Brand South Africa successfully promoted the nation's strengths, culture, and investment potential, thereby enhancing its global reputation and fostering national pride.

The focus for the fiscal was to highlight South Africa's strengths as per the Nation Brand hexagon pillars, support the investment drive and address the prevailing negative perceptions held by South Africans. The domestic and international campaigns focused on the strengths and achievements of the Nation Brand.

#### Achievements

##### *"This is who we are" campaign*

To promote South Africa to its own citizens, Brand South Africa partnered with Alkebulan to air the "This is Who We Are" campaign on GauTV (channel 265 on DSTV) and Tshwane TV (channel 262 on DSTV). This collaboration resulted in approximately 2,400 spots, reaching an estimated 4.5 million viewers. The campaign underscored South Africa's values, identity, culture, people, tourism, and investment opportunities. The campaign included 14 radio advert spots in Sesotho and isiZulu on Ukhozi FM and Lesedi FM, reaching an estimated 9.48 million of the stations' combined listenership of 11.19 million. The audiovisual content also was broadcast on DSTV channels Newzroom Afrika, DMS Breaking News, Moja Love, and Universal Channel, with a combined estimated reach of over 5 million views.

### **“This is Why We Matter” Campaign**

Brand South Africa prioritised the “This is Why We Matter” campaign when engaging with international audiences during year under review. The campaign was aimed at positioning the country as a prime sustainable investment destination. The campaign highlighted South Africa’s capabilities and potential as a leading investment hub in Africa, focusing on the autonomy and efficacy of sector-specific regulatory bodies. Featuring endorsements from blue-chip investors, the campaign targeted potential investors in the manufacturing, ICT, and emerging markets sectors, achieving over 91 million impressions and reaching over 65.5 million people through advertisements on Facebook, Instagram, X, ImaMedia, LinkedIn, and Bloomberg.

### **State Visits**

Brand South Africa supported presidential state visits through an integrated programme, including the flighting of the exports advocacy audiovisual (AV) in selected countries. The media buying targeted awareness creation around President Ramaphosa’s state visits, achieving 2,023,541 impressions in April 2023 across markets including Japan, India, Malaysia, Saudi Arabia, the United Arab Emirates, the United Kingdom, Uganda, Egypt, and Nigeria.

### **South Korea Exports Strategy Campaign**

Recognizing South Korea’s low familiarity and awareness of South Africa, Brand South Africa leveraged fashion to improve the nation’s image. Partnering with FashionZar, the campaign showcased South African fashion brands and the cultural inspiration behind their designs. Featuring designers David Tlale, Maxhosa, and Black Coffee, the campaign reached 470,050 users, with 76,776 engaging with the content, thereby enhancing Asian consumer awareness and fostering positive perceptions.

## **OUTPUT: GLOBAL STRATEGIC PLATFORMS LEVERAGED**

Strategic platforms are independent global events that Brand South Africa utilises to position the country as an attractive destination for investment and trade. The organisation was able to leverage several strategic platforms during the financial year, which included COP 28, the AGOA Forum and the Joburg Film Festival 2024. Some of the additional key strategic platforms are highlighted below.

### **Achievements**

#### **i. The South African Investment Conference**

Brand South Africa partnered with the IDC, the dtic, and the Presidency to execute the 5th Annual South African Investment Conference (SAIC) on 13 April 2023, at the Sandton International Convention Centre in Johannesburg. This event marked the final investment conference led by President Cyril Ramaphosa since the inauguration of South Africa’s sixth administration. The conference was preceded by a business breakfast and media launch on 6 April 2023, hosted by the dtic minister, which set the stage with discussions on the country’s economic recovery plan aimed at promoting regional and international investment.



A key highlight of the SAIC was the announcement of R1.51 trillion in investment pledges across nine business sectors, including energy, mining, mineral beneficiation, and special economic zones. The conference received extensive coverage from national media broadcasters and several international media outlets, generating positive engagement on Brand South Africa’s digital platforms.

#### **ii. The World Economic Forum Meeting Annual Meeting and the Meeting of the New Champions**

The World Economic Forum Meeting of the New Champions (AMNC) took place in Tianjin, China during the first quarter. This event brought together 1,500 of the world’s top academics, politicians, business leaders, youth, and civil society leaders to discuss pressing global issues under the theme “Entrepreneurship: The Driving Force of the Global Economy.”

South African business stakeholders and entrepreneurs, including government ministers, received invitations to participate. Representatives from Standard Bank, Omnisent, Amara Investments, the Centre for the Fourth Industrial Revolution, African Rainbow Minerals, and the University of Pretoria were among the attendees. Brand South Africa engaged with local media in China and coordinated interviews with South African delegates. Furthermore, Brand South Africa issued a press release in China highlighting South Africa's participation and contributions to the AMNC, as well as the country's world-class capabilities in the fields of entrepreneurship and artificial intelligence / technology.

The organisation also leveraged the World Economic Forum Annual Meeting in Davos (WEF Davos) during the last quarter. At the 2024 WEF in Davos, Brand South Africa coordinated an integrated stakeholder, marketing, and communications programme. Activities included developing key messages, managing the Team SA Business Hub, partnering with media personalities, and securing extensive media coverage. The initiative was highly successful, with significant positive feedback.

Brand South Africa was able to secure funding from Old Mutual, South African Breweries and Naspers for the execution of the Team SA programme. The annual SA Night Dinner was a resounding success with Ministers from Nigeria, Qatar, Australia (amongst others) in attendance.

### iii. Netball World Cup

Brand South Africa leveraged the 2023 Netball World Cup hosted in South Africa to enhance the nation's reputation for sporting excellence. As a member of the local organising committee, Brand South Africa contributed to stakeholder management, communications, and digital activities. These efforts included distributing SA-branded keyrings and scarves to guests, providing bucket hats to



players and delegations, supporting trophy tours, coordinating media interviews, and promoting the event on digital platforms.

### iv. BRICS Summit

Brand South Africa collaborated with the SA BRICS Business Council, the dtic, GGDA, and DIRCO to promote South Africa's chairmanship of BRICS and the hosting of the BRICS Business Forum and BRICS Summit. The campaign included marketing, PR, and communication activities aimed at promoting the country and the African continent favourably to a high-level business audience within BRICS markets.

Digital support for the Summit included the development and implementation of a social media strategy to profile South Africa's strategic role within BRICS and to educate South Africans on the relevance and benefits of the country's membership. The campaign elements included information videos, static banners, paid media placements and real-time coverage of proceedings during the summit. As part of Brand South Africa's innovation, an event mobile app was created for delegates, media and partners, keeping all attendees up to date with the daily programme and logistics. The app was downloaded 1 013 times and 74 participants completed the BRICS survey.

The social media campaign was rolled out over two weeks. It garnered 6 095 937 impressions, with a total reach of 5 760 505 and 15 793 engagements. Total comments/sentiment amounted to 984.

For the first time, Brand South Africa implemented a communication strategy that included the hosting of international media in South Africa to get them to experience the country in person. Media from India, Ghana, Kenya, Egypt, China and Nigeria were taken to Limpopo to experience South Africa's road infrastructure and agricultural excellence at the ZZ Farm and enjoyed a visit to a gin distillery and a safari experience.

The members of the media also had opportunities to conduct interviews with public and private sector spokespeople, and could do live crossings on their respective platforms.

**v. United Nations General Assembly (UNGA) – US**

Brand South Africa collaborated with the Presidency, the South African Consulate in New York, the dtic and South Africa’s Permanent Mission to the United Nations in the execution of a Team SA programme on the margins of the United Nations General Assembly (UNGA) meetings that took place in New York from 18 to 26 September 2023.



The Team SA delegation was led by President Ramaphosa and supported by strategic ministries and selected business stakeholders.

Brand South Africa’s focus was the successful hosting of a business dialogue and execution of a media programme aimed at positioning South Africa as a destination of choice.

The objective of the business dialogue was to build on the intentions articulated in an MOU between the US Chamber of Commerce and Business Unity South Africa (BUSA) to collaborate as priority partners in policy, advocacy and business activities and events that promote the economic partnership between the two countries.

**vi. Africa Investment Conference (AFSIC) – UK**

Brand South Africa, in collaboration with the South African High Commission in the United Kingdom, DFFE and WESGRO, hosted a South Africa Investment Summit as part of the bigger Africa Investment Conference held in October 2023 in the UK. The summit was targeted at prospective investors and fund managers with an interest in the African continent, and sought to position the country as a viable investment destination and a source of quality products.

**vii. Toronto Global Forum – Canada**

Brand South Africa worked with the South African High Commission in Canada and DBSA to represent South Africa at the 17th Toronto Global Forum, which took place under the theme “Fostering Economic Resilience” and was targeted at prospective investors and mega infrastructure fund managers.



Team South Africa was tasked with promoting the country’s green economy and investment opportunities to North American institutional investors. Being one of the most diverse and largest economies in Africa, South Africa is regarded as a growth market for Canadian institutional investors.

**viii. China International Import Expo (CIIE) – Shanghai**



The 6th annual CIIE in November 2023 provided a platform for South Africa to showcase its offerings to the Chinese market. Deputy President Paul Mashatile spoke alongside President Xi Jinping at the opening ceremony. Brand South Africa hosted a business dinner and media briefing, yielding significant media coverage and engagement.

## OUTPUT: COMMUNICATION INTERVENTIONS

Now in its fourth year of implementation, the approved reputation management strategy focuses on promoting positive attributes of the Nation Brand to bring about favourable perceptions about South Africa's global competitiveness. This includes monitoring and analysing media coverage, influencing and responding to issues in the environment that have a negative impact, while proactively using media and PR tactics to ensure a positive share of voice. Following is an account of reputation management interventions undertaken during the period under review.

During the year under review, several events and initiatives positively impacted the Nation Brand:

- The fifth South African Investment Conference in Johannesburg.
- The AfCFTA Business Forum in Cape Town.
- The AFREXIM Bank annual meeting in Accra, Ghana.
- Farewell breakfast for Banyana Banyana.
- Congratulatory messages to the Mzansi Youth Choir and Comrades Marathon runners.
- Improvement in the unemployment rate to 32.6%.

These efforts contributed to building a positive perception of South Africa's global competitiveness and resilience.

In addition to the above, issues affecting the Nation Brand that Brand South Africa responded to included:

### **Grey listing**

In March 2023, South Africa's grey listing by the Financial Action Task Force (FATF) dominated both domestic and international headlines. In response, Brand South Africa developed two opinion editorials to mitigate the impact:

- The first, "Grey Listed, Not Blacklisted," published initially by the *Daily Maverick* and subsequently picked up by other outlets, highlighted South Africa's unique position as the only African country with full FATF membership. It framed the grey listing as an opportunity to intensify efforts against financial crimes.
- The second piece, "No Armageddon in South Africa," refuted claims of South Africa being a failed state due to the grey listing. It underscored the country's strong constitution, robust financial services industry, significant stock exchange, and ongoing investments by multinational corporations. This op-ed was

featured on the Brand South Africa website, Sunday World, and Jambo Africa Online, a platform reaching high-level executives across the continent.

### **Weakening of the rand**

The depreciation of the rand, spurred by allegations from the US Ambassador that South Africa had supplied arms to Russia, saw the currency drop by 7% to R19.90 against the US dollar. Brand South Africa responded with two strategic articles:

"Weak Rand Presents Exporters with Opportunity to Increase Sales to Global Markets" on Business 24.

"The Rand Can Recover... It Has Clawed Back in the Past" on Business Tech and Jambo Africa Online.

### **South Africa's low ranking in mining**

The Fraser Institute's 2022 survey ranked South Africa poorly for investment attractiveness in mining. To counter this narrative, Brand South Africa published "South Africa's Mining Industry: A Story of Integration and Successes" on its website. This article highlighted the significant contributions of the mining industry to the economy, global stock markets, and foreign investment.

### **G7**

In response to reports of South Africa being excluded from the G7 meeting by Japan, Brand South Africa published "Positioning South Africa's Role in the G7 Summit" on its website. The article emphasized South Africa's contributions to Africa's prosperity and its strategic role in global relations.

### **China communications interventions**

Brand South Africa continued to publish Nation Brand content on Chinese platforms, including articles on fintech, e-commerce, biotech startups, and pharmaceutical manufacturing. Content pieces were published on Weibo and WeChat on a monthly basis, achieving a combined total of 109 000 views. Furthermore, longer form feature articles were published on a quarterly basis, reaching an audience of 39,5m in China.

### **Caster Semenya's Victory**

South Africa's celebrated Olympic champion Caster Semenya scored a moral victory when the European Court of Human Rights ruled that she had been discriminated against by athletics bodies that forced her to medically reduce her natural hormone levels to compete in major competitions. Brand South Africa responded with a website article that celebrated Caster Semenya for demonstrating resilience in the face of extreme adversity.

# Management and Relations with INTERNATIONAL AND DOMESTIC MEDIA

Brand South Africa's reputation management strategy successfully navigated both positive and challenging narratives, ensuring a balanced and proactive approach to media engagement and coverage. Through strategic partnerships and targeted media interventions, the organisation has effectively promoted South Africa's image both domestically and internationally. Some of the strategic media engagements and media partnerships are highlighted below.

## Strategic Media Engagements:

- **Primedia:** Engagement to foster a relationship with key media houses like 702, Cape Talk, 947, KFM, and EWN.
- **BRICS Media Hosting:** Hosted international media in Limpopo for experiential learning.
- **SANEF Partnership:** Supported the annual fundraising gala dinner and engaged in a council meeting to educate media on nation branding.
- **People's Daily Visit:** Hosted a Chinese publication delegation to promote people-to-people connections and e-commerce trade.

## Media Partnerships:

- **Sunday World:** Participated in the 'Unsung Heroes' supplement celebrating young South Africans.
- **Mzansi Magic:** Partnered on the historical drama series Shaka iLembe.
- **BBC:** Produced and aired films profiling young South African entrepreneurs. This fresh and future-focused approach to business is called The Next Generation and feature young entrepreneurs in the financial-services, medical innovation and biochemical industries.
- **Bloomberg:** Positioned South Africa as a strategic market at WEF Davos. A panel discussion at the WEF in Davos articulated the country's polies and changing perceptions among targeted audiences. The conversation explored opportunities for partnership and a new model for growth given that South Africa is one of the continent's most vibrant and resilient business communities.
- **Business Day TV – Business Live:** Interview on South Africa's WEF participation.
- **African Business:** Featured in a special edition distributed at WEF Davos 2024.
- **CNBC Africa:** Delivered a comprehensive media campaign for WEF 2024.
- **702:** Partnered for a campaign in support of WEF 2024 with live reads and interviews.



## PROMOTION OF THE NATION BRAND THROUGH THE DIGITAL PROGRAMME

### i. Social media

During the reporting period, Brand South Africa's social media platforms achieved a combined 88 992 571 impressions, while social reach amounted to 62 155 665 and engagement of over 65 000.

Traffic can be attributed to significant activities such as the South African Investment Conference, the paid media strategy for the One Africa campaign and the Spectacular South Africa experiential pop-up store in Hong Kong.

### ii. Overall website performance

During the year under review, Brand South Africa proactively and reactively developed website content to positively position South Africa. Website traffic for the year under review exceeded 400 000. Content themes tied in with significant events and activities carried out during the year.

The content with the highest engagement was sports, followed competitions and paid media, the latter specifically driven by the This is Why We Matter campaign. The content on the BRICS Summit, Playing Your Part to support the Spar Proteas participation in the Netball World Cup and Constitutional Awareness also proved popular.

During the reporting period, the top-performing hashtags included #PlayYourPartSA, #StrongerTogether, and #BrandSouthAfrica. Some 73% of the coverage had a positive sentiment, 26% neutral and less than 1% negative.

## OUTPUT:

# ACTIVITIES THAT PROMOTE ACTIVE CITIZENRY AND ADVOCACY THROUGH THE PLAY YOUR PART PROGRAMME

Brand South Africa's Play Your Part (PYP) programme implemented several impactful activities across diverse sectors, significantly contributing to the nation's social, economic, and environmental development.

### i. Youth empowerment

In youth empowerment, Brand South Africa demonstrated a strong commitment to nurturing young talent and leadership. The organisation partnered with the second annual Youth Owned Brand Awards (YOBAs) at the Sandton Convention Centre, showcasing the achievements of young entrepreneurs. Additionally, Brand South Africa collaborated with PYP ambassador TT Mbha of the Junior Chamber International to host a welcome brunch for the Ten Outstanding Young Persons (TOYP) award winners, celebrating their exceptional contributions. Further extending its reach, PYP ambassador Pearl Ntshehi organised a clothing drive and play-therapy session for children at the New Jerusalem Children's Home in Midrand, Gauteng, on Youth Day, supported by Brand South Africa's social media and branding efforts.

### ii. Sport

In the realm of sports, Brand South Africa played a pivotal role in promoting athletic excellence and supporting athletes from various backgrounds. The organisation provided branded running gear to eight disadvantaged Comrades Marathon runners and partnered with the Comrades Marathon Association to host the 2023 Comrades Marathon Champions



Breakfast. Their involvement extended to the Momentum gsport Awards, where Brand South Africa participated in the Hall of Fame luncheon and presented the Para Sport Star of the Year award, celebrating women's achievements in sport. Additionally, more than 600 South Africans attended two PYP advocacy activations in Bordeaux and Paris before Springbok rugby matches, executed in partnership with GSA, the Braai Army, and Checkers.

### iii. Environmental Sustainability

Promoting environmental sustainability, Brand South Africa partnered with Miss Earth South Africa for a tree-planting and community clean-up initiative at Matiwane Combined School in Orange Farm. This effort saw the planting of twenty trees and engaged over 200 learners, fostering a sense of environmental stewardship and responsibility among the youth.

### iv. Entrepreneurship

Entrepreneurship was another key focus area for Brand South Africa. The organisation supported PYP ambassador Bulelani Balabala in conducting Township Entrepreneurship Alliance (TEA) workshops in Thlabane, North West, and Krugersdorp, Gauteng. These workshops aimed to empower township entrepreneurs with the skills and knowledge needed for business development. Furthermore, Brand South Africa was involved in the Pathfinders' business development programme for entrepreneurs, supported by Mams Mall in Mamelodi, Gauteng.

In addition to the above, the Play Your Part Ignite initiative was a significant highlight, encompassing a country-wide roadshow at various educational centers

and TVET colleges. This programme aimed to help young people achieve their entrepreneurial dreams through mentorship and practical guidance. Brand South Africa hosted four PYP Ignite activations during the year in Cape Town, Mbombela, and Durban. Each event included a masterclass presentation and a pitching competition, with winners receiving cash prizes. The activations, promoted on social media and radio, reached over 340,000 people.

### v. Cultural and Arts Advocacy

Brand South Africa's Play Your Part (PYP) programme also highlighted the nation's cultural richness and artistic achievements through impactful activities involving prominent South African figures and institutions.

During the second quarter Brand South Africa proudly onboarded the Drakensburg Boys Choir as PYP ambassadors during their concert in Pietermaritzburg. The choir, known for its exceptional musical talent and international acclaim, aligns perfectly with Brand South Africa's mission to promote national pride and cultural heritage. Furthering this collaboration, Brand South Africa arranged a send-off at OR Tambo International Airport for the choir's tour of Mauritius on 17 September, which was broadcast live on ENCA, showcasing South Africa's cultural ambassadors to a broader audience.

In another significant cultural initiative, Brand South Africa partnered with the Market Theatre Foundation, the Department of Sport, Arts and Culture (DSAC), and legendary actor John Kani to celebrate his 80th birthday. This event not only honoured Kani's immense contributions to the arts and entertainment industry but also highlighted the rich cultural heritage and talent within South Africa. The celebration served as a platform to reflect on Kani's legacy and his role in shaping the South African arts scene.



## OUTPUT: CONSTITUTIONAL AWARENESS ACTIVITIES AIMED AT PROMOTING CONSTITUTIONAL VALUES AND SOCIAL COHESION

During 2023/24, Brand South Africa continued its Constitution Awareness campaign. In addition to content published on owned digital platforms, Brand South Africa facilitated activities aimed at general education on the Constitution and deepen especially young people's understanding of democracy, human dignity, freedom and social justice in the context of the Constitution.

The organisation furthermore partnered with Kim Samuel, a Canadian-born US citizen, on a human rights dialogue focusing on the rights of older people on 11 September at the Welgemeend Estate in Cape Town.

To promote the concept of inclusivity, Brand South Africa collaborated with Constitution Hill in the hosting of a debate competition for grade 10 and 12 learners. Curated around the South African Constitution and the concept of democracy, the competition sought to elevate constitutional values and encourage young people to participate in discussions that advocate for active citizenship.

Brand South Africa and the Be Disciplined and Dedicated (BDD) Foundation collaborated in the execution of a non-racial and inclusivity focused engagement at the Paul Sauer High School in Tsitsikama, Eastern Cape. The activation emphasised rights linked to freedom of expression, including the right to education, equality and life and used rugby and netball coaching, primary healthcare education and self-defence, emotional intelligence and physical and mental wellness coaching sessions. Fifty learners were selected to be placed in development teams in national rugby clubs.



Brand South Africa also participated in the 2024 Human Rights Festival, which was held at Constitution Hill and included exhibitions, dialogue sessions, film screenings, art exhibitions and book festivals. Brand South Africa participated in several engagements, including "A Disruptive Discussion on the Youth Experience of Democracy and the Need to Vote". The interactive and successful engagement was streamed to reach the GSA network and the social media campaign run by the Global Markets unit. The organisation also participated in a dialogue session on the situation in Palestine and South Africa's moral standing in the issue. This very interactive engagement was well attended and also streamed to the GSA network and covered on the organisation's digital platforms.

The fiscal's final activity focused on the right to education and saw Brand South Africa partnering with Inkosi Shinga, KwaZulu-Natal COGTA and KZN DOBE in the execution of an activation at Mvuthuluka Secondary School and Buhlebethu High School in KwaZulu-Natal. The activity was covered by Ugu Youth Radio and Sunny South Radio Station and was attended by almost 1 600 learners and 60 community members.

## OUTPUT: GLOBAL SOUTH AFRICANS ACTIVITIES

As outlined in Brand South Africa’s Strategic Plan, it is crucial for the organisation to encourage South Africans, both locally and abroad, to become Nation Brand advocates. Believing that South Africans based abroad are invaluable resources for the country as it strives to position itself as a global player in an increasingly competitive world, Brand South Africa has developed the Global South Africans (GSA) programme. For the year under review, a total of 20 GSA activities were implemented across various countries, including the USA, China, France, Nigeria, Australia, and several European nations. Here, we highlight some of the most impactful activities and summarize the key sectors they focused on.

### i. GSA Freedom Month activation

During the first quarter of the fiscal, Brand South Africa launched a content-based marketing campaign focusing on Freedom Month celebrations. This campaign, published on Facebook, LinkedIn, and Instagram, was highly successful, with the adverts being shown more than 909,000 times and reaching over 421,590 users. The campaign celebrated South Africa’s freedom and democratic values, aiming to engage South Africans globally and foster national pride.

The GSA programme was then enhanced to include an ongoing content marketing campaign built around specific themes throughout the year under review. These included Africa Month, Black History Month aimed at audiences in North and South America in February 2024, and 30 years of democracy in March 2024, targeting Australia, the USA, Canada, India and Saudi Arabia.

The content marketing campaign also draws on impactful individuals and in this regard four Global South African ambassadors were onboarded in March 2024. The plan is to onboard six more ambassadors in April, totalling ten Global South Africans Ambassadors for the year.

### ii. Mi Casa European Tour

The second quarter saw Brand South Africa supporting the European tour of the local music group Mi Casa. This tour reached GSA audiences in the UK, France, Portugal, Netherlands, Germany, Poland, and Spain. Beyond promoting the shows, Brand South Africa and Mi Casa ran a digital competition for GSAs on social media platforms and websites, enhancing cultural exchange and promoting South African music and talent abroad.



### iii. Spectacular South Africa pop-up store



Brand South Africa, WOSA, and the South African Consulate-General in Hong Kong hosted an exclusive event at the 2023 Spectacular South Africa pop-up store. This event brought together close to 30 GSAs, highlighting South African products and fostering business connections.

### iv. New York

Brand South Africa with the SA Consulate in New York, Chef Lorna Maseko and South African Tourism hosted an in-person reception networking event targeted at South African companies with operations in the US, influential South Africans, media personalities and South African NGOs with a presence in New York City. The engagement facilitated discussions



with South African stakeholders on how the country brand should be positioned in markets such as the USA and the importance of showing affinity for the country.

#### v. France

France has become the country with the highest attendance figures of GSAs activations, hence Brand South Africa decided

to host another GSA event in 2023, following the successful reception in Paris in 2022. The activation took place on 24 September 2023 in the form of a networking engagement with South Africa’s Heritage Day as theme. South African cuisine, wine and music formed part of the proceedings to “bring South Africa to South Africans in France” and remind them of their values, culture and heritage.



## OUTPUT: DOMESTIC PERCEPTIONS RESEARCH STUDY

Brand South Africa’s domestic perceptions research is designed to empower the organisation and relevant stakeholders with insights on, for example, the perceptions of the average South African about issues that have an impact on their daily lives.

### 30 years of democracy

In the fourth quarter of 2023/24, Brand South Africa’s Research Unit conducted focus group discussions with 30 years of democracy as theme. The objective was to gauge the sentiments of South Africans towards government’s performance and achievements since 1994.

Participants divided their feedback into two timeframes. Firstly, the period between 1994 to 2009 was seen as a time when the lives and livelihoods of ordinary South Africans were changed for the better. The period between 2009 and 2023, however, was seen as a time of minimal or stagnant economic growth coupled with high unemployment, corruption, collapsing infrastructure, persistent rolling blackouts and poor service delivery. It is important to note

that the latter period is the top-of-mind association with government’s performance and achievements.

Despite the negative sentiments expressed by the participants, there is still a strong sense of pride about being South African with citizens willing to help one another and celebrate achievements together. The findings further indicate that people are motivated to keep going and aim for change.

The hope participants voiced is rooted in South Africa’s reputation for resourcefulness, resilience, being community-orientated and being driven by the spirit of Ubuntu. South Africa is seen as having potential and possibilities; however, these are impeded by poor service delivery, unemployment, corruption, loadshedding and low levels of support for youth empowerment.

### Behavioural groups

To understand the impact dynamics of the coming together of South Africa’s pluralistic society, Brand South Africa uses



UNITY  
RESEILIENCE  
GROWTH

its proprietary behavioural group segmentation model. The model is based on three constructs: national pride, active citizenship and social cohesion.

The behavioural groups describe South Africans in terms of how they amalgamate elements of the three social constructs. These behavioural groups are independent humanists, positive enablers, activist supporters, cautious optimists, accountability advocates, celebrators of achievements, uncritical loyalists, supporters of heritage and the politically discontent. Monitoring these behavioural groups yields insights into levels of integration, social engagement and active citizenship.

The results of the 2023/24 domestic perceptions study indicate that South Africa is gradually developing into a maturing democracy and nation. Looking at the country through the lens of the behavioural groups reveals the complex environment in which South Africans live. The celebrators of achievement find reasons for joy and there is a commitment to work together as positive enablers to help one another, however small these circles of support may be. The other dominant behavioural group is the uncritical loyalists who mostly depend on government grants to put food on the table. A new group emerged this year, namely, strong community networks that develop to protect communities against crime and other social ills.

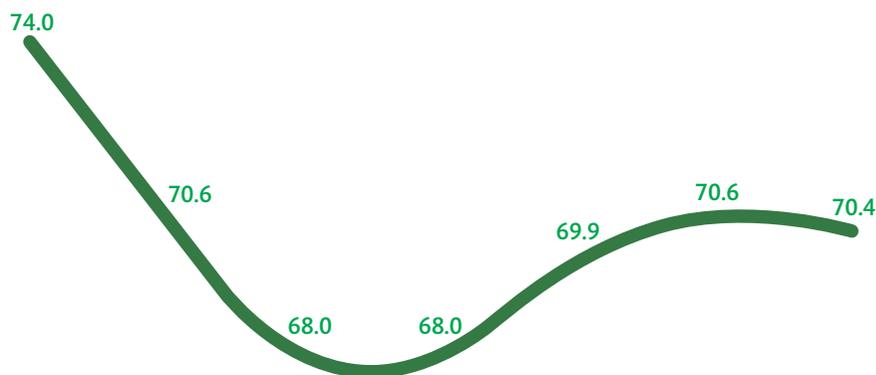
Moving from 75% in 2019 to 74% in 2020, 68% in 2021, 66% in 2022 and 62% in 2023, the collective identity of being South African is being eroded by crime, corruption and mismanagement. The commitment to remain true to what has been achieved is fading.

## Behavioural group constructs

### National pride

The national pride score is an indicator of the nation's pride and commitment to the country. The increase from 2021 (69.9) to 2022 (70.6) aligned with the sentiments of a nation redefining itself and finding new areas of commitment to support the country. The slight decrease in 2023 (70.4) is reassuring against the backdrop of great economic uncertainty, political risk and social challenges, but will be important to monitor.

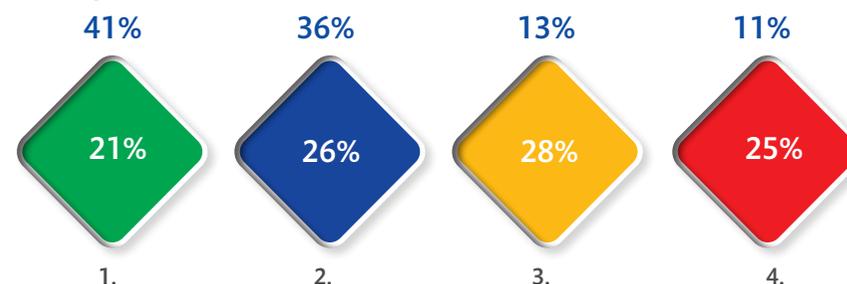
Graph 6: National pride trend: 2017-2023



Year	Sample Size (n)
2017	2536
2018	2511
2019	2506
2020	2501
2021	2511
2022	2510
2023	2559

Source: The Domestic Perceptions Research Programme: 2023 State of the Nation Report

### National pride construct clusters



Salience Source Cluster Size Ranking

\*Salience: In this report, salience refers to the statistical expression of how closely a cluster or behavioural group resonates with what it means to be a South African.

\*Group size: The size of the group is expressed as a percentage of the total population; however, in the context of behavioural group analysis, that percentage can also be the number of South Africans that associate with that group.

\*Rank: Refers to the benchmark performance of the groups associated to the statements.

Source: The Domestic Perceptions Research Programme: 2023 State of the Nation Report

1. South Africa is a place of great sport, arts and science talent with beautiful natural spaces. There are concerns but these are proud moments.
2. South Africa's achievements, socially, politically and economically both locally and internationally as a diverse nation.
3. Pride is motivated by the spirit of being South African: Ubuntu, diversity, innovation, possibility and a uniqueness that is unmatched.
4. South Africa is recommended as a place to work, travel, study and invest. Although less specific, it remains optimistic.

### Active citizenship

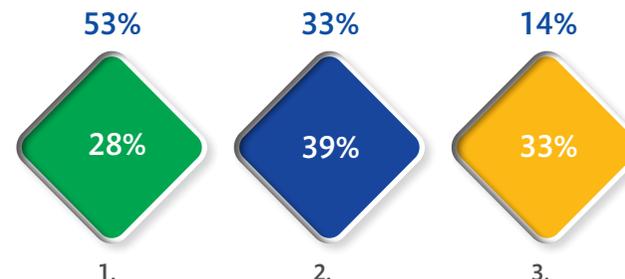
Active citizenship is the practical expression of a nation's belief and therefore takes longer to become evident than national pride. From the first measure in 2017 at 67% to the sudden decline in 2018 as the impact of corruption and mismanagement hit home, active citizenship remained low until 2021 when the monthly surveys started to show signs of recovery. This has now confirmed with an annual survey score of 64.1% for 2023, which indicates that localised community interventions to improve conditions are gaining momentum.

Graph 8: Active citizen trend: 2017-2023



Source: The Domestic Perceptions Research Programme: 2023 State of the Nation Report

### Active citizen clusters



Salience Source Cluster Size Ranking

\*Salience: In this report, salience refers to the statistical expression of how closely a cluster or behavioural group resonates with what it means to be a South African.

\*Group size: The size of the group is expressed as a percentage of the total population; however, in the context of behavioural group analysis, the percentage can also be the number of South Africans that associate with that group.

\*Rank: Refers to the benchmark performance of the groups associated to the statements.

Source: The Domestic Perceptions Research Programme: 2023 State of the Nation Report

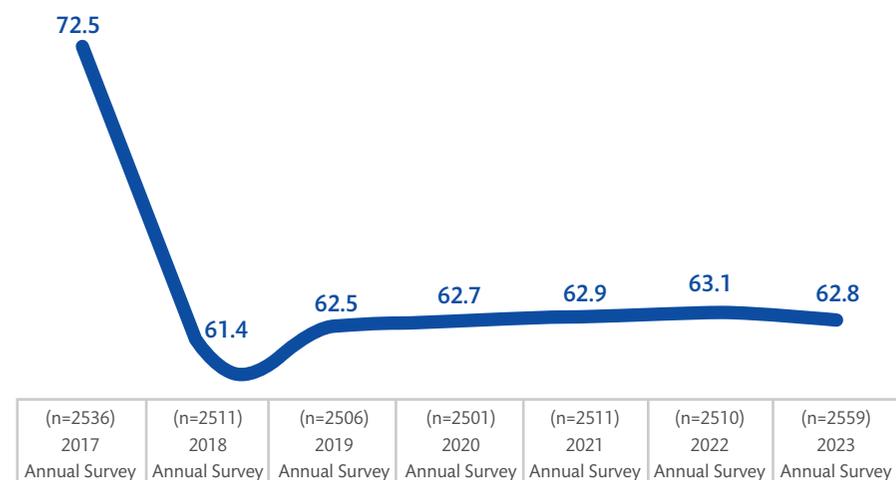
1. A positive and strong commitment to help others to improve circumstances as a collective. Standing strong on principles, my vote counts, and with limited government interaction.
2. A personal network of people to look after things has been established and being active happens within this network. The groups are a little isolated from the broader active citizenship activities.
3. Community life is hard. Social, criminal, political and community fragmentation and degradation. Small groups protect and look after one another.

### Social cohesion

Social cohesion is the most complex construct and takes the longest to change. The fundamentals of the construct are trust, confidence and reliability of others to foster a sense of community or mutual support. Despite a slight decrease since 2022, evidence suggests that several activities emerging from the active citizenship and national pride perspectives have contributed positively to social cohesion. The most important takeout from the 2023/24 study is that horizontal cohesion strengthened and is now the most important cluster in the social cohesion construct, after being in second position in the previous reading. This is a good

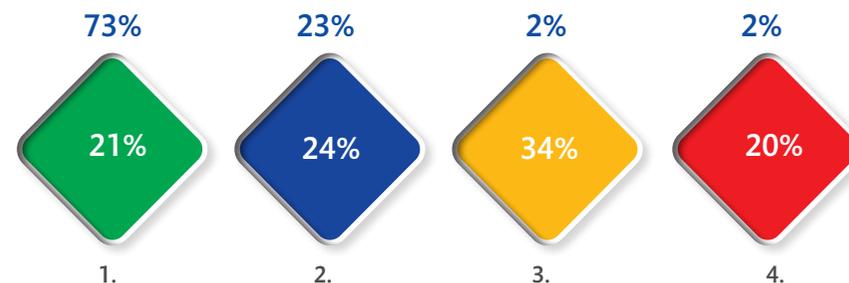
sign of people working together, although still very fragmented, having taken a firm position to look after themselves, independent of government systems that have failed to secure or provide services.

Graph 10: Social cohesion trend: 2017-2023



Source: The Domestic Perceptions Research Programme: 2023 State of the Nation Report

Social cohesion clusters



Saliency Source Cluster Size Ranking

\*Saliency: In this report, saliency refers to the statistical expression of how closely a cluster or behavioural group resonates with what it means to be a South African.

\*Group Size: The size of the group is expressed as a percentage of the total population; however, seen in the context of behavioural group analysis, the percentage can also be the number of South Africans that associate with that group.

\*Rank: Refers to the benchmark performance of the groups associated to the statements.

Source: The Domestic Perceptions Research Programme: 2023 State of the Nation Report

1. Horizontal cohesion, feeling close to others, a sense of belonging and embrace diversity. Social rather than structural connection.
2. Confident in government services, processes and the political system. Recognising opportunities for all.
3. Vertical cohesion linked to public and social systems and structures. Value education, social security and healthcare.
4. Aware of and often discuss inequality with an appreciation of the role of civil society.

## Programme 3: Stakeholder Relationships



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

In contributing to the Brand South Africa impact of "A prosperous Nation Brand / A patriotic and socially cohesive nation," the Stakeholder Relationships Programme delivers against the following outcomes in the strategic plan:

## OUTCOME 4: ALIGNED NATION BRAND EXECUTION AND EXPERIENCE DOMESTICALLY AND INTERNATIONALLY

### OUTPUT:

**NATION BRAND FORUMS AIMED AT POSITIONING THE COUNTRY POSITIVELY TARGETING DOMESTIC AND INTERNATIONAL AUDIENCES**



The Nation Brand Forum (NBF) is one of Brand South Africa's flagship programmes through which the organisation solicits the active participation of relevant stakeholder groups in building a coherent and compelling Nation Brand image, reputation and identity.

The NBF is a platform where stakeholders engage, celebrate and share knowledge and experiences, as well as discuss the best ways to market and communicate the country's image across the world.

During October 2023, Brand South Africa hosted the seventh NBF Roundtable with three objectives:

- Solicit knowledge contributions and required action to initiate tangible steps towards achieving proposed solutions for social and economic recovery.
- Mobilise stakeholders to encourage contributions towards strengthening and advancing the long-term reputation and image of the Nation Brand.
- Get stakeholder buy-in on Brand South Africa's value proposition.

The event saw 39 diverse influential, experienced and patriotic thought leaders and decision-makers discussing the outcomes of the international and domestic studies on perceptions, opportunities and challenges for the Nation Brand, collectively contributing to refreshing the country's global positioning, narrative and drivers of success.

The outcomes of the NBF Roundtable on South Africa's central idea were consolidated into a revitalised South Africa brand key, shaped around the six dimensions of nation branding - tourism, exports, governance, investment and immigration, culture and heritage, and people - that measure the strength and quality of a country's brand image.

### OUTPUT:

**COORDINATED ACTIVITIES IMPLEMENTED WITH RELEVANT STAKEHOLDERS AIMED AT PROMOTING AN ALIGNED NATION BRAND EXECUTION AND EXPERIENCE INTERNATIONALLY AND DOMESTICALLY**

#### Activities implemented with public sector stakeholders

Brand South Africa collaborated with different government entities for the execution of five state visit business forums, investment promotion activities and the celebration of Grammy Awards recipients. A highlight was Africa Communications Week, which was a collaboration with GCIS that reviewed the contribution of the communications sector to Africa's development.

For the second time, Brand South Africa collaborated with WOSA and the South African Consulate-General in Hong Kong to host a pop-up store activation, and with the Department of Higher Education and Training to arrange a send-off for South Africans who have received bursaries to study in Hungary, Russia, China, and Mauritius.



Brand South Africa supported the Limpopo Economic Development Agency in hosting the Limpopo Investment Conference and supported DSAC's Springbok 2023 World Cup Rugby campaign with a series of activities, including a social media competition and events in Soweto with the Soweto Rugby Academy.

In terms of awards, Brand South Africa collaborated with the Department of Small Business Development on the second Presidential SMME and Cooperatives Awards and with the GCIS on the execution of the SADC Media Awards. It also supported DSAC on the South African Cultural and Creative Industry Awards.

Brand South Africa collaborated with the dtic in the implementation of a communications programme for the second annual Black Industrialists and Exporters Conference, and with Proudly South African on the delivery of the 2024 Buy Local Summit.

## Activities implemented with civil society stakeholders



Brand South Africa collaborated on several activities with civil society stakeholders, namely, netball clinics with the Dumisani Chauke Foundation, Durban clean-up and community outreach with the Green Youth Network, What About the Boys? with Primestars, the third national Effie Awards with the Association for Communication and Advertising (ACA) and the 2023 Mandela Day Walk and Run with the Nelson Mandela Foundation. Also in collaboration with the Nelson Mandela Foundation, Brand South Africa was involved with the 21st Annual Nelson Mandela Lecture which was delivered by Nobel Peace laureate Malala Yousafzai.

The organisation furthermore worked with the University of South Africa on a two-day event aimed at improving the industry relevance of marketing education, and with the National Council of and for Persons with Disabilities (NCPD) on the launch of its 2023 Casual Day awareness campaign.

In support of the fight against GBV, Brand South Africa partnered with PYP ambassador and founder of Man Lives Foundation, Paul Nzimande, in collaboration with Durban and Coastal Mental Health, to launch the Khuluma Ndoda campaign.

The ongoing partnership between Brand South Africa and the Old Mutual Foundation delivered relief packages to flood victims in KwaZulu-Natal in collaboration with the Red Cross and the Alfred Duma Municipality.

In collaboration with Tribal Tourism, Brand South Africa hosted a Nation Brand positioning session at the Nelson Mandela Foundation for 25 students from Rutgers University as part of their study trip to South Africa.

### Activities implemented with private sector stakeholders

Brand South Africa collaborated in the execution of the Tourism Investment Forum Africa (TIFA) with Millvest Advisory, the Women's Property Network Business Roundtable, the Soweto Investment Forum, and the South Africa Norwegian Association Business Roundtable.

In collaboration with the South African Film Festival (SAFF), the very best of contemporary South African film was brought to Australian and New Zealand audiences during May 2023. The online festival featured 25 films, from hard-hitting documentaries to heart-warming short films.

Brand South Africa supported the dtic in executing the pre-AGOA business roundtable and partnered with Ambrosetti on the 10th Southern Africa Europe CEO Dialogue.

In collaboration with Chef Lorna Maseko, Brand South Africa hosted an activation in June 2023 at the Los Angeles Cooking School in California. The bespoke event targeted influencers and media personalities with an interest in South Africa. A similar event took place in September in New York City to commemorate Heritage Month.

Brand South Africa secured partnerships with South African Breweries, Naspers and Old Mutual for the implementation of South Africa's WEF Davos programme, and has taken responsibility for the communications and narrative focal area of the partnership between government and the private sector to improve South Africa's energy, transport and logistics, and crime and corruption status.

### Activities implemented with a mix of stakeholders

A comprehensive communication strategy that effectively communicates South Africa's strength, initiatives and progress can only be realised with the inputs of stakeholders such as government agencies, tourism boards, local communities and the sporting community. To this end, Brand South Africa hosted brand alignment workshops with the Department of Science and Innovation, the KZN Convention Bureau, the South African Football Association and the dtic, each equipping a specific group of stakeholders with Nation Brand understanding and messages.

Brand South Africa collaborated with the Centre for the Fourth Industrial Revolution in the implementation of the second annual Digital Transformation Expo, which was hosted by the CSIR in Pretoria, Gauteng.

Brand South Africa participated in a CEO roundtable in KwaZulu-Natal, hosted by the CEO of the Masisizane Fund, with the aim to bring together like-minded public and private sector stakeholders in the entrepreneurship ecosystem of KwaZulu-Natal.

### Activities implemented with international stakeholders



Brand South Africa, the consul general of South Africa in Shanghai and Aspen China collaborated to celebrate Nelson Mandela International Day by hosting a dinner at the Westin Bund Centre. Also in July, Brand South Africa hosted a business roundtable

in Nigeria with the cooperation of South African Consulate in Lagos, the South African Chapter of the BRICS Business Council and Tourism South Africa to promote AfCFTA and BRICS in Africa.

A series of Nation Brand activations took place in China during 2023/24 in collaboration of the consulates in Shanghai and Hong Kong and the embassy in Beijing. These were a pre-BRICS business seminar in Beijing, an online trade and investment webinar and an investment seminar in Hong Kong. In November 2023, South Africa was invited to participate in the Global Digital Trade Expo, China's only national-level international professional exhibition on digital trade, hosted by the People's Government of Zhejiang Province and the Ministry of Commerce of the People's Republic of China. Brand South Africa led the process of designing South Africa's country pavilion and through the facilitation of the Department of Small Business Development, 21 South African small businesses specialising in various types of digital solutions participated in the Expo. In February 2024, Brand South Africa held a successful strategic roundtable discussion in the city of Guangzhou in collaboration with the Africa-Guangdong Business Association (AGBA) to forge stronger business ties between South Africa and China's Guangdong Province.



On a less formal note, Brand South Africa collaborated with the Braai Army on a gathering for rugby fans in the UK before the Springboks vs. All Blacks game on 25 August 2023. In September Brand South Africa and the South African Consulate in Shanghai, with support from SA Tourism, marked Heritage Month by hosting a South African food and wine evening. Also in September, Brand South Africa and the Consulate in Hong Kong marked the 25th anniversary of South Africa's

diplomatic partnership with China with a celebration at the Park Lane Hotel in Hong Kong.

During September 2023, Brand South Africa collaborated with the SA Embassy in France, SABBEX, the dtic and WESGRO on South Africa's presence – as guest country of honour – at the 2023 Grand Pavois International Boat Show in La Rochelle, France.

Three iconic South Africans supported the Nation Brand internationally in 2023. World-renowned jazz musician Don Loka celebrated 50 years in the music industry with a dinner hosted by Brand South Africa and the South African Embassy in London, while Brand South Africa collaborated with Brian Hall Events in the UK for a series of in-person events with legendary rugby player Tendai (the Beast) Mtawarira. Brand South Africa also worked with the Kolisi Foundation to host a fundraising event for Springbok captain Siya Kolisi's Siyaphakama Zwide Schools Project.

South Africa was positioned as an investment destination of choice at the Qatar Hospitality International Expo and Exhibition 2023 by Brand South Africa and the South African Embassy in Doha, Qatar, while in Canada South Africa participated for the first time in the Toronto Global Frum (TGF), an international conference organised by the International Economic Forum of the Americas (IEFA). Brand South Africa and the South African Consulate in Canada participated at the 17th edition of the forum with the aim of engaging the USD1.8-trillion Canadian Pension Fund on the possibilities of investing in South Africa.

In December 2023, Brand South Africa and Setup A Startup hosted the 2023 Africa Startup Ecosystem Builders Summit and Awards (ASEB) at the United States International University in Nairobi, Kenya.

To promote South Africa's film industry and the country as a production location, Brand South Africa coordinated South Africa's presence at the European Film Market in Berlin, Germany, in collaboration with the National Film and Video Foundation (NFVF), Industrial Development Corporation (IDC), Trade and Investment KwaZulu-Natal and WESGRO.





## TACTICAL OPPORTUNITIES

Brand South Africa leveraged the following tactical opportunities to amplify its programmes:

- Bafana Bafana and Morocco soccer match
- Roundtable hosted with the South Africa Norwegian Association
- Outreach day in Mpumalanga with PYP ambassador Lucia Ochan
- Celebrating Our OWN gala dinner with DSAC
- Chale Wote Film Festival in Accra, Ghana
- Tricolour Games in Italy in which more than 200 South African school athletes participated
- GSA Boktown event in Qatar
- Woza Mzansi Heritage Day celebration in Hong Kong
- Hong Kong Jewellery & Gem World 2023 with the State Diamond Trader and the SA Diamond & Precious Metals Regulator

## PROGRAMME 1: ADMINISTRATION

Outcome	Output	Output Indicators	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from Planned Targets to Actual Achievement	Reasons for Deviations	
1.1. Improved reputation of Brand South Africa as an entity	1.1. Unqualified audit outcome obtained	1.1.1. An unqualified audit outcome	An unqualified audit outcome	An unqualified audit outcome, with no other matters	An unqualified audit outcome	Target met: An unqualified audit outcome	No deviation	No deviation	
	1.2. Payments made to suppliers within 30 days	1.2.1. Percentage of payments made on valid supplier invoices within 30 days from the date of receipt of an invoice	91% of valid payments made to suppliers within 30 days from the date of receipt of an invoice	100% of valid payments made to suppliers within 30 days from the date of receipt of an invoice	100% payments made on valid supplier invoices within 30 days from the date of receipt of an invoice	Target met: 100% payments made to valid supplier invoices within 30 days from the date of receipt of an invoice	No deviation	No deviation	
	1.3. B-BBEE scorecard rating	1.3.1. B-BBEE scorecard rating level	56% spend on B-BBEE level 1 suppliers	The B-BBEE rating level for the period under review is non-compliant	Level 5 B-BBEE scorecard rating level	Target not met: The BBBEE scorecard rating is non-compliant.	The BBBEE scorecard rating is non-compliant	Reason for Deviation: The entity remained without a Board during the period under review and could not obtain management and control points. Action Plan: The Board has been appointed and management and control points will be obtained during the next financial year.	

Outcome	Output	Output Indicators	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from Planned Targets to Actual Achievement	Reasons for Deviations	
	1.4. Vacancy rate	1.4.1. Vacancy rate of no more than 10% against the approved organisational structure maintained	25% vacancy rate	26% vacancy rate	Vacancy rate of no more than 10% against the approved organisational structure	Target not met: The vacancy rate for the period under review is at 29.82%	19.82% vacancy rate	Variance: The delay in the appointment of the Board during the period under review, led to delays in the filling of critical positions. Action Plan: Recruitment Plan is implemented to fill critical positions.	
	1.5. Organisational performance	1.5.1. Overall percentage rating on organisational performance	86% overall organisational performance rating	93% overall organisational performance rating	90% overall organisational performance rating	Target met(exceeded): 91% overall organisational performance rating	1% overall organisational performance rating	Reasons for Deviation: Catch up plans were implemented to ensure that the Annual Targets were met.	
	1.6. IT security and systems availability	1.6.1. Number of reports on IT security and systems availability	99% system availability at the DR Site, with planned downtime	98% availability of all IT systems	4x reports on IT security and systems availability	Target met: 4x reports on IT security and systems availability	No deviation	No deviation	

## PROGRAMME 2: BRAND, MARKETING AND REPUTATION MANAGEMENT

Outcome	Output	Output Indicators	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from Planned Targets to Actual Achievement	Reasons for Deviations
2. Increased attractiveness and thereby competitiveness of the Nation Brand	2.1. Marketing campaigns aimed at positioning South Africa as a preferred destination	2.1.1. Number of marketing campaigns aimed at positioning South Africa as a preferred destination flighted internationally, regionally, and domestically	7x marketing campaigns that illustrate the attractiveness of the Nation Brand to domestic audiences	10x marketing campaigns aimed at positioning SA as a preferred destination to domestic and international audiences	8x marketing campaigns aimed at positioning South Africa as a preferred destination flighted internationally, regionally, and domestically	Target met. (exceeded) 12x marketing campaigns aimed at positioning South Africa as a preferred destination flighted internationally, regionally, and domestically	4x marketing campaigns aimed at positioning South Africa as a preferred destination flighted internationally, regionally, and domestically	Reasons for Deviation: Brand South Africa was requested to support the Presidential State Visits and flighted the Advocacy AV in strategic markets. Brand South Africa received an opportunity to flight "This is Who we Are" domestic AV on strategic stakeholders' platforms. Received Value Add from the Alkebulan partnership through GAu TV and Tshwane TV. Tactical Activities: 1x tactical activity leveraged for the period under review.

Outcome	Output	Output Indicators	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from Planned Targets to Actual Achievement	Reasons for Deviations
	2.2. Global strategic platforms leveraged	2.2.1. Number of global strategic platforms leveraged to position South Africa	7x integrated reputation & communication activities implemented for strategic platforms domestically and internationally	16x integrated reputation & communication activities implemented for strategic platforms domestically and internationally.	15x global strategic platforms leveraged to position South Africa	Target met. (exceeded) 17x global strategic platforms leveraged to position South Africa	2x global strategic platforms leveraged to position South Africa	Reasons for Deviation: The organisation leveraged an opportunity to support the Venice Biennale as per the request from the Department of Sports, Arts and Culture . The China International Import Expo was implemented as part of the Presidential support programme, with the request coming from the Embassy to support the Deputy President visit.
	2.3. South African Global Reputation Study conducted	2.3.1. Number of reports that track South Africa's global reputation and brand familiarity	19x Nation brand performance monitoring analysis pieces and South African global reputation study reports produced	20x Nation brand performance monitoring analysis pieces and South African global reputation study reports produced	19x reports that track South Africa's global reputation and brand familiarity	Target met: 19x reports that track South Africa's global reputation and brand familiarity	No deviation	No deviation

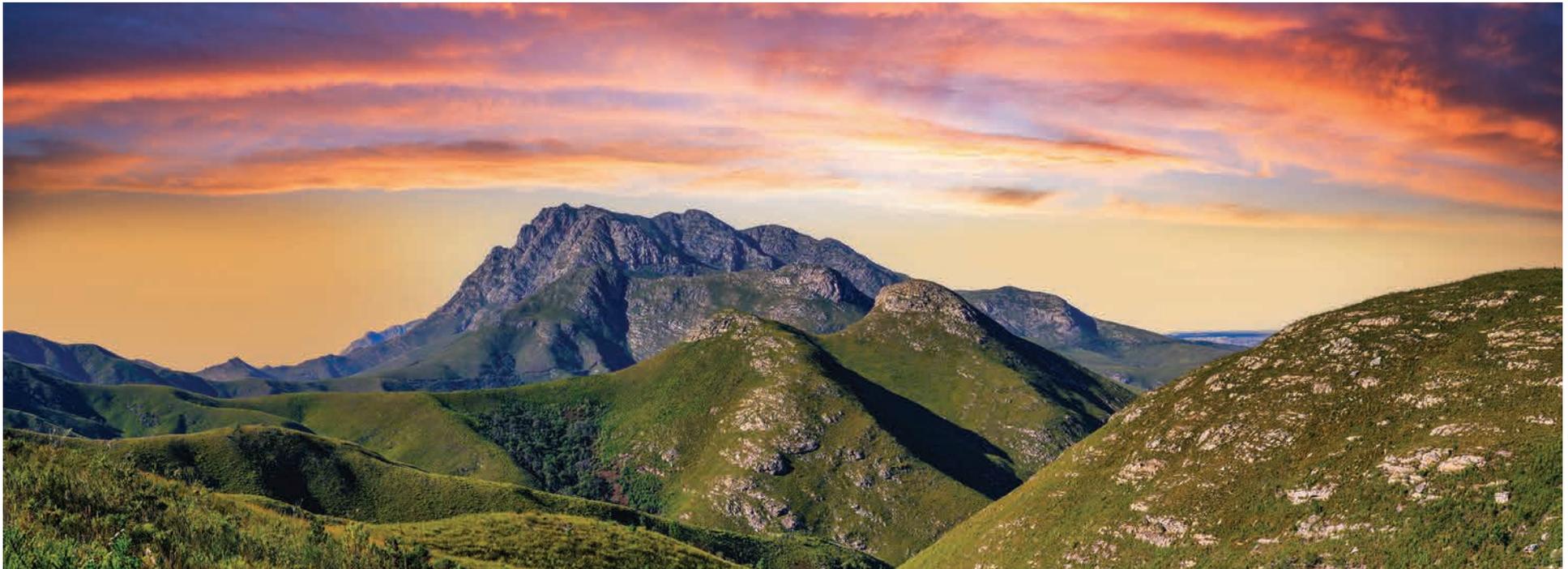
Outcome	Output	Output Indicators	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from Planned Targets to Actual Achievement	Reasons for Deviations
	2.4. Communication interventions	2.4.1. Number of registers of communication interventions produced as part of the implementation of the reputation management strategy internationally, regionally, and domestically	New Indicator	New Indicator	4x registers of communication interventions produced as part of the implementation of the reputation management strategy internationally, regionally, and domestically	Target met: 4x registers of communication interventions produced as part of the implementation of the reputation management strategy internationally, regionally, and domestically	No deviation	No deviation
		2.4.2 Number of media monitoring analysis reports	New Indicator	New Indicator	12x Monthly (1 per month) media monitoring analysis reports	Target met: 12x Monthly (1 per month) media monitoring analysis reports	No deviation	No deviation
		2.4.3 Number of media engagements aimed at management of relations with international and domestic media	New Indicator	New Indicator	8x media engagements aimed at management of relations with international and domestic media	Target met: 8x media engagements aimed at management of relations with international and domestic media	No deviation	No deviation Tactical Activity: 1x tactical activity leveraged for the period under review.

Outcome	Output	Output Indicators	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from Planned Targets to Actual Achievement	Reasons for Deviations
		2.4.4 Number of reports on implemented international and domestic media partnerships	New Indicator	New Indicator	8x reports on implemented international and domestic media partnerships	Target met: (exceeded) 13x reports on implemented international and domestic media partnerships	5x reports on implemented international and domestic media partnerships	Reasons for Deviation: Brand SA leveraged the opportunity to partner in the showcasing of the historical drama series on the legendary King Shaka Zulu. The partnerships were largely in support of team SA at WEF Davos and partially funded by private sector. Tactical Activities: 3x tactical activities leveraged for the period under review.
		2.4.5 Number of reports on the promotion of the Nation Brand through the digital programme	New Indicator	New Indicator	4x reports on the promotion of the Nation Brand through the digital programme	Target met: 4x reports on the promotion of the Nation Brand through the digital programme	No deviation	No deviation

## PROGRAMME 2: BRAND, MARKETING AND REPUTATION MANAGEMENT

Outcome	Output	Output Indicators	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from Planned Targets to Actual Achievement	Reasons for Deviations
3. Increased Nation Brand advocacy and active citizenship	3.1. Promote active citizenry through the Play Your Part Programme	3.1.1. Number of activities that promote active citizenry and advocacy through the Play Your Part Programme	89x Play Your Part activities implemented	25x activities that promote active citizenry and advocacy through the Play Your Part Programme	25x activities that promote active citizenry and advocacy through the Play Your Part Programme	Target met: (exceeded) 26x activities that promote active citizenry and advocacy through the Play Your Part Programme	1x activities that promote active citizenry and advocacy through the Play Your Part Programme	Reasons for Deviation: The organisation leveraged a platform to promote PYP through a climate change education activity. Tactical Activities: 2x tactical activities leveraged for the period under review.
	3.2. Constitutional awareness activities aimed at promoting constitutional values and social cohesion	3.2.1. Number of constitutional awareness activities aimed at promoting constitutional values and social cohesion	14x constitutional awareness campaigns and activations	14x constitutional awareness campaigns and activations aimed at promoting constitutional values	14x constitutional awareness activities aimed at promoting constitutional values and social cohesion	Target met: (exceeded) 15x constitutional awareness activities aimed at promoting constitutional values and social cohesion	1x constitutional awareness activities aimed at promoting constitutional values and social cohesion	Reasons for Deviation: The organisation leveraged the opportunity to host a strategic humans right dialogue with a global expert that was in the country during the period.
3. Increased Nation Brand advocacy and active citizenship	3.3. Implementation of Global South Africans activities	3.3.1. Number of GSA activities aimed at promoting active citizenry and advocacy to South Africans living abroad implemented in key markets	17x Global South Africans activities implemented in key markets	17x GSA activities that promote Nation Brand advocacy to South Africans living abroad implemented in key markets	20x GSA activities aimed at promoting active citizenry and advocacy to South Africans living abroad implemented in key markets	Target met: 20x GSA activities aimed at promoting active citizenry and advocacy to South Africans living abroad implemented in key markets	No deviation	Tactical Activities: 2x tactical activities leveraged for the period under review.

Outcome	Output	Output Indicators	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from Planned Targets to Actual Achievement	Reasons for Deviations
	3.4. Domestic perceptions research study	3.4.1. Number of domestic perceptions research study conducted per year	4x domestic perceptions research reports produced	4x domestic perceptions research reports produced	8x domestic perceptions research study conducted	Target not met: 7x domestic perceptions research study conducted	1x domestic perceptions research study conducted	Reasons for Deviation: The tender for the domestic perception study could not be concluded due to organisational constraints. Tactical Activities: 1x tactical activity leveraged for the period under review.



## PROGRAMME 3: STAKEHOLDER RELATIONSHIPS

Outcome	Output	Output Indicators	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from Planned Targets to Actual Achievement	Reasons for Deviations
4. Aligned Nation Brand execution and experience domestically and internationally	4.1. Nation Brand Forums aimed at positioning the country positively targeting domestic and international audiences	4.1.1. Number of Nation Brand Forums aimed at positioning the country positively targeting domestic and international audiences implemented	1x Nation Brand Forum implemented	1x Nation Brand Forum implemented	1x Nation Brand Forum aimed at positioning the country positively targeting domestic and international audiences implemented	Target met: 1x Nation Brand Forum aimed at positioning the country positively targeting domestic and international audiences implemented	No deviation	No deviation
	4.2. Coordinated activities implemented with relevant stakeholders aimed at promoting an aligned Nation Brand execution and experience internationally and domestically	4.2.1. Coordinated activities implemented with relevant stakeholders aimed at promoting an aligned Nation Brand execution and experience internationally and domestically	82x coordinated activities implemented domestically and internationally	20x coordinated activities implemented domestically and internationally	57x coordinated activities implemented with relevant stakeholders aimed at promoting an aligned Nation Brand execution and experience internationally and domestically.	Target met: (exceeded) 65x coordinated activities implemented with relevant stakeholders aimed at promoting an aligned Nation Brand execution and experience internationally and domestically.	8x coordinated activities implemented with relevant stakeholders aimed at promoting an aligned Nation Brand execution and experience internationally and domestically.	Reasons for Deviation: There was an unanticipated number of State visits confirmed for the period under review. Investment Webinar in Shanghai was a follow-up to the Pre-BRICS Seminar that was held in Beijing earlier in the quarter. China Heritage Month activities were designed to be rolled out on various separate platforms for maximum impact.

Outcome	Output	Output Indicators	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from Planned Targets to Actual Achievement	Reasons for Deviations
								<p>The organisation leveraged an engagement with Old Mutual to promote the Nation Brand through entrepreneurship. The organisation also leveraged a collaborative opportunity with strategic stakeholders for the implementation of the SMME and SADC Media Awards</p> <p>Leveraged an offer presented by the Chinese Govt. for SA to be represented at the GDTE</p> <p>Tactical Activities: 7x tactical activities leveraged for the period under review.</p>

## Linking performance with budgets

	2024/2024			2022/2024		
Programme/activity/objective	Budget	Actual Expenditure	(Over)/Under Expenditure	Budget	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Brand Communication and Reputation Costs	119 481 000	130 578 114	(11 097 114)	112 358 000	132 474 131	(20 116 131)
Administration	107 811 000	88 402 215	19 408 785	105 764 000	92 343 755	13 420 245
<b>Total</b>	<b>227 292 000</b>	<b>218 980 329</b>	<b>8 311 671</b>	<b>218 122 000</b>	<b>224 817 886</b>	<b>(6 695 886)</b>

## Revenue Collection

	2023/2024			2022/2023		
Sources of revenue	Estimate	Actual Amount Collected	(Over)/Under Collection	Estimate	Actual Amount Collected	(Over)/Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Grants and subsidies	219 526	214 392	5 134	218 122	218 122	0.00
Finance income	0.00	3 855	(3 855)	0.00	2 605	(2 605)
Other Income	0.00	3 155	(3 155)	0.00	4 333	(4 333)
<b>Total</b>	<b>219 526</b>	<b>221 402</b>	<b>(1 876)</b>	<b>218 122</b>	<b>225 060</b>	<b>(6 938)</b>

## Capital Investment

	2023/2024			2022/2023		
Infrastructure projects	Budget	Actual Expenditure	(Over)/Under Expenditure	Budget	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Capital expenditure on assets	3 326	476	2 850	1 305	1 615	(309)
<b>Total</b>	<b>3 326</b>	<b>476</b>	<b>2 850</b>	<b>1 305</b>	<b>1 615</b>	<b>(309)</b>



PART

C

GOVERNANCE



## The accounting authority/board of trustees

Corporate governance entails the processes and systems by which public entities are directed, controlled, and held to account. In addition to requirements based on a public entity's enabling legislation and the Companies Act, corporate governance is applied through the precepts of the Public Finance Management Act (PFMA) and in tandem with the principles contained in the King Report on Corporate Governance for South Africa, 2016. Parliament, the executive authority, the board of the public entity and its executive management are all enjoined to ensure good corporate governance.

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

## Board charter

The board charter is reviewed annually to, among other things, clearly define:

- The segregation of the roles, functions, responsibilities and powers of the board, the executive authority, individual trustees, board committees and management.
- Matters reserved for final decision-making or approval by the board.
- The practices and procedures of the board on matters relating to corporate governance, declarations of conflicts of interest, board meeting documentation and procedures, as well as the induction, training, and evaluation of trustees

## Composition of the board

The trust deed states that the board should comprise no less than 11 trustees and no more than 15. The office of the chairperson and the CEO are separate, and there is a clear division of responsibilities between these roles.

During the year under review, the board was composed of 11 trustees whose term of office commenced on 20 March 2024. Ms Ipeleng Selele served as the chairperson and was primarily responsible for the strategic leadership of the board.

The CEO is supported by an executive committee (Exco) consisting of the executive management team. Exco implements the decisions of the board in pursuit of the organisation's mandate and objectives.

## BOARD OF TRUSTEES



From left to right back row: Mr Jerry Mpufane, Prof Hlengani Mathebula, Mr Bohani Shibambu  
From left to right front row: Ms Loretta Jacobus, Ms Ipeleng Selele, Ms Zamantungwa Mkosi  
The following board members are absent from the group image: Adv. Cawekazi Mahlali, Ms Dzawele Ratshikuni, Mr Lumko Mtimde, Ms Emy Casaletti - Bwalwa and Ms Rachel Kalidass



**Ms Ipeleng Selele**  
Chairperson of the Board of Trustees



**Ms Zamatungwa Mkosi**  
Board Deputy Chairperson



**Adv Cawekazi Mahlati**



**Ms Dzawele Ratshikuni**



**Mr Bohani Shibambu**



**Mr Lumko Mtimde**



Ms Emy Casaletti - Bwalya



Ms Loretta Jacobus



Ms Rachel Kalidass



Prof Hlengani Mathebula



Mr Jerry Mpufane



## Composition of the board

Name	Designation (in terms of the public entity board structure)	Date appointed	Date resigned	Qualifications	Areas of expertise	Board directorships (list the entities)	Other committees or task teams (e.g., audit committee or ministerial task team)	Number of meetings attended
Ms Ipeleng Selele	Board chairperson	20/03/2024	N/A	MSC in International Strategy African Leadership executive course Port executive training	Energy Foreign market entry strategy Digital technology Rail transport SMMEs and maritime transport/ports Infrastructure Oil and gas LPG CNG and LNG distribution Energy infrastructure Autoga Rail transport and engineering Shipping Maritime ports training AI: innovation and digitalisation	BRICS Business Council Women in Maritime SA Telkom Siemens Energy SA Mahlako Energy Fund Satsanga Fintech	Vice President: Africa-Southeast Asia Chamber of Commerce in Singapore Vice President: African Women in Maritime	1
Ms Zamantungwa Mkosi	Deputy chairperson	20/03/2024	N/A	Master of philosophy in international business Higher diploma in corporate law Bachelor of law post graduate degree (LLB) Bachelor of arts degree	Visionary Strategic thinker Transformational and results-oriented leader	Mkosi Inc. Mkosi Group Investment Holdings MyWord Group Film Insurance Provider Film and Publication Board HDI Global Insurance Company Inanda Seminary High School	Member of REMCO, Social & Ethic Member of Audit Committee Member of Board of Governors Chair of Organisational Review Sub-Committee	1

Name	Designation (in terms of the public entity board structure)	Date appointed	Date resigned	Qualifications	Areas of expertise	Board directorships (list the entities)	Other committees or task teams (e.g., audit committee or ministerial task team)	Number of meetings attended
Ms Rachel Kalidass	ARCO chairperson	20/03/2024	N/A	Chartered accountant Bachelor of commerce honours Certificate in the theory of accountancy Bachelor of accounting sciences (BCompt) Executive leadership programme Corporate governance certificate programme Board leadership core programme	Internal and external auditing Financial management Business process review Corporate governance and risk management	R Kalidass and Associates Botshilo Private Hospital	Audit Committee	1
Mr Jerry Mpufane	MARCO chairperson	20/03/2024	N/A	PR practice certificate PR management certificate Accredited PR professional Marketing management diploma Institute for Real Growth IRG100 programme	Independent consultant Independent board director Brand builder	TBWA Group South Africa Net Good Summit Stanford Graduate School consultant		1
Prof Hlengani Mathebula	HCRSEC chairperson	20/03/2024	N/A	PhD, Master of Management in Entrepreneurship New venture capital creation Certified executive coach	Business leader	Ignite Africa Advisory Group MDDA Shoprite Holdings TSB HPCSA	Senate member Advisory board member Full professor Fellow of the Centre for Leadership and Public Value	2

Name	Designation (in terms of the public entity board structure)	Date appointed	Date resigned	Qualifications	Areas of expertise	Board directorships (list the entities)	Other committees or task teams (e.g., audit committee or ministerial task team)	Number of meetings attended
Ms Loretta Jacobus	Trustee	20/03/2024	N/A	Social worker Educator Advice centre co-ordinator	Experienced activist Political office bearer and public representative Social services Education and training Community development and organising Social development Corrections and rehabilitation Oversight and transformation of the public service	N/A	N/A	2
Ms Emy Casaletti-Bwalya	Trustee	20/03/2024	N/A	Certified FIFA Marketing & Administration Instructor Certified PR Practitioner (PRISA) Certified Marketing Professional (MASA)	Communications & Marketing Revenue Generation Global Sponsorship Business of Sport Brand Building	Optimize Agency Women & Men against Child Abuse Kgothatso Montjane Academy		2
Mr Lumko Mtimde	Trustee	20/03/2024	N/A	Post graduate diploma in telecommunications and information policy BSc (Biochemistry and Physiology)	Information and communications technology (ICT) Media and broadcasting	Ekurhuleni Housing Company CPUT ECPACC Ingwe TVET College		1
Ms Dzawele Ratshikuni	Trustee	20/03/2024	N/A	LLB BCom Business Information Systems National Diploma: Public Administration Certificate: Executive Leadership Certificate: Municipal Development Programme Currently: Post Graduate Diploma Information System Management	Law	Tshakhuma Development Trust	Trustee (deputy secretary) Evangelical Lutheran Church of South Africa (ELCSA)	0

Name	Designation (in terms of the public entity board structure)	Date appointed	Date resigned	Qualifications	Areas of expertise	Board directorships (list the entities)	Other committees or task teams (e.g., audit committee or ministerial task team)	Number of meetings attended
Adv Cawekazi Mahlati	Trustee	20/03/2024	N/A	Bachelor of Laws, LL.B degree, Master's degree in International Law, International relations and Diplomacy.	Telecommunications Investments Corporate finance Corporate governance Corporate strategy Enterprise risk management Organisational performance Research Innovation Strategic marketing and Communications Public-private partnerships Project finance	CMI		1
Mr Bohani Shibambu	Trustee	20/03/2024	N/A	Bachelor of Arts Higher education diploma MSc development planning Post graduate diploma in strategic marketing	Business analysis Policy analysis and formulation Strategy development Human resources and talent management Budgeting and financial management Corporate governance Property development Construction Consulting	Oshakati Properties Local government consulting Collins Chabane Foundation Musina Makhado Special Economic Zone (MMSEZ)		2

## Board meetings

The only board meeting held during the period under review was a special meeting that took place on 22 March 2024. Members in attendance are shown in the table below.

MEMBERS			MEETING DATES
NAME	SURNAME	TITLE	22/03/2024
Ipeleng	Selele	Ms	✓
Zamantungwa	Mkosi	Ms	✓
Rachel	Kalidass	Ms	✓
Jerry	Mpufane	Mr	✓
Hlengani	Mathebula	Prof	✓
Lumko	Mtimde	Mr	✓
Bohani	Shibambu	Mr	✓
Loretta	Jacobus	Ms	✓
Dzawele	Ratshikuni	Ms	X
Cawekazi	Mahlati	Adv	✓
Emy	Casaletti-Bwalya	Ms	✓

## Board committees

The board is unitary and set up the following committees at the special meeting held on 22 March 2024 to facilitate the fulfilment of its fiduciary duties and stewardship:

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

Members of the board committees are all board members. ARCO did not have a full complement since its inception, as it lacked the two non-trustee members that is required according to the committee's terms of reference in order to enhance its independence. Executive management only attends by invitation. All committees or committee members are empowered to obtain external and independent professional advice whenever they consider it necessary to carry out their duties. All appointed committee chairs were non-executive trustees. The director: governance, legal and board secretariat served as the secretary to the board.

## HUMAN CAPITAL, REMUNERATION AND SOCIAL & ETHICS COMMITTEE (HCRSEC)

The responsibilities of HCRSEC include making recommendations to the board on:

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

HCRSEC convened one special meeting in addition to its scheduled meetings. The attendance schedule for 2023/24 is set out in the table below.

MEMBERS			MEETING DATES
NAME	SURNAME	TITLE	27/03/2024
Hlengani	Mathebula	Prof	✓
Loretta	Jacobus	Ms	✓
Bohani	Shibambu	Mr	✓
Dzawele	Ratshikuni	Ms	X
Emy	Casaletti-Bwalya	Ms	✓

## MARKETING COMMITTEE (MARCO)

MARCO advances the mandate of Brand South Africa by overseeing the development and implementation of effective marketing and communications strategies by:

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

There were no MARCO meetings during the financial year under review.

MEMBERS		
NAME	SURNAME	TITLE
Jerry	Mpufane	Mr
Bohani	Shibambu	Mr
Emy	Casaletti-Bwalya	Ms
Hlengani	Mathebula	Prof
Loretta	Jacobus	Ms
Cawekazi	Mahlati	Adv.
Lumko	Mtimde	Mr

## AUDIT AND RISK COMMITTEE (ARCO)

ARCO is *inter alia* responsible for:

- Ensuring the integrity, reliability, and accuracy of accounting and financial reporting systems.
- Evaluating the adequacy and effectiveness of internal audit and risk management.
- Maintaining transparent and appropriate relationships with external auditors.
- Reviewing the scope, quality and cost of the statutory audit and the independence and objectivity of the auditors.
- Ensuring compliance with applicable legislation and the requirements of regulatory authorities, especially those set out in the PFMA.
- There were no ARCO meetings during the financial year under review.

MEMBERS		
NAME	SURNAME	TITLE
Rachel Kalidass	Kalidass	Ms
Cawekazi	Mahlati	Adv
Lumko	Mtimde	Mr
Dzawele	Ratshikuni	Ms

## REMUNERATION OF BOARD MEMBERS

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

The remuneration of board and committee members in respect of Brand South Africa is regulated by, *inter alia*, the Board Remuneration Policy which is aligned with the National Treasury Circular on the Remuneration of Non-official members, Commissions and Committees of Inquiry, and Audit Committees, which ought to be released in April every year. Other expenses, such as travel, are reimbursed by the entity except in circumstances where the entity itself covered the costs.

No remuneration was paid to the above-mentioned trustees during the 2023/24 period.

## RISK MANAGEMENT

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

Brand South Africa conducts regular risk assessments to determine the effectiveness of its risk strategy and to identify new and emerging risks.

ARCO advises management on the overall system of risk management, especially the mitigation of unacceptable levels of risk. The committee provides oversight with regard to financial management, internal controls, risk management and the accuracy of financial reporting.

During the period under review, there was no ARCO in place as there was no board. Furthermore, the risk management function is outsourced. In the absence of a service provider, management conducted an internal risk assessment workshop.

## INTERNAL AUDIT AND AUDIT COMMITTEES

The internal audit function provides an independent and objective evaluation of the systems of control and brings any significant risks to management's attention.

Key internal audit functions:

- Assess the adequacy and effectiveness of the internal control environment and recommend potential improvements.
- Develop a rolling three-year strategic internal audit plan in line with the strategic risk assessments.
- Prepare internal audit plans using risk-based methodology, incorporating any risks or control concerns identified by management, and submit the plan to the Audit and Risk Management Committee for approval.
- Execute the approved annual internal audit plan and any special projects/tasks requested by the management and/or ARCO.

During the financial year under review, internal audit reports were submitted to management on a regular basis.

## COMPLIANCE WITH LAWS AND REGULATIONS

The board was regularly apprised of all laws relevant to and affecting the organisation. A legislative compliance checklist was closely monitored and shared with ARCO on a quarterly basis.

The Protection of Personal Information Act (POPIA) compliance reports were regularly presented to ARCO and the board. The Legal Unit provided guidance and support to management and staff as and when required to enable the organisation to remain fully compliant. At an operational level, each department has a POPIA information officer who sits on the in-house POPIA committee.

## FRAUD AND CORRUPTION

Brand South Africa's policy on whistleblowing encourages employees to report any acts of fraud, dishonesty, or other form of unethical behaviour in accordance with the Protected Disclosures Act, No.26 of 2000 and the Companies Act No.71 of 2008. A 24-hour independent reporting hotline is in place and employees are constantly reminded of its existence. Employees are also given the assurance that they will not suffer any form of victimisation or reprisal as a result of having reported any matter in good faith. As a standing agenda item, HCRSEC receives quarterly updates on the use of the hotline. All reports received are investigated and may culminate in disciplinary action and possible dismissal, depending on the nature of the transgression. A fraud prevention policy is also in place.

## The fraud prevention plan

The plan was developed within the context of the Risk Management Framework with the aim to reduce fraud to an absolute minimum and effect policies and procedure to maintain the risk of fraud within tolerable levels, and preferably zero, at all times.

Various measures have been implemented to prevent fraud. These include authorisation, custody of assets, detection controls, physical supervision, management information, segregation of duties, physical security, and information security.

The fraud prevention plan includes the response mechanisms in place to report, investigate and resolve incidents of fraud impacting Brand South Africa.

## MINIMISING CONFLICT OF INTEREST

Brand South Africa has a conflict-of-interest policy that governs the management of conflicts of interest both at board and executive management levels. In terms of the policy, declarations of interests are made in writing annually and as and when the need arises. In addition, and as a standing agenda item, at the start of each board or board committee meeting, a declaration of conflicts of interests is made. A standard operating procedure that sets out the procedure to be followed when a conflict of interest has been declared is also in place.

Brand South Africa employees in supply chain management are required to disclose any conflict of interest prior to each bid evaluation and other meetings. Any conflicted parties are recused from the process.

Bidders and services providers registered with Brand South Africa are required to complete declaration of interest forms. Supply chain management practitioners and management submit their financial disclosure forms annually, as required by the Public Service Commission.

## BOARD CODE OF CONDUCT

The organisation has a code of conduct for board members that sets the standard of conduct expected of them. Furthermore, the code deals with dissent and the management of conflicts of interests.

The code of conduct is aligned to the recommendations of the King IV Report for Corporate Governance in South Africa (2016), especially Principle 1 which enjoins

the governing body to lead ethically and effectively. King IV recommends the development of a code of conduct for board members as a practice aimed at realising ethical and effective leadership.

Any breach of the code of conduct is regarded as misconduct and dealt with in accordance with the provisions of the organisation's trust deed.

## HEALTH, SAFETY AND ENVIRONMENTAL ISSUES

According to the Occupational Health and Safety (OHS) Act, Brand South Africa is required to bring about and maintain, as far as reasonably practicable, a work environment that is safe and without risk to the health of its employees. The organisation has appointed a service provider to assist with compliance with the OHS Act and has established a committee that meets quarterly to track and monitor risks and ensure compliance on a continuous basis.

## BOARD SECRETARY

The director: governance, legal and board secretariat serves as the board secretary and is responsible for ensuring the proper running of board meetings. The board secretary provides support and guidance to the board on matters related to governance, legislation, compliance, and ethics, and prepares and circulates board papers and minutes of meetings, ensuring that the board and its committees receive feedback timeously.

The board secretary is also responsible for making trustees aware of laws and legislation relevant to or affecting the organisation and for the proper retention of Brand South Africa's important records. The board secretary also ensures that Brand South Africa's processes and practices are reviewed and benchmarked on an ongoing basis to ensure compliance with local and international governance standards. In addition, the board secretary has certain statutory duties to perform in terms of the Companies Act, Act No.71 of 2008 and other regulations relating to the duties of a company secretary. The board chairperson and all trustees have unrestricted access to the services of the board secretary.



## SOCIAL RESPONSIBILITY

Brand South Africa collaborated with several stakeholders in the execution of activities aimed at supporting disadvantaged communities. These activities included:

### KZN flood relief

The partnership between Brand South Africa and the Old Mutual Foundation, with the involvement of the Red Cross and the Alfred Duma Municipality, supported more than 300 KwaZulu-Natal families left homeless by the floods with dignity hampers containing nutritionally balanced food items. The donations and flood awareness messaging provided much-needed relief and safety information. Brand South Africa used the platform and its digital channels to encourage active citizenship by offering stakeholders the chance to provide ongoing support while empowering community members to participate in rebuilding, which instilled a sense of ownership and pride.

### Netball clinic

A netball clinic organised by Brand South Africa and the Dumisani Chauke Netball Foundation created awareness of the 2023 Netball World Cup and empowered young girls in Malamulele Township, Limpopo. Held on 16 June 2023 at Magangeni Primary School, the event included life skills sessions, motivational talks by PYP ambassador Dumisani Chauke, the distribution of Netball World Cup kits and netball matches. The clinic was attended by 100 people and reached 24 000 followers on Brand South Africa's Play Your Part platform.

### Durban clean-up and community outreach

Brand South Africa collaborated with the Green Youth Network on two climate change activities: the Durban Clean-Up campaign and the Mgababa Schools Outreach programme. These events involved stakeholders like Plastics SA, the Presidential Climate Commission and Coca-Cola. The Durban Clean-Up, held on 26 June 2023 at Dakota Beach, focused on removing harmful materials from the beach and included training for young people on starting buy-back centres for

waste sorting. The Mgababa Schools Outreach on 27 June involved a STEM career expo at two rural schools, highlighting future careers in agriculture. The initiatives engaged over 1 200 young people and learners and trained 100 SMEs.

### What About the Boys?

The "What About the Boys?" initiative, led by Primestars and the YouthStart Foundation, promotes positive masculinity and aims to prevent GBV among high-school boys. The 2023 campaign, launched on 22 June with Brand South Africa's support, intended to reach 15 000 boys through cinema screenings and school activations.

### Play Your Part (PYP)

PYP Ignite is a country-wide roadshow that targets a variety of educational centres and TVET colleges to give youth the opportunity to achieve their entrepreneurial dreams through mentorship and on-the-ground guidance. During the year, Brand South Africa hosted two PYP Ignite activations in KZN at the Southern Sun Elangeni and Maharani hotels.

Also during the year, Brand South Africa launched the PYP Academy with the aim of highlighting small businesses' economic-impact potential and how South Africans at large can play a part in contributing to their business growth. The academy offers free practical courses for aspiring entrepreneurs by hosting world-class practical business courses online.

In a further bid to support entrepreneurship, Brand South Africa collaborated with PYP ambassador Bulelani in the hosting the Township Entrepreneurship Alliance Workshop in North West on 3 June 2023. The event focused on how business owners can better manage credit and credit facilities, such as loans and overdrafts. Participating SMEs also had the opportunity to participate in a pitching competition. The winner received mentorship and R50 000 to extend their business operations.

# Executive Committee (EXCO) MEMBER PROFILES



> **MS SITHEMBILE NTOMBELA: ACTING CHIEF EXECUTIVE OFFICER**

Sithembile is a consummate marketing-led executive with more than 25 years' experience in consumer marketing and nation branding in the private and public sector. She is a chartered marketer respected for her results-driven approach, decisive leadership, and ability to build high-performance teams.

Qualifications:

- Undergraduate diploma in marketing from Mangosuthu University of Technology
- Postgraduate diploma in marketing
- Bachelor of Philosophy (BPhil)
- Honours degree from the Institute of Marketing Management (IMM)
- Master of commerce degree in marketing (MANCOSA)
- Currently a Doctor of Business Administration (DBA) student
- Chartered MARKETER with MASA (Marketing association of South Africa)



> **MS MPUMI MABUZA: ACTING CHIEF MARKETING OFFICER**

Mpumi also holds the position of General Manager: stakeholder relations and is responsible for the establishment and management of the organisations' strategic partnerships with government, business, and civil society stakeholders.

Mpumi gained her extensive experience in stakeholder management, international business development, management consulting, programme management, strategy development and project management from senior positions with the Swedish Trade Council and the South African Revenue Service.



> **MS THOKO MODISE: ACTING CHIEF MARKETING OFFICER**

Thoko is a chartered and accredited public relations practitioner (PRISA) with over 30 years of experience in mainstream media and the public sector. Thoko has served in various executive roles, most notably as general manager of the commercial television station SABC 3. She was also the chief director of the Communication Service Agency at the Government Communication and Information System (GCIS).

Qualifications:

- BA Communication from the University of Fort Hare
- Certified business and life coach



> **MR ZOLILE ZIBI: ACTING CHIEF FINANCIAL OFFICER**

Zolile runs the organisational checks and balances with precision and accuracy. He is a consummate professional whose finance experience spans 14 years, nine of which in various management roles in both the public and private sector.

Qualifications:

- Chartered accountant registered with the South African Institute of Chartered Accountants (SAICA)
- Certificate in the theory of accountancy
- Honours in accounting sciences
- Bachelor of accounting sciences (BCompt)



> **MR TEBOGO GAOKGORWE: ACTING DIRECTOR: CORPORATE SERVICES (01 APRIL 2023 TO 04 AUGUST 2023)**

Tebogo is a technology leader who is responsible for the seamless and efficient running of the Corporate Services (CS) Department at Brand South Africa. The department itself is further sub-divided into Human Capital, Employee Relations, Information Technology and Strategic Planning and Performance Information Management units. Under his supervision, the organisation continually achieves a high- level of corporate goals, as well as strategic and performance milestones that are necessary for the delivery of the Annual Performance Plan.

Qualifications:

Tebogo has obtained the following qualifications, a Master of Management Degree in Digital Business (Wits), Postgraduate Diploma in Information Systems (University of Cape Town), a Bachelor's Degree in Business Leadership (University of the Free State) as well as Non-Graduate Diplomas in Public Management & Project Management.

Tebogo is further accredited as a member of the Institute of Directors South Africa (IoDSA).



**MS LWANDILE GUMBI: ACTING DIRECTOR CORPORATE SERVICES (01 DECEMBER 2023 TO 31 MARCH 2024)**

Lwandile is a multi-faceted and dynamic leader who is responsible for the seamless and efficient running of the Corporate Services (CS) Department at Brand South Africa. Under her guidance, the organisation continually achieves strategic and performance milestones that advance the development and growth of the organisation.

Qualifications

- BTech in human resources management (Durban University of Technology)
- Programme in advanced labour law (University of Pretoria)
- Certificate in management development (Milpark)
- Strategic human resources management (University of Cape Town)
- Currently enrolled for a post graduate diploma in labour law (University of Johannesburg)
- Member of the South African Reward Association (SARA)
- Member of the South African Board for People Practices (SABPP)



**ADV. SIFISO NYONI: DIRECTOR: GOVERNANCE, LEGAL AND BOARD SECRETARIAT**

The experience Sifiso brings to his current position was gained over more than two decades in leadership roles in the corporate world. His special interests lie in corporate governance and compliance, corporate law, integrated reporting, corporate strategy, insolvency, business rescue and turnaround management.

Qualifications

- LLM degree (UP)
- LLB degree (UNISA)
- Certificate in compliance management (UJ)
- Certificate in board governance (UJ)
- Certificate in advanced corporate and securities law (UNISA)
- Insolvency law and practice (UP/SARIPA)
- MSc in marketing and product management (Cranfield University, UK)
- BSc in agricultural education (UNISWA)
- Top management programme at the National University of Singapore Business School
- Registered insolvency practitioner
- Business rescue decision-making certificate (UP)
- Certified rescue analyst certificate (UP/TMA)

Sifiso is a member of the Institute of Directors in South Africa (IoDSA), the South African Restructuring and Insolvency Practitioners Association (SARIPA) and the International Association of Restructuring, Insolvency & Bankruptcy Professionals. He also sat on the then Council of the South African Advertising Research Foundation as a representative of the Marketing Association of South Africa.

# Report of the **AUDIT COMMITTEE**

We are pleased to present our report for the financial year ended 31 March 2024.

## **Audit Committee Responsibility**

The Audit Committee reports that it has complied with its responsibilities arising from Section 51 (1)(a)(ii) of the Public Finance Management Act and Treasury Regulation 27.1. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein, except that it has not reviewed changes in accounting policies and practices.

## **The Effectiveness of Internal Control**

Our review of the findings of the Internal Audit work, which was based on the risk assessments conducted in the public entity revealed certain weaknesses, which were then raised with the public entity.

The following internal audit work was completed during the year under review:

- Review of quarterly financial statements and performance information
- Review of Supply Chain Management processes
- Follow up of prior year audit findings
- Probity audits on all bids/tenders awarded
- IT vulnerability assessment
- Corporate Governance review
- Human Capital management review

The following were areas of concern:

- Leadership vacuum created by the absence of the Board of Trustees

- Non-compliance with Human Capital policies
- Lack of segregation of duties created by high vacancy rate

## **In-Year Management and Monthly/Quarterly Report**

The public entity has been reporting monthly and quarterly to the Treasury as is required by the PFMA.

## **Evaluation of Financial Statements**

We have reviewed the annual financial statements prepared by the public entity.

## **Auditor's Report**

We have reviewed the entity's implementation plan for audit issues raised in the prior year and we are satisfied that the matters have been adequately resolved.

The Audit Committee concurs and accepts the conclusions of the Auditor-General on the annual financial statements and is of the opinion that the audited annual financial statements be accepted and read together with the report of the Auditor-General.

---

**Rachel Kalidass**  
**Chairperson of the Audit Committee**  
**Brand South Africa**  
Date: \_\_\_\_\_

## B-BBEE COMPLIANCE PERFORMANCE INFORMATION



Has the department/public entity applied any relevant code of good practice (B-BBEE certificate levels 1 – 8) with regards to the following:

Criteria	Response Yes / No	Discussion <i>(include a discussion on your response and indicate what measures have been taken to comply)</i>
Determining qualification criteria for the issuing of licences, concessions, or other authorisations in respect of economic activity in terms of any law?	No	Not applicable to Brand SA operations
Developing and implementing a preferential procurement policy?	Yes	SCM policy was developed and updated with preferential procurement requirements
Determining qualification criteria for the sale of state-owned enterprises?	No	Not applicable to Brand SA operations
Developing criteria for entering into partnerships with the private sector?	No	Not yet implemented
Determining criteria for the awarding of incentives, grants, and investment schemes in support of broad-based black economic empowerment?	No	Not applicable to Brand SA operations





PART

D

HUMAN  
RESOURCE  
MANAGEMENT



## HUMAN CAPITAL VALUE PROPOSITION

Through strategic partnerships and collaborations, the Human Capital Unit in the Department: Corporate Services recruits the required talent, develops employees through on-the-job training and formal developmental programmes and retains a high-performing and diverse workforce. The unit facilitates a healthy, safe, and innovative work environment for employees to maximise individual and organisational potential and position Brand South Africa as an employer of choice. Brand South Africa rewards employee behaviour that supports high performance.

## HUMAN CAPITAL VISION AND RESPONSIBILITIES

### Vision

The vision of the Human Capital Unit is to attract, develop, engage, and retain talented high-performing employees in Brand South Africa.

### Responsibilities

The unit provides strategic support to the organisation by developing and implementing HR plans, processes, policies, methods, systems, and procedures that are needed to attract, develop, retain, reward, and manage human resources capable of attaining organisational goals.

## EMPLOYEE WELLNESS

Brand South Africa considers employee wellbeing as critical to organisational wellbeing and advance it by implementing an employee health and wellness framework that stands on four pillars, i.e., HIV and Aids, STI and TB management; health and productivity management; safety, health, environment, risk, and quality (SHERQ); and wellness management. The wellness programme intends to help decrease instances of illness and injury and improve employee morale.

Barnd South Africa appointed ICAS, a Lyra Health Company, to provide an employee wellness programme that offers employees and their immediate dependants free guidance on any life challenges. Service include advice on:

- Legal matters
- Financial matters
- Family matters
- Change
- Substance abuse
- Relationships
- Stress
- Trauma
- HIV/Aids
- Work-related matters

Employees can access the ICAS service through self-referral, formal and informal management referrals and group trauma referrals. The latter entails on-site group trauma debriefings following a workplace incident.



ICAS also provides Brand South Africa with recommendations on programmes to implement internally to enhance employee wellbeing and productivity. An example is the wellness day event where employees took part in health screenings and other activities coordinated by the South Africa Blood Service, Virgin Active, the Department of Sports and Recreation, Thelimpilo Health Care, Khoi Tech, and the employee wellness engagement desk.

Brand South Africa confers long service awards to recognise the commitment and dedication of employees. This initiative contributes to the attraction and retention of talented employees who possess the skill, qualifications, experience, and profile needed to promote the Nation Brand.

Team talk sessions, aimed at creating a more connected, motivated, and productive workforce, take place frequently.

### Challenges faced by the public entity.

- Inability to fill critical positions due to not having a board of trustees during 2023/24.
- Organisational structure that has not been reviewed since 2014.

### HR plans and goals

- To reduce the current vacancy rate to 10% against the approved organisational structure.
- Implement culture change and management.

### HUMAN RESOURCES OVERSIGHT STATISTICS

The public entity must provide the following key information on human resources. All the financial amounts must agree to the amounts disclosed in the annual financial statements. Where considered appropriate, provide reasons for variances.

#### A. Personnel cost by salary band

Level	Personnel expenditure (R'000)	Personnel expenditure as % of total personnel cost (R'000)	No. of employees	Average personnel cost per employee (R'000)
Top management	-	-	-	-
Senior management	17 696 466.64	46%	12	1 474 705.55
Professional qualified	7 854 536.66	21%	9	872 726.30
Skilled	10 688 962.29	28%	19	562 576.96
Semi-skilled	1 662 091.66	4%	2	831 045.83
Unskilled	314 791.52	1%	10	31 479.15
<b>Total</b>	<b>38 216 848.77</b>	<b>100%</b>	<b>52</b>	<b>772 533.79</b>

## B. Performance rewards

Brand South Africa aspires to be a consistently high-performing organisation. To achieve this goal, employees are guided, coached, and mentored to continually raise the standard of their individual and team outputs. Our reward strategy recognises employees who achieve the deliverables in their performance contracts, strive to work independently and interdependently, as the need arises, to contribute to Brand South Africa achieving the commitments outlined in its annual performance plan. The organisation finalises its performance rewards immediately after the audit by the Auditor-General.

## C. Learning and development

Training and development of employees is a critical component of human capital management. Brand South Africa offers a wide range of developmental opportunities, enabling employees to obtain the skills, competencies, and experience necessary to attain individual, team and organisational goals in an increasingly diverse and demanding context.

Employee training is a responsibility shared between the organisation, management, and individual employees. This requires leadership commitment to ensure that all employees have equal access to training and development opportunities and can continuously improve their skills and competencies.

During the year under review, the following study assistance applications were approved by the ACEO:



Programme/activity/objective	Personnel expenditure (R'000)	Training expenditure (R'000)	Training expenditure as a % of personnel cost	No. of employees trained	Avg. training cost per employee
Business writing	R2 587.50	R5 175.00	50%	2	R2 587.50
Advanced executive PA and secretary training	R5 750.00	R5 750.00	100%	1	R5 750.00
Bid committee training	R708.83	R20 556.07	3.45%	29	R708.83
Emergency coordinator	R747.50	R4 485.00	16.67%	6	R747.50
Fire fighter	R747.50	R2 242.50	33.33%	3	R747.50
First aid	R12 714.90	R50 859.60	25%	4	R12 714.90
SHE representative	R747.50	R1 495.00	50%	2	R727.50
<b>Staff induction</b>	<b>R112</b>	<b>R5 600.00</b>	<b>2%</b>	<b>50</b>	<b>R112.00</b>

#### D. Employment and vacancies

Programme/activity/objective	2023/24 No. of employees	2023/24 approved posts	2023/24 No. of employees	2023/24 vacancies	% of vacancies
Top management	1	5	1	4	7.02%
Senior management	12	20	12	8	14.03%
Professional qualified	8	7	8	-1	-1.75%
Skilled	15	21	15	6	10.52%
Semi-skilled	2	2	2	0	0%
Unskilled	2	2	2	0	0%
<b>Total</b>	<b>40</b>	<b>57</b>	<b>40</b>	<b>17</b>	<b>29.82%</b>

#### Explanation

The organisation did not have a board in place during 2023/24 and recruitment for senior positions requires representation from board members. However, the organisation appointed capable internal employees to act in these positions.

#### E. Employment changes

Salary band	Employment at beginning of period	Appointments	Terminations	Employment at end of the period
Top management	2	2	3	1
Senior management	12	1	2	12
Professional qualified	10	2	1	11
Skilled	19	2	2	26
Semi-skilled	12	5	0	3
Unskilled	2	0	0	2
<b>Total</b>	<b>57</b>	<b>12</b>	<b>8</b>	<b>55</b>

#### F. Reasons for staff leaving

Reason	Number	% of total no. of staff leaving
Death	-	-
Resignation	8	80%
Dismissal	1	10%
Retirement	-	-
Ill health	-	-
Expiry of contract	-	-
Other	1	10%
<b>Total</b>		

The organisation had three resignations and two end of contracts on the approved structure. The three resignations positions have been filled and recruitment for the two end of contracts is underway.

#### A. Labour relations: Misconduct and disciplinary action

Nature of disciplinary action	Number
Verbal warning	-
Written warning	-
Final written warning	-
Dismissal	1

No warnings were issued during the financial period under review.

**B. Employment equity status**

Levels	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top management	1	4	0	1	0	0	0	0
Senior management	12	15	0	3	0	0	0	2
Professional qualified	7	6	3	0	1	1	0	0
Skilled	25	17	0	1	1	1	0	2
Semi-skilled	3	2	0	0	0	0	0	0
Unskilled	2	2	0	0	0	0	0	0
<b>Total</b>	<b>50</b>	<b>46</b>	<b>3</b>	<b>5</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>4</b>

The above statistics include fixed-term employees appointed outside of the structure.

Levels	Disabled staff			
	Male		Female	
	Current	Target	Current	Target
Top management	-	-	-	-
Senior management	-	-	-	-
Professional qualified	1	1	-	-
Skilled	-	-	0	1
Semi-skilled	-	-	-	-
Unskilled	-	-	-	-
<b>Total</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>1</b>



PART

E

PFMA  
COMPLIANCE  
REPORT



## IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE AND MATERIAL LOSSES

### Reconciliation of irregular expenditure

Description	2023/24	2022/23
	R'000	R'000
Opening balance	30 773	30 710
Add: Irregular expenditure confirmed	0.00	63
Less: Irregular expenditure condoned		
Less: Irregular expenditure not condoned and removed		
Less: Irregular expenditure recoverable		
Less: Irregular expenditure not recovered and written off		
<b>Closing balance</b>	<b>30 773</b>	<b>30 773</b>

### Reconciling notes

Description	2023/24	2022/23
	R'000	R'000
Irregular expenditure that was under assessment in 2023/24	0.00	0.00
Irregular expenditure that relates to 2022/23 and was identified in 2023/24	0.00	0.00
Irregular expenditure for the current year	0.00	63
<b>Total</b>	<b>0.00</b>	<b>63</b>

### Current and previous year irregular expenditure (under assessment, determination, and investigation)

Description	2023/24	2022/23
	R'000	R'000
Irregular expenditure under assessment	R320	00
Irregular expenditure under determination		
Irregular expenditure under investigation		
<b>Total</b>	<b>R320</b>	<b>00</b>



## Fruitless and wasteful expenditure

### Reconciliation of fruitless and wasteful expenditure

Description	2023/24 R'000	2022/23 R'000
Opening balance	179	163
Add: Fruitless and wasteful expenditure confirmed	0.00	16
Less: Fruitless and wasteful expenditure written off		
Less: Fruitless and wasteful expenditure recoverable		
<b>Closing balance</b>	<b>179</b>	<b>179</b>

### Reconciling notes

Description	2023/24 R'000	2022/23 R'000
Fruitless and wasteful expenditure that was under assessment in 2023/24	4 138	0.00
Fruitless and wasteful expenditure that relates to 2022/23 and was identified in 2023/24	0.00	0.00
Fruitless and wasteful expenditure for the current year	0.00	16
<b>Total</b>	<b>4 138</b>	<b>16</b>

## SUPPLY CHAIN MANAGEMENT

### Late and/or non-payment of suppliers

Description	Number of invoices	Consolidated value
		R'000
Valid invoices received	510	R133 835 815.33
Invoices paid within 30 days or agreed period	509	R133 829 985.75
Invoices paid after 30 days or agreed period	1	R5 829.58
Invoices older than 30 days or agreed period (unpaid and without dispute)	0	R0.00
Invoices older than 30 days or agreed period (unpaid and in dispute)	5	R51 919.82

## Contract variations and expansions

Project description	Name of supplier	Contract modification type (expansion or variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
Employee wellness and health	Careways wellness (Life Health Solutions)	Time extension	VAR/001/2023/24	R290 908.10	0	0
Whistleblowing services	The Vuvuzela Hotline (Pty) Ltd	8.63%	VAR/002/2023/24	R93 230.00	0	R8 050.00
Panel of recruitment agencies	Pinpoint One Human Resources	15%	VAR/003/2023/24	Rate basis	N/A	R351 977.75
Panel of recruitment agencies	Dalitso Consulting	15%	VAR/003/2023/24	Rate basis	N/A	R351 977.75
Panel of recruitment agencies	People Perfect T/A Signium Africa	15%	VAR/003/2023/24	Rate basis	N/A	R351 977.75
Travel management agency	Atlantis Corporate Travel	15%	VAR/004/2023/24	Rate basis	N/A	R6 621 397.76
Internal audit services	Blitz Forensics	Above15%	VAR/005/2023/24	R2 360 119.13	N/A	R900 907.81
Panel of brand agencies	Brand Fusion (Pty) Ltd	Above R15 million	VAR/006/2023/24	Rate basis	N/A	R42 328 258.80
Panel of brand agencies	The Brand Leadership Group (Pty) Ltd	Above R15 million	VAR/006/2023/24	Rate basis	N/A	R42 328 258.80
Panel of brand agencies	Ebony & Ivory Advertising Marketing and Promotions; JV Back to Front Marketing	Above R15 million	VAR/006/2023/24	Rate basis	N/A	R42 328 258.80
<b>Total</b>				<b>R2 744 257.23</b>	<b>R 0</b>	<b>R135 571 065.22</b>

### Procurement by other means

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Cleaning and refilling of coffee machines and training of two staff members to carry out these duties	The Frontier Coffee Corporation (Pty) Ltd	Single source	Dev/01/2023/24	R5 325.65
Sole source deviation: global reputation study	Bloom Consulting	Sole source	Dev/02/2023/24	R4 071 368.00
Repair and software upgrade	Stallion Security Services	Single source	Dev/03/2023/24	R38 579.29
Careseware licenses	Adapt IT	Sole source	Dev/04/2023/24	R126 270.50
Diesel generator	GX Diesel Generators	Limited bidding	Dev/05/2023/24	R269 800.35
				Total: R 4 511 343.79







PART

F

FINANCIAL  
INFORMATION



## Brand South Africa Trust

Annual Financial Statements for the year ended 31 March 2024

# General INFORMATION

<b>Country of incorporation and domicile</b>	South Africa
<b>Nature of business and principal activities</b>	The primary objective of the Trust is to develop and implement proactive and co-ordinated marketing, communications and reputation management strategies for South Africa. The ultimate aim is to make a contribution towards economic growth, job creation, poverty alleviation and social cohesion by encouraging local and foreign investment, tourism and trade through the promotion of Brand South Africa.
<b>Trustees</b>	Ms Ipeleng Selele (Chairperson) Ms Zama Mkosi (Deputy Chairperson) Ms Emy Casaletti-Bwalya Ms Loretta Jacobus Ms Rachel Kalidass Adv Cawekazi Mahlati Prof Hlengani Mathebula Mr Jerry Mpufane Mr Lumko Mtimde Ms Dzaweze Ratshikuni Mr Bohani Shibambu  The term of office for the above Board of Trustees commenced on 20 March 2024, following a successful appointment by the President.
<b>Registered office</b>	103 Central Street Houghton Johannesburg 2041
<b>Business address</b>	103 Central Street Houghton Johannesburg 2041
<b>Postal address</b>	PO Box 87168 Houghton 2041
<b>Controlling entity</b>	The Presidency Government Communication and Information System (GCIS)
<b>Bankers</b>	Nedbank Limited
<b>Auditors</b>	Auditor General of South Africa

### INDEX

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

	<b>Page</b>
Board of Trustees's Responsibility and Approval	107
Audit and Risk Committee Report	108
Report of the auditor-general to Parliament on the Brand South Africa Trust	109 - 115
Statement of Financial Position	116
Statement of Financial Performance	117
Statement of Changes in Net Assets	118
Cash Flow Statement	119
Statement of Comparison of Budget and Actual Amounts	120 - 121
Accounting Policies	122 - 136
Notes to the Annual Financial Statements	137 - 163

## Board of Trustees's **RESPONSIBILITY AND APPROVAL**

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

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

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

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

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

The Trustees have reviewed the entity's cash flow forecast for the year, to 31 March 2025 and, in the light of this review and the current financial position, they are satisfied that the entity has or has access to adequate resources to continue in operational existence for the foreseeable future.

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

The external auditors are responsible for independently reviewing and reporting on the entity's annual financial statements. The annual financial statements have been examined by the entity's external auditors and their report is presented on page 5.

The annual financial statements set out on pages 5 to 44, which have been prepared on the going concern basis, were approved by the Trustees on 31 July 2024 and were signed on its behalf by:



Chairperson of the Board of Trustees  
Ipeleng Selele

## Audit and Risk Committee REPORT

We are pleased to present our report for the financial year ended 31 March 2024.

### Audit and Risk Committee responsibility

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

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

### The effectiveness of internal control

In line with the PFMA and the King IV Report on Corporate Governance requirements, Internal Audit provides the audit and risk committee and management with assurance that the internal control are appropriate and effective. This is achieved by means of the risk management process, as well as identification of corrective actions and suggested enhancements to the controls and processes.

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

### Evaluation of annual financial statements

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

- reviewed the Auditor-General of South Africa's management report and management's response thereto and
- reviewed the Brand South Africa's compliance with legal and regulatory provisions;
- reviewed changes in accounting policies and practices;

- reviewed and discussed the annual financial statements included in the annual report.

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

### Internal audit

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

### Internal audit

The audit and risk committee is satisfied that the internal audit function is operating effectively and that it has addressed the risks pertinent to entity and its audits.

### Auditor-General of South Africa

The audit and risk committee



---

Rachel Kalidass  
Chairperson of the Audit committee

Date: 31 July 2024

# Report of the auditor-general TO PARLIAMENT ON THE BRAND SOUTH AFRICA TRUST

## Report on the audit of the financial statements

### Opinion

1. I have audited the financial statements of the Brand South Africa Trust set out on pages 137 to 163, which comprise the statement of financial position as at 31 March 2024, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Brand South Africa Trust as at 31 March 2024 and its financial performance and cash flows for the year then ended in accordance with the Generally Recognised Accounting Practice (GRAP) and the requirements of the requirements of the Public Finance Management Act 1 of 1999 (PFMA).

### Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor general for the audit of the financial statements section of my report.
4. I am independent of the public entity in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit

in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

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

### Responsibilities of the accounting authority for the financial statements

6. The accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with the GRAP and the requirements of the PFMA, and for such internal control as the accounting authority determines is necessary to enable the preparation financial statements that are free from material misstatement, whether due to fraud or error.
7. In preparing the financial statements, the accounting authority is responsible for assessing the public entity's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the public entity or to cease operations or has no realistic alternative but to do so.

### Responsibilities of the auditor-general for the audit of the financial statements

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

an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

9. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page 6, forms part of our auditor's report.

### Report on the annual performance report

10. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance information against predetermined objectives for the selected material performance indicators presented in the annual performance report. The accounting authority is responsible for the preparation of the annual performance report.

11. I selected the following material performance indicators related to programme 2: brand, marketing and reputation management and programme 3: stakeholder relations, presented in the annual performance report for the year ended 31 March 2024. I selected those indicators that measure the public entity's performance on its primary mandated functions and that are of significant national, community or public interest.

- Number of marketing campaigns aimed at positioning South Africa as a preferred destination per year
- Number of global strategic platforms leveraged to position South Africa
- Number of reports that track South Africa's global reputation and brand familiarity
- Number of registers of communication interventions produced as part of the Implementation of the reputation management strategy internationally, regionally and domestically

- Number of media monitoring reports to enhance awareness and understanding of perceptions, opportunities and threats
- Number of media engagements aimed at management of relations with International and domestic media
- Number of reports on implemented international and domestic media partnerships
- Number of reports on the promotion of the nation brand through the digital programme
- Number of activities that promote active citizenry and advocacy through the play your part programme
- Number of constitutional awareness activities aimed at promoting constitutional values and social cohesion
- Number of domestic perceptions research study conducted per year
- Number of GSA activities aimed at promoting active citizenry and advocacy to South Africans living abroad implemented in key markets
- Number of nation brand forums aimed at positioning the country positively targeting domestic and international audiences implemented
- Number of coordinated activities implemented with relevant stakeholders aimed at promoting an aligned nation brand execution and experience internationally and domestically.

12. I evaluated the reported performance information for the selected material performance indicators against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the public entity's planning and delivery on its mandate and objectives.

13. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the public entity's mandate and the achievement of its planned objectives

- all the indicators relevant for measuring the public entity’s performance against its primary mandated and prioritised functions and planned objectives are included
  - the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
  - the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
  - the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
  - the reported performance information presented in the annual performance report in the prescribed manner and is comparable and understandable.
14. There is adequate supporting evidence for the achievements reported and for the reasons provided for any over or underachievement of targets. I performed the procedures to report material findings only; and not to express an assurance opinion or conclusion.
15. I did not identify any material findings on the reported performance information for the selected indicators.

**Other matter**

16. I draw attention to the matter below.

**Achievement of planned targets**

17. The annual performance report includes information on reported achievements against planned targets and provides explanations for over or underachievements.

18. The table that follow provides information on the achievement of planned targets and lists the key indicators that were not achieved as reported in the annual performance report. The reasons for any underachievement of targets are included in the annual performance report on pages xx to xx.

**Programme 2: brand, marketing and reputation management**

<i>Targets achieved: 92%</i> <i>Budget spent 100%</i>		
<b>Key indicator not achieved</b>	<b>Planned target</b>	<b>Reported achievement</b>
3.4.1. Number of domestic perceptions research study conducted per year	8x domestic perceptions research study conducted	7x domestic perceptions research study conducted

**Report on compliance with legislation**

19. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting authority is responsible for the public entity’s compliance with legislation.
20. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.
21. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the public entity, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor’s report.

22. I did not identify any material non-compliance with the selected legislative requirements.

#### Other information in the annual report

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

#### internal control deficiencies

27. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
28. I did not identify any significant deficiencies in internal control.

#### Other reports

29. I draw attention to the following engagements conducted by various parties. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.
30. Public Protector South Africa is investigating an allegation of administrative irregularities at Brand SA emanating from an anonymous complaint made. The investigation was initiated on 19 April 2024. The investigation has not been concluded at the date of this auditor's report.

Auditor - General

Pretoria  
31 July 2024



## Annexure to the auditor's report

The annexure includes the following:

- The auditor-general's responsibility for the audit
- The selected legislative requirements for compliance testing

### Auditor-general's responsibility for the audit.

#### Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected material performance indicators and on the public entity's compliance with selected requirements in key legislation.

#### Financial statements

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

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the public entity to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a public entity to cease operating as a going concern
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

#### Communication with those charged with governance

I communicate with the accounting authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit. I also provide the accounting authority with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

**Compliance with legislation - selected legislative requirements**

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act 1 of 1999	Sec 55(1)(a) Sec 55(1)(b) Sec 55(1)(c)(i) Sec 51(1)(b)(i) Sec 54(2)(c) Sec 54(2)(d) Sec 51(1)(e)(iii) PFMA 56 (1) PFMA 57 b)
Treasury Regulations, 2005	Reg 31.1.2(c) Reg 16A.7.1 Reg 16A.7.3 Reg 16A.7.6 Reg 16A.7.7 Reg 31.2.1 Reg 31.3.3 Reg 31.2.5 Reg 31.2.?(a) Reg 32.1.1(a) Reg 32.1.1(b) Reg 32.1.1(c) TR30.1.3(b) TR 30.1.3(d) TR 30.2.1 Reg 16A9.1(b)(ii) Reg 16A9.1(e) Reg 16A9.1(f)

Legislation	Sections or regulations
	Reg 33.1.1 Reg 33.1.3 TR 16A 3.2 TR 16A 3.2(a) TR16A6.1 TR 16A6.2(a) TR 16A6.2(b) TR 16A 6.3(a) TR 16A 6.3(b) TR 16A 6.3(c) TR 16A 6.3(e) TR 16A 6.4 TR 16A 6.5 TR 16A 6.6 TR 16A 8.3 TR 16A 8.4 TR 16A 9.1(d) TR 16A 9.2 TR 16A 9.2(a)(ii) TR 8.2.1 TR 8.2.2
Second amendment National Treasury Instruction No. 5 of 2020/21	Second amendment NTI 5 of 202/21 Par 1
Erratum National Treasury Instruction No. 5 of 2020/21	Erratum NTI 5 of 202/21 Par 2
National Treasury Instruction No. 5 of 2020/21	NTI 05 of 2020/21 par. 4.8 NTI 05 of 2020/21 par. 4.9

## Brand South Africa Trust

Annual Financial Statements for the year ended 31 March 2024

Legislation	Sections or regulations
	NTI 05 of 2020/21 par. 5.3
National Instruction No. 1 of 2021/22	NT instruction note 1 of 2021/22 Par 4.1
National Instruction No. 4 of 2015/16	NT Instruction note 4 of 2015/16 Par 3.4
National Treasury SCM Instruction No. 4A of 2016/17	NT SCM Instruction 4A of 2016/17 Par 6
National Treasury SCM Instruction No. 03 of 2021/22	NTI 03 2021/22 Par 4.1 NTI 03 2021/22 Par 4.2 (b) NTI 03 2021/22 Par. 4.3 NTI 03 2021/22 Par 4.4(a) NTI 03 2021/22 Par 7.2 NTI 03 2021/22 Par 7.6 NTI 03 2021/22 Par 4.17
National Treasury SCM Instruction No. 11 of 2020/21	NTI 11 2020/21 Par 3.4(a) NTI 11 2020/21 Par 3.4(b) NTI 11 2020/21 Par 3.9
National Treasury SCM Instruction No. 2 of 2021/22	SCM NTI 02 2021/22 Par 3.2.1 SCM NTI 02 2021/22 Par 3.2.4 SCM NTI 02 2021/22 Par 3.2.4(a) SCM NTI 02 2021/22 Par 3.3.1
Practice Note 11 of 2008/9	Practice note 11 of 2008/9 Par 2.1 Practice note 11 of 2008/9 Par 3.1 (b)
Practice Note 5 of 2009/10	Practice Note 5 of 2009/10 par. 3.3
Practice Note 7 of 2009/10	Practice Note 7 of 2009/10 Par 4.1.2
Preferential Procurement Policy Framework Act 5 of 2000	PPPFA 1 PPPFA 2.1(a) PPPFA 2.1(f)

Legislation	Sections or regulations
Preferential Procurement Regulations, 2022	PPR 2022 Reg. 4.1 PPR 2022 Reg. 4.2 PPR 2022 Reg. 4.3 PPR 2022 Reg. 4.4 PPR 2022 Reg. 5.1 PPR 2022 Reg. 5.2 PPR 2022 Reg. 5.3 PPR 2022 Reg. 5.4
Preferential Procurement Regulations, 2017	PPR 2017 Reg.4.1 PPR 2017 Reg.4.2 PPR 2017 Reg.5.1 PPR 2017 Reg.5.3 PPR 2017 Reg.5.6 PPR 2017 Reg.5.7 PPR 2017 Reg.6.1 PPR 2017 Reg.6.2 PPR 2017 Reg.6.3 PPR 2017 Reg.6.5 PPR 2017 Reg.6.6 PPR 2017 Reg.6.8 PPR 2017 Reg.7.1 PPR 2017 Reg.7.2 PPR 2017 Reg.7.3 PPR 2017 Reg.7.5 PPR 2017 Reg.7.6 PPR 2017 Par.7.8 PPR 2017 Par.8.2 PPR 2017 Par.8.5 PPR 2017 Par.9.1 PPR 2017 Par.10.1 PPR 2017 Par.10.2 PPR 2017 Par.11.1 PPR 2017 Par 11.2

## Statement of FINANCIAL POSITION

	Note(s)	31 March 2024 R	31 March 2023 R
<b>Assets</b>			
<b>Current Assets</b>			
Prepayments and deposits	8	2 961 641	6 180 145
Receivables from exchange transactions	9	3 945 727	1 870 818
Cash and cash equivalents	10	49 910 243	32 436 075
		<b>56 817 611</b>	<b>40 487 038</b>
<b>Non-Current Assets</b>			
Property, plant and equipment	3	2 121 674	3 234 623
Intangible assets	4	3 914 186	5 038 404
Heritage assets	5	170 556	170 556
Other deposits	6	749 830	806 691
		<b>6 956 246</b>	<b>9 250 274</b>
<b>Total Assets</b>		<b>63 773 857</b>	<b>49 737 312</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Payables from exchange transactions	12	18 599 894	8 369 413
Provisions	11	18 365 111	14 868 905
		<b>36 965 005</b>	<b>23 238 318</b>
<b>Total Liabilities</b>		<b>36 965 005</b>	<b>23 238 318</b>
<b>Net Assets</b>		<b>26 808 852</b>	<b>26 498 994</b>
Accumulated surplus		26 808 852	26 498 994

The accounting policies on pages 122 to 136 and the notes on pages 137 to 163 form an integral part of the annual financial statements.

## Brand South Africa Trust

Annual Financial Statements for the year ended 31 March 2024

# Statement of FINANCIAL PERFORMANCE

	Note(s)	31 March 2024 R	31 March 2023 R
<b>Revenue</b>			
<b>Revenue from exchange transactions</b>			
Other income	14	363 902	308 532
Grants received - conditional	14	290 895	555 629
Partnership income	14	2 500 000	2 913 662
Finance income	15	3 854 762	2 605 360
<b>Total revenue from exchange transactions</b>		<b>7 009 559</b>	<b>6 383 183</b>
<b>Revenue from non-exchange transactions</b>			
<b>Transfer revenue</b>			
Government grants & subsidies	13	214 392 000	218 122 000
<b>Total revenue</b>	<b>13</b>	<b>221 401 559</b>	<b>224 505 183</b>
<b>Expenditure</b>			
Employee related costs	16	(66 847 309)	(69 009 934)
Activation fees	18	(56 460 351)	(56 646 489)
Depreciation and amortisation	3&4	(2 713 403)	(2 666 272)
Lease rentals on operating lease	20	(2 880 373)	(2 908 529)
Debt Impairment	20	-	(1 794)
Research fees	18	(1 792 649)	(1 063 911)
Branding and collateral	18	(2 377 331)	(2 756 143)
Media buy	18	(37 530 882)	(38 766 588)
Agency fees	18	(9 875 088)	(12 513 573)
General Expenses	17	(40 740 109)	(39 539 136)
<b>Total expenditure</b>		<b>(221 217 495)</b>	<b>(225 872 369)</b>
<b>Surplus / (Deficit) for the year from operating activities</b>		<b>184 064</b>	<b>(1 367 186)</b>
Gain/(Loss) on foreign exchange		125 796	555 052
<b>Surplus / (Deficit) for the year</b>		<b>309 860</b>	<b>(812 134)</b>

## Statement of Changes IN NET ASSETS

	Accumulated surplus R	Total net assets R
<b>Balance at 01 April 2022</b>	27 296 659	27 296 659
Deficit for the year	(812 134)	(812 134)
Total changes	(812 134)	(812 134)
<b>Balance at 01 April 2023</b>	26 484 525	26 484 525
Surplus for the year	309 860	309 860
Total changes	309 860	309 860
<b>Balance as at 31 March 2024</b>	26 794 385	26 794 385

## Cash Flow STATEMENT

	Note(s)	31 March 2024 R	31 March 2023 R
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Grant allocation		214 392 000	218 122 000
Finance income		3 705 319	2 498 773
Other receipts		2 154 797	3 777 246
<b>Total receipts</b>		<b>220 252 116</b>	<b>224 398 019</b>
<b>Payments</b>			
Employee costs		(63 380 688)	(62 853 414)
Suppliers		(138 921 023)	(169 648 402)
<b>Total payments</b>		<b>(202 301 711)</b>	<b>(232 501 816)</b>
Net cash inflows (outflows) from operating activities	22	17 950 405	(8 103 797)
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	3	(476 237)	(1 613 582)
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>17 474 168</b>	<b>(9 717 380)</b>
Cash and cash equivalents at the beginning of the year		32 436 075	42 153 455
Cash and cash equivalents at the end of financial year	10	49 910 243	32 436 075

## Statement of Comparison of BUDGET AND ACTUAL AMOUNTS

### Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual
	R	R	R	R	R
<b>Statement of Financial Performance</b>					
<b>Revenue</b>					
Revenue from exchange transactions	-				
Other income	-	363 902	363 902	363 902	
Grants received - conditional	-	290 895	290 895	290 895	
Partnership Income	-	2 500 000	2 500 000	2 500 000	
Finance income	-	3 854 762	3 854 762	3 854 762	
<b>Total revenue from exchange transactions</b>	-	<b>7 009 559</b>	<b>7 009 559</b>	<b>7 009 559</b>	
<b>Revenue from non- exchange transactions</b>					
<b>Transfer revenue</b>					
Government grants & subsidies	219 526 000	(5 134 000)	214 392 000	214 392 000	
<b>Total revenue from non-exchange transactions</b>	<b>219 526 000</b>	<b>(5 134 000)</b>	<b>214 392 000</b>	<b>214 392 000</b>	
<b>Expenditure</b>					
Personnel	(77 344 000)	1 134 000	(76 210 000)	(66 847 309)	9 362 691 (i)
Brand Communication and Reputation Costs	(113 081 000)	(6 400 000)	(119 481 000)	(130 578 114)	(11 097 114) (ii)
Capital Expenditure	(3 326 000)	-	(3 326 000)	(476 237)	2 849 763 (iii)
Operating Expenses	(25 775 000)	(2 500 000)	(28 275 000)	(21 078 669)	7 196 331 (iv)
<b>Total expenditure</b>	<b>(219 526 000)</b>	<b>(7 766 000)</b>	<b>(227 292 000)</b>	<b>(218 980 329)</b>	<b>8 311 671</b>
Foreign exchange gains and losses	-	-	-	125 796	125 796

## Brand South Africa Trust

Annual Financial Statements for the year ended 31 March 2024

# Statement of Comparison of BUDGET AND ACTUAL AMOUNTS (CONTINUED)

## Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual
	R	R	R	R	R

### Reconciliation

#### Basis for the difference

Depreciation & amortisation

(2 713 403)

**Reconciled surplus as per the Statement of Financial Performance**

**309 859**

- i) Personnel costs - The under-expenditure is attributable to the vacant positions in the USA and UK country offices.
- (ii) Brand communication and reputation costs - The variance is due to the commitments of the prior year incurred in the current year.
- (iii) Capital expenditure - The variance is due to delay in procurement of capital assets.
- (iv) Operating expenses - The variance is due to reduction in consultation and board related costs.

The accounting policies on pages 122 to 136 and the notes on pages 137 to 163 form an integral part of the annual financial statements.

# Accounting POLICIES

## 1. Presentation of Annual Financial Statements

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

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

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

### 1.1 Presentation currency

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

### 1.2 Going concern assumption

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

### 1.3 Significant judgements and sources of estimation uncertainty

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

#### Trade receivables

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

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

#### Fair value estimation

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

#### Provisions

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

#### Useful lives of assets

Brand South Africa management determines the estimated useful lives and related depreciation charges for property, plant and equipment as well as intangible assets. Management adjusts the depreciation charge where useful lives are materially different from previously estimated useful lives.

# Accounting POLICIES

## Allowance for doubtful debts

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

## 1.4 Property, plant and equipment

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

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

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

Property, plant and equipment is initially measured at cost.

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

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

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

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

Property, plant and equipment are depreciated on the straight line basis over their expected useful lives.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

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

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

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

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

## Accounting POLICIES

Brand South Africa assesses at each reporting date whether there is any indication that the entity expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, Brand South Africa compares the overall impact to its materiality amount accordingly. If the change is material it is accounted for as a change in an accounting estimate.

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

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

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

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

### 1.5 Intangible assets

An intangible asset is recognised when:

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

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

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

- it is technically feasible to complete the asset so that it will be available for use or sale.
- there is an intention to complete and use or sell it.
- there is an ability to use or sell it.
- it will generate probable future economic benefits or service potential.
- there are available technical, financial and other resources to complete the development and to use or sell the asset.
- the expenditure attributable to the asset during its development can be measured reliably. Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

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

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

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

Item	Depreciation method	Average useful life
Computer software	Straight line	3-10 years

Intangible assets are derecognised:

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

## Accounting POLICIES

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

### 1.6 Heritage assets

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

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

#### Recognition

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

#### Initial measurement

Heritage assets are measured at cost.

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

#### Subsequent measurement

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

#### Impairment

The entity assesses at each reporting date whether there is an indication that

heritage assets may be impaired. If any such indication exists, the entity estimates the recoverable amount or the recoverable service amount of the heritage asset.

#### Derecognition

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

### 1.7 Financial instruments

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

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

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

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

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

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

- Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or

## Accounting POLICIES

rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract (sometimes called the ‘underlying’).

- It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors.
- It is settled at a future date.
- cash;
- a residual interest of another entity; or
- a contractual right to:
  - receive cash or another financial asset from another entity; or
  - exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.

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

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

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

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

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

Other price risk is the risk that the fair value or future cash flows of a financial

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

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

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

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

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

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

### Classification

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

Class	Category
Cash and cash equivalents	Financial asset measured at amortised cost
Receivables from exchange transactions	Financial asset measured at amortised cost

# Accounting POLICIES

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

Class	Category
Payables from exchange transactions cost	Financial liability measured at amortised cost

### Initial recognition

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

### Subsequent measurement of financial assets and financial liabilities

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

- Financial instruments at fair value.

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

### Gains and losses

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

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

### Impairment and uncollectibility of financial assets

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

Financial assets measured at amortised cost:

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

### Financial instruments at fair value

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

Financial assets measured at cost:

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

## Accounting POLICIES

### Derecognition

#### Financial assets

Brand South Africa derecognises financial assets using trade date accounting.

Brand South Africa derecognises a financial asset only when:

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

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

If Brand South Africa transfers a financial asset in a transfer that qualifies for derecognition in its entirety and retains the right to service the financial asset for a fee, it recognise either a servicing asset or a servicing liability for that servicing contract. If the fee to be received is not expected to compensate the entity adequately for

performing the servicing, a servicing liability for the servicing obligation is recognised at its fair value. If the fee to be received is expected to be more than adequate compensation for the servicing, a servicing asset is recognised for the servicing right at an amount determined on the basis of an allocation of the carrying amount of the larger financial asset.

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

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

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

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

## Accounting POLICIES

### Financial liabilities

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

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

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

### Presentation

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

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

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

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

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

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

### 1.8 Tax

#### Tax expenses

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

### 1.9 Leases

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

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

#### Operating leases - lessee

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

## Accounting POLICIES

### 1.10 Employee benefits

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

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

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

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

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

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

#### Short-term employee benefits

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

Short-term employee benefits include items such as:

- wages, salaries and social security contributions;
- short-term compensated absences (such as paid annual leave and paid sick leave)

where the compensation for the absences is due to be settled within twelve months after the end of the reporting period in which the employees render the related employee service;

- bonus, incentive and performance related payments payable within twelve months after the end of the reporting period in which the employees render the related service; and
- non-monetary benefits (for example, medical care, and free or subsidised goods or services such as housing, cars and cellphones) for current employees.

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

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

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

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

## Accounting POLICIES

### Post-employment benefits

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

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

### Post-employment benefits: Defined contribution plans

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

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

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

Where contributions to a defined contribution plan do not fall due wholly within twelve months after the end of the reporting period in which the employees render the related service, they are discounted. The rate used to discount reflects the time

value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the obligation.

### 1.11 Provisions and contingencies

Provisions are recognised when:

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

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

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

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

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

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

## Accounting POLICIES

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

A provision is used only for expenditures for which the provision was originally recognised. Provisions are not recognised for future operating surplus (deficit).

If Brand South Africa has a contract that is onerous, the present obligation (net of recoveries) under the contract is recognised and measured as a provision.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 24.

### 1.12 Revenue from exchange transactions

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

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

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

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

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

- It is probable that the economic benefits or service potential associated with the transaction will flow to the entity, and

- The amount of the revenue can be measured reliably.

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

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

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

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

### 1.13 Revenue from non-exchange transactions

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

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

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

#### Recognition

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

## Accounting POLICIES

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

### Measurement

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

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

### 1.14 Finance income

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

### 1.15 Translation of foreign currencies

#### Foreign currency transactions

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

At each reporting date:

- foreign currency monetary items are translated using the closing rate;

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

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

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

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

### 1.16 Comparative figures

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

### 1.17 Fruitless and wasteful expenditure

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

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

## Accounting POLICIES

### 1.18 Irregular expenditure

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

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

National Treasury Instruction note no. 4 of 2022/2023 which was issued in terms of sections 76(1)(b)(e) and (f), 2(e) and 4(a) and (c) of the PFMA requires the following (effective from 03 January 2023):

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

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

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

Irregular expenditure that was incurred and identified during the current financial year and which was not condoned by the National Treasury or the relevant authority must be recorded appropriately in the irregular expenditure register. If liability for

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

### 1.19 Segment information

A segment is an activity of an entity:

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

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

### Measurement

The amount of each segment item reported is the measure reported to management for the purposes of making decisions about allocating resources to the segment and assessing its performance. Adjustments and eliminations made in preparing the entity's financial statements and allocations of revenues and expenses are included in determining reported segment surplus or deficit only if they are included in the

## Accounting POLICIES

measure of the segment's surplus or deficit that is used by management. Similarly, only those assets and liabilities that are included in the measures of the segment's assets and segment's liabilities that are used by management are reported for that segment. If amounts are allocated to reported segment surplus or deficit, assets or liabilities, those amounts are allocated on a reasonable basis.

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

### 1.20 Budget information

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

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

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

The approved budget covers the fiscal period from 2023/04/01 to 2024/03/31.

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

Comparative information is not required.

### 1.21 Related parties

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

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

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

### 1.22 Events after reporting date

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

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

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

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

# Accounting POLICIES

## 2. New standards and interpretations

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

Brand South Africa has not applied the following standards and interpretations, which have been published and are mandatory for the Brand South Africa’s accounting periods beginning on or after 01 April 2024 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• Amendments to GRAP 1 on Presentation of financial statements	Not yet effective	Not expected to impact results but may result in additional disclosure
• Amended GRAP 104 on Financial Instruments	01 April 2025	Not expected to impact results but may result in additional disclosure
• Amendments to GRAP 103 on Heritage Assets	Not yet effective	Not expected to impact results but may result in additional disclosure
• Amendments to GRAP 105 on Transfer of functions between entities under common control	Not yet effective	Not expected to impact results but may result in additional disclosure
• Amendments to GRAP 106 on Transfer of functions between entities not under common control	Not yet effective	Not expected to impact results but may result in additional disclosure
• Amendments to GRAP 107 on Mergers	Not yet effective	Unlikely there will be a material impact

## Notes to the ANNUAL FINANCIAL STATEMENTS

Figures in Rand

### 3. Property, plant and equipment

	31 March 2024			31 March 2023		
	Cost /Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Leasehold property	1 443 991	(1 443 991)	-	1 443 991	(1 443 991)	-
Furniture and fixtures	2 374 699	(2 210 197)	164 502	2 374 699	(2 156 954)	217 745
Motor vehicles	374 256	(374 256)	-	374 256	(374 256)	-
Office equipment	5 134 423	(4 226 925)	907 498	4 821 296	(3 453 731)	1 367 565
IT equipment	6 613 427	(5 563 753)	1 049 674	6 450 318	(4 801 005)	1 649 313
<b>Total</b>	<b>15 940 796</b>	<b>(13 819 122)</b>	<b>2 121 674</b>	<b>15 464 560</b>	<b>(12 229 937)</b>	<b>3 234 623</b>
<b>Reconciliation of property, plant and equipment - 31 March 2024</b>						
			<b>Opening balance</b>	<b>Additions</b>	<b>Depreciation</b>	<b>Total</b>
Furniture and fixtures			217 745	-	(53 243)	164 502
Office equipment			1 367 565	313 127	(773 194)	907 498
IT equipment			1 649 313	163 110	(762 749)	1 049 674
			<b>3 234 623</b>	<b>476 237</b>	<b>(1 589 186)</b>	<b>2 121 674</b>

## Notes to the **ANNUAL FINANCIAL STATEMENTS**

Figures in Rand

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

Reconciliation of property, plant and equipment - 31 March 2023

	Opening balance	Additions	Depreciation	Total
Furniture and fixtures	270 988	-	(53 243)	217 745
Office equipment	1 401 049	719 070	(752 554)	1 367 565
IT equipment	1 491 058	894 512	(736 257)	1 649 313
	<b>3 163 095</b>	<b>1 613 582</b>	<b>(1 542 054)</b>	<b>3 234 623</b>

#### Pledged as security

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

Assets were inspected and found to be useful for longer than their estimated useful life. However, a change in accounting estimate was not recorded as the net impact is below the entity's materiality threshold.

#### Capital commitments

As at 31 March 2024 there is an authorised capital expenditure, comprising of office furniture, computers and office equipment. Refer also to note 23.

## Notes to the ANNUAL FINANCIAL STATEMENTS

Figures in Rand

### 4. Intangible assets

	31 March 2024			31 March 2023		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software	11 244 984	(7 330 798)	3 914 186	11 244 984	(6 206 580)	5 038 404
<b>Reconciliation of intangible assets - 31 March 2024</b>						
				<b>Opening balance</b>	<b>Amortisation</b>	<b>Total</b>
Computer software				5 038 404	(1 124 218)	3 914 186
<b>Reconciliation of intangible assets - 31 March 2023</b>						
				<b>Opening balance</b>	<b>Amortisation</b>	<b>Total</b>
Computer software				6 162 621	(1 124 217)	5 038 404

#### Pledged as security

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

## Notes to the ANNUAL FINANCIAL STATEMENTS

	31 March 2024			31 March 2023		
	R			R		
<b>5. Heritage assets</b>						
	Cost / Valuation	31 March 2024 Accumulated impairment losses	Carrying value	Cost / Valuation	31 March 2024 Accumulated impairment losses	Carrying value
Art Collections	170 556	-	170 556	170 556	-	170 556
<b>Reconciliation of heritage assets - 31 March 2024</b>						
					<b>Opening balance</b>	<b>Total</b>
Art Collections					170 556	170 556
<b>Reconciliation of heritage assets - 31 March 2023</b>						
					<b>Opening balance</b>	<b>Total</b>
Art Collections					170 556	170 556

### Heritage assets

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

### Pledged as security

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

### Contractual commitments for the acquisition, maintenance and restoration of heritage assets

There are no costs relating to contractual commitments for the acquisition, maintenance and restoration of heritage assets in the current year:

## Notes to the ANNUAL FINANCIAL STATEMENTS

	31 March 2024 R	31 March 2023 R
<b>6. Other deposits</b>		
<b>At amortised cost</b>		
Deposits paid on leased property	749 830	806 691
<p>Other deposits represent amounts paid over by Brand South Africa as a collateral on the office space rental.</p> <p>The counterparty has an obligation to return the deposit to Brand South Africa at the end of the lease term on 31 July 2024 should the lease not be extended. The deposit is carried at cost and has not been discounted. There are no other significant terms and conditions associated with the use of collateral. Brand South Africa is in the process of extending the lease term for a further 24 months when it expires on 31 July 2024.</p>		
<b>7. Employee benefit obligations Defined contribution plan</b>		
<p>It is the policy of Brand South Africa to provide retirement benefits to all its permanent employees. Brand South Africa operates a defined contribution provident fund, which is subject to the Pension Fund Act. The Fund is administered by Sanlam as an Umbrella Fund because of its size. Under the current arrangement, both the employer and employee contribute 7.5% of retirement funding with the employer funding the operating costs over and above the retirement contributions.</p> <p>Brand South Africa is under no obligation to cover any unfunded benefits.</p>		
The total economic entity contribution to such schemes	3 206 219	3 349 361
Total number of employees participating in the plan	39	39
<b>8. Prepayments and deposits</b>		
Computer licences and subscriptions	2 463 056	2 676 753
Legal fees - Security bond	-	3 379 966
Rental expense - rates and taxes	294 380	-
Activations	204 205	123 426
	<b>2 961 641</b>	<b>6 180 145</b>

## Notes to the ANNUAL FINANCIAL STATEMENTS

	31 March 2024 R	31 March 2023 R
Computer license - relates to software licenses that enable business continuity.		
Rental and rates - relates to prepayment of office rental for April 2024.		
Activations - relates to prepayment of activations/ events scheduled between April 2024 and June 2024.		
<b>9. Receivables from exchange transactions</b>		
Trade debtors	3 440 414	1 544 613
Income accrued	382 601	233 158
Staff debt	122 712	84 985
Other receivables	-	8 062
	<b>3 945 727</b>	<b>1 870 818</b>
<b>Trade receivables past due</b>		
Trade receivables which are less than 6 months overdue are not considered for impairment. Trade receivables mainly comprise of strategic partnerships.		
The ageing of amounts past due but not impaired is as follows:		
Current (within 30 days)	3 440 414	1 544 613
<b>Reconciliation of provision for impairment of trade receivables</b>		
Opening balance	-	22 375
Amounts written off as uncollectible	-	(22 375)

## Notes to the ANNUAL FINANCIAL STATEMENTS

	31 March 2024 R	31 March 2023 R
<b>10. Cash and cash equivalents</b>		
Cash and cash equivalents consist of:		
Cash on hand	-	951
Bank balances	49 910 243	32 435 124
	<b>49 910 243</b>	<b>32 436 075</b>
<b>Credit quality of cash at bank and short term deposits, excluding cash on hand</b>		
Credit rating		
Nedbank: Ba1	49 910 243	32 435 124

## 11. Provisions

### Reconciliation of provisions - 31 March 2024

	Opening Balance	Additions	Utilised during the year	Total
Leave provision	2 114 630	3 693 394	(3 756 865)	2 051 159
Bonus provision	7 844 308	7 166 766	(227 122)	14 783 952
Provision for penalties and fines	1 530 000	-	-	1 530 000
Provision - employee reimbursement	3 379 967	3 341 033	(6 721 000)	-
	<b>14 868 905</b>	<b>14 201 193</b>	<b>(10 704 987)</b>	<b>18 365 111</b>

## Notes to the ANNUAL FINANCIAL STATEMENTS

			31 March 2024	31 March 2023
			R	R
<b>Reconciliation of provisions - 31 March 2023</b>				
	Opening Balance	Additions	Utilised during the year	Total
Leave provision	2 821 975	4 324 257	(5 031 602)	2 114 630
Bonus provision	7 083 045	7 617 186	(6 855 923)	7 844 308
Provision for penalties and fines	1 530 000	-	-	1 530 000
Provision - employee reimbursement	-	3 379 967	-	3 379 967
	<b>11 435 020</b>	<b>15 321 410</b>	<b>(11 887 525)</b>	<b>14 868 905</b>

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

The bonus provision relates to Brand South Africa's best estimate for performance related bonus payment at 31 March 2024. The performance bonuses have been determined using the Brand South Africa's performance bonus policy.

The provision for penalties and fines relates to the penalty imposed by the Department of Labour for non-compliance with Employment Equity requirements for 2021/22 financial period. The organisation is required to source and appoint candidates for vacant positions from unemployment database provided by Department of Labour in order to amortise the provision. No candidates were appointed from Department of Labour database during the year under review.

The provision for employee reimbursement relates to a court case that was finalized and awarded in favour of the former Chief Financial Officer (CFO) of the organisation. The CFO was reimbursed all the monies in line with the Mutual Separation Agreement (MSA) concluded between the parties.

## Notes to the ANNUAL FINANCIAL STATEMENTS

	31 March 2024 R	31 March 2023 R
<b>12. Payables from exchange transactions</b>		
Trade payables	13 303 118	5 031 059
Salary related payables	559 127	1 045 486
Accrued operating expenses	4 737 649	2 292 868
<b>Total</b>	<b>18 599 894</b>	<b>8 369 413</b>
<b>Ageing of trade payables</b>		
Trade payables	13 303 118	5 031 059
The ageing analysis reflects the balance of trade payables due within 30 days (current period).		
<b>13. Total Revenue</b>		
Other income	363 902	308 532
Grant received - conditional	290 895	555 629
Partnership income	2 500 000	2 913 662
Finance income	3 854 762	2 605 360
Government grant	214 392 000	218 122 000
	<b>221 401 559</b>	<b>224 505 183</b>
<b>The amount included in revenue arising from non-exchange transactions is as follows:</b>		
<b>Transfer revenue</b>		
Government grants - unconditional	214 392 000	218 122 000

## Notes to the ANNUAL FINANCIAL STATEMENTS

	31 March 2024 R	31 March 2023 R
<b>14. Revenue from exchange transactions</b>		
Other income	363 902	308 532
Grants received - conditional	290 895	555 629
Finance income	3 854 762	2 605 360
Partnership Income	2 500 000	2 913 662
	<b>7 009 559</b>	<b>6 383 183</b>

**Other income** - consists of miscellaneous amounts recovered from employee related transactions.

**Grants received - conditional** - relates to MICT SETA grant received for the payment of bursaries for selected external students.

**Partnership income** - consists of sponsorship payments received from partnering with private sector organisations.

### 15. Finance Income

#### Interest revenue

Cash and bank deposits	3 854 762	2 605 360
------------------------	-----------	-----------

The total interest income earned by Brand South Africa is from call account at an average interest rate of 7.42% per annum (March 2023: 3%). Brand South Africa invests its money with Nedbank which has a Ba1 rating.

## Notes to the ANNUAL FINANCIAL STATEMENTS

	31 March 2024 R	31 March 2023 R
<b>16. Employee related costs</b>		
Basic	44 046 882	45 179 854
Bonus	7 166 766	7 345 406
Medical aid - company contributions	596 755	599 524
UIF	111 022	179 210
WCA	429 399	433 642
SDL	453 839	567 819
Leave pay	627 525	(90 225)
Defined contribution plans	3 206 219	3 349 361
Travel, motor car, accommodation, subsistence and other allowances	85 832	50 753
Overtime payments	7 870	17 273
Long-service awards	110 000	25 000
Acting allowances	8 743 214	8 437 618
Travel allowance	1 261 986	837 040
Cost of living allowance - COLA	-	2 077 659
	<b>66 847 309</b>	<b>69 009 934</b>
<b>Remuneration of Acting Chief Executive Officer - S. Ntombela ( Acting from 19 July 2021 - date)</b>		
Annual Remuneration	1 204 115	1 197 030
Pay progression	-	23 846
Travel Allowance	180 000	180 000
Acting allowance	2 331 949	2 433 211
Performance bonus	-	272 067
Contributions to UIF, Medical and Pension Funds	155 395	147 370
COLA and pay progression	-	59 286
Reimbursive expenses	60 831	52 017
	<b>3 932 290</b>	<b>4 364 827</b>

## Notes to the ANNUAL FINANCIAL STATEMENTS

	31 March 2024 R	31 March 2023 R
<b>16. Employee related costs (continued)</b>		
<b>Remuneration of Acting Director Corporate Services - T. Gaokgorwe (Acting from 08 November 2022 - 06 August 2023)</b>		
Annual Remuneration	566 499	1 319 194
Acting Allowance	307 031	63 153
Performance Bonuses	-	257 470
Contributions to UIF, Medical and Pension Funds	63 162	146 102
Pay progression	-	12 516
COLA Backpay	-	33 376
Other reimbursive expenses	1 899	1 899
	<b>938 591</b>	<b>1 833 710</b>
<b>Remuneration of Chief Financial Officer - N. Thomas (Reinstated on 01 May 2023 and terminated on 31 May 2023)</b>		
Annual Remuneration	155 970	-
Termination payout	623 030	-
	<b>779 000</b>	<b>-</b>
<b>Remuneration of Director: Governance, Legal &amp; Secretariat - S.S Nyoni</b>		
Annual Remuneration	2 033 101	1 983 874
Pay progression	-	18 539
Performance Bonuses	-	381 376
Contributions to UIF, Medical and Pension Funds	183 121	176 731
COLA	-	37 078
Other reimbursive expenses	-	13 172
	<b>2 216 222</b>	<b>2 610 770</b>

## Notes to the ANNUAL FINANCIAL STATEMENTS

	31 March 2024 R	31 March 2023 R
<b>Remuneration of Acting Chief Financial Officer - Z. Zibi (Acting from 01 October 2022 - date)</b>		
Annual Remuneration	1 019 362	997 763
Acting Allowance	1 274 629	48 519
Performance Bonuses	-	192 961
Contributions to UIF, Medical and Pension Funds	97 652	94 238
COLA backpay	-	52 260
Other reimbursive expenses	1 803	400
Pay progression	-	6 700
	<b>2 393 446</b>	<b>1 392 841</b>
<b>Remuneration of Acting Director Corporate Services - L. Gumbi (Acting from 01 December 2023 - date)</b>		
Annual Remuneration	918 479	72 895
Acting Allowance	467 384	131 966
Contributions to UIF, Medical and Pension Funds	71 011	5 644
	<b>1 456 874</b>	<b>210 505</b>
<b>Remuneration of Acting Director Corporate Services - T. Ntabeni (Secondment from 07 August - 30 November 2023)</b>		
Acting Allowance	243 476	-
Contributions to UIF, Medical and Pension Funds	531	-
	<b>244 007</b>	<b>-</b>

## Notes to the ANNUAL FINANCIAL STATEMENTS

	31 March 2024 R	31 March 2023 R
<b>Remuneration of Acting Chief Marketing Officer - T.D Modise (Acting from 01 October 2023 - date)</b>		
Annual Remuneration	1 331 470	634 033
Acting Allowance	687 328	680 543
Contributions to UIF, Medical and Pension Funds	101 986	48 615
Other reimbursements	85 138	19 643
	<b>2 205 922</b>	<b>1 382 834</b>
<b>Remuneration of Director of Corporate Services - M. Nyathi (Employed from 01 May 2022 - 06 April 2023)</b>		
Annual Remuneration	32 836	1 956 466
Cellphone Allowance	-	4 500
Contributions to UIF, Medical and Pension Funds	177	1 948
Leave paid out	133 775	-
	<b>166 788</b>	<b>1 962 914</b>
<b>Remuneration of Acting Chief Financial Officer - K. Maposa (Secondment from 22 March 2022 - 30 September 2022)</b>		
Acting Allowance	-	395 661
Back pay - Acting allowance	13 791	-
Contributions to UIF, Medical and Pension Funds	138	1 063
	<b>13 929</b>	<b>396 724</b>

## Notes to the ANNUAL FINANCIAL STATEMENTS

	31 March 2024 R	31 March 2023 R
<b>Remuneration of Acting Chief Marketing Officer - N. Mabuza (Acting from 01 October 2022 - 30 September 2023)</b>		
Annual Remuneration	715 055	1 433 299
Acting Allowance	608 993	664 637
Performance Bonuses	-	238 200
Contributions to UIF, Medical and Pension Funds	80 008	156 828
Pay progression	-	33 083
COLA and pay progression backpay	-	46 317
Reimbursive expense	39 437	45 560
Long service award	-	15 000
	<b>1 443 493</b>	<b>2 632 924</b>

### 17. General expenses

Advertising	2 710 737	3 392 498
Auditors remuneration	3 129 824	3 451 654
Bank charges	34 512	33 717
Computer expenses	2 963 418	2 867 581
Consulting and professional fees - Other	4 583 373	3 150 549
Courier & Delivery expenses	91 494	388 622
Consulting and professional fees -Legal fees	665 844	349 276
Insurance	366 669	156 437
Conferences and Seminars (i)	8 239 338	3 049 980
Motor vehicle expenses	203 439	148 293
Placement fees	1 144 380	847 161

## Notes to the ANNUAL FINANCIAL STATEMENTS

	31 March 2024 R	31 March 2023 R
<b>17. General expenses (continued)</b>		
Printing and stationery	222 673	40 746
Project maintenance costs	231 271	316 052
Repairs and maintenance	433 353	197 820
Staff Wellness expenses	81 774	135 927
Subscriptions and membership fees	4 097 594	4 188 921
Telephone and internet	1 860 919	3 398 229
Staff training and development	402 194	160 286
Travel and subsistence-domestic	4 715 129	6 966 508
Travel and subsistence- overseas	2 779 015	3 129 519
Water and electricity	1 275 660	1 403 531
Other operating expenses	428 307	639 888
Removal and storage costs	10 813	109 244
Board remuneration (ii)	68 379	1 016 697
	<b>40 740 109</b>	<b>39 539 136</b>

(i) Conferences and Seminars - the increase is attributable to venue hire and related costs allocated to conference and seminars as opposed to activation costs in line with current year operations. Management took a strategic decision to manage venue hire and related costs using the travel management agent.

(ii) Board remuneration - Board members were only appointed on 20 March 2024, and had not been remunerated in the current year.

## Notes to the ANNUAL FINANCIAL STATEMENTS

	31 March 2024 R	31 March 2023 R
<b>18. Brand, Communication and Reputation costs</b>		
Research fees	1 792 649	1 063 911
Branding and collateral	2 377 331	2 756 143
Media buy	37 530 882	38 766 588
Agency - Digital management	3 977 346	2 675 236
Agency - Reputation management	4 841 193	3 131 421
Agency - Public relations & communication (i)	1 056 549	6 706 916
Activation fees - Domestic and International activities	56 460 351	56 646 489
	<b>108 036 301</b>	<b>111 746 704</b>
(i) Public relations & communication - the variance is due to public relations in the current year conducted through media partnerships.		
<b>19. Auditors' remuneration</b>		
External audit	2 929 070	2 470 800
Internal audit	200 754	980 854
	<b>3 129 824</b>	<b>3 451 654</b>
<b>20. Operating surplus</b>		
Operating surplus for the year is stated after accounting for the following:		
<b>Operating lease charges</b>		
Premises		
• Contractual amounts-Office rental JHB	2 797 671	2 826 218
Equipment		
• Contractual amounts	82 702	82 311
	<b>2 880 373</b>	<b>2 908 529</b>

## Notes to the ANNUAL FINANCIAL STATEMENTS

	31 March 2024 R	31 March 2023 R
<b>20. Operating surplus (continued)</b>		
Debt impairment	-	1 794
Depreciation and Amortisation expense	2 713 403	2 666 272
Employee costs	66 847 309	69 009 934
<b>21. Repairs and maintenance</b>		
- Office building	433 353	197 820
<b>22. Cash generated from (used in) operations</b>		
Surplus (Deficit) for the year	309 859	(812 135)
<b>Adjustments for:</b>		
Depreciation and amortisation	2 713 403	2 666 272
Gain on foreign exchange	(125 796)	(555 052)
Debt impairment	-	1 794
Movements in provisions	3 496 205	3 433 884
<b>Changes in working capital:</b>		
Prepayments	3 218 504	(603 328)
Receivables from exchange transactions	(2 074 909)	(1 493 302)
Other deposits	56 861	-
Payables from exchange transactions	10 356 278	(10 741 930)
	<b>17 950 405</b>	<b>(8 103 797)</b>

## Notes to the ANNUAL FINANCIAL STATEMENTS

	31 March 2024 R	31 March 2023 R
<b>23. Commitments</b>		
Total commitments		
Authorised capital expenditure	2 433 421	-
Capital expenditure - refers to authorised expenditure on capital assets as at 31 March 2024, comprising of office furniture, computers and office equipment.		
Operating lease payments for office equipment represent rentals payable by Brand South Africa for leasing of Printers for a period of 3 years from 01 December 2023 until 30 November 2026		
<b>Rental expenses relating to operating leases payable:</b>		
-Within one year	198 720	-
- in second to fifth year inclusive	331 200	-
	529 920	-

### 24. Contingent liabilities

Brand South Africa terminated a contract with a service provider in 2018, and the case is pending before the High Court. The estimated impact of the termination of the contract is R4, 000, 000. However, the management of the entity considers the prospects of success of the case against Brand South Africa to be remote.

The aforementioned service provider has informed Brand South Africa that it would no longer be pursuing litigations against Brand South Africa, but has refused to formally notify the court and tender Brand South Africa's wasted legal costs.

In addition, there are currently three pending legal proceedings against the entity by three former Brand South Africa employees. One is before the Commission for Conciliation Mediation and Arbitration and two are before the Labour Court. These cases are expected to be resolved within the next financial year.

The combined estimated financial impact on the cases is R4 367 364,34.

Management of the entity considers the prospects of success on the above mentioned cases brought against Brand South Africa to be remote.

# Notes to the ANNUAL FINANCIAL STATEMENTS

31 March 2024  
R

31 March 2023  
R

## 25. Related parties

### Related party

Minister in the Presidency

The Presidency

The South African Broadcasting Corporation (SABC)

The Government Printing Works

National Treasury

Department of Mineral Resources and Energy

Proudly South African

Department of Trade and Industry

Council for Scientific and Industrial Research (CSIR)

Department of International Relations and Cooperation (DIRCO)

Members of key management

Media, Information and Communication Technologies (MICT) SETA

Media Development and Diversity Agency (MDDA)

Government Communication and Information Systems (GCIS)

South African Social Security Agency (SASSA)

The State Security Agency

Statistics South Africa (Stats SA)

Executive Authority

Department of the same Executive Authority

Strategic Partner trade and related activities

Refer to note 16

Strategic Partner trade and related activities

Entity of the same Executive Authority

Department of the same Executive Authority

Strategic Partner trade and related activities

Entity of the same Executive Authority

Department of the same Executive Authority

## Notes to the ANNUAL FINANCIAL STATEMENTS

	31 March 2024 R	31 March 2023 R
<b>25. Related parties (continued)</b>		
<b>Related party balances</b>		
<b>Transfer payments</b>		
The Presidency through GCIS	214 932 000	218 122 000
<b>Amounts included in revenue from exchange transactions</b>		
MICT SETA	290 895	661 605
Department of Mineral Resources and Energy	-	1 413 662
<b>Amount included in employee costs regarding related parties</b>		
MDDA	-	613 977
<b>Amount included in employee costs regarding related parties</b>		
SASSA	528 521	-
Transactions with all the related parties are at arms length. The amounts outstanding are unsecured, interest free and repayable within 30 days.		

### 26. Remuneration of board members

The Brand South Africa board members are paid fees as per the National Treasury circular relating to committee fees. The three (3) year term of the below Board of Trustees came to an end on 12 November 2022. The President appointed a new Board of Trustees effectively from 20 March 2024. The new Board members had not been remunerated at year end.

#### Non-Executive Board members

Thandi Tobias - Pokolo (Chairperson)	-	252 201
Andrew Madella	-	83 370
Bushang Modipane	-	78 606
Rachel Kalidass	-	115 004
Sisanda Nkoala	-	104 808

## Notes to the ANNUAL FINANCIAL STATEMENTS

	31 March 2024 R	31 March 2023 R
<b>26. Remuneration of board members (continued)</b>		
Mlungisi Johnson	-	101 316
Stavros Nicolaou	-	59 550
Muditambi Ravele	-	82 652
Loretta Jacobus	-	73 704
George Sebulela	-	52 404
Ylva Rodny-Gumede	-	90 516
	-	<b>1 094 131</b>

### 27. Risk management

#### Financial risk management

Brand South Africa's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

Brand South Africa's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on Brand South Africa's financial performance. Risk management is carried out by management under policies approved by the accounting authority. The entity identifies, evaluates and hedges financial risks in close co-operation with Brand South Africa's operating units. The accounting authority provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

#### Liquidity risk

Brand South Africa's risk to liquidity is a result of the funds available to cover future commitments. Brand South Africa manages liquidity risk through an ongoing review of future commitments.

# Notes to the ANNUAL FINANCIAL STATEMENTS

	31 March 2024 R	31 March 2023 R
--	--------------------	--------------------

## 27. Risk management (continued)

### Credit risk

Brand South Africa is exposed to credit risk mainly on cash deposits, cash equivalents, and trade debtors. Brand South Africa only deposits cash in a major bank with high quality credit standing.

Trade receivables are concentrated around a few major strategic partners. These are assessed to be high quality as they usually pay up their accounts within thirty (30) days of invoicing.

### Financial instrument

	2024	2023
Nedbank call account	38 644 922	23 144 922
Nedbank current account	11 265 321	9 290 202
Receivables from exchange transactions	3 945 727	1 870 818

### Market risk

#### Interest rate risk

Brand South Africa's income and operating cash flows are largely independent of changes in market interest rates even though it generates investment revenue from excess cash deposited in the call account.

#### Foreign exchange risk

Brand South Africa operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar, Eurozone Currency (EURO), Swiss Franc (CHF) and the Great Britain Pound (GBP). Foreign exchange risk arises from future commercial transactions and liabilities.

## Notes to the ANNUAL FINANCIAL STATEMENTS

	31 March 2024 R	31 March 2023 R
<b>27. Risk management (continued)</b>		
Foreign currency exposure at Statement of Financial Position date		
<b>Liabilities</b>		
Current, CHF 180 000	3 759 012	3 531 726
Current, EUR 193 000	3 925 060	-
<b>Exchange rates used for conversion of foreign items were:</b>		
CHF	20,8834	19,6207
EUR	20,3371	0,00

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

### 28. Going concern

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

Brand South Africa is expected to continue operating as a going concern and the energy crisis has not posed any going concern challenges to the entity. There are no indications from the Executive Authority that the approved grant allocation for the financial year 2025/2026 will be stopped and the entity will continue to pursue its mandate in the foreseeable future..

The entity is pending a merger with SA Tourism. The process of the merger has not been finalised, nor is there any indication when this will take place. The pending merger does not contain material uncertainty to the entity's going concern as the Executive Authority has approved grant allocation for the organisation until 2025/26 financial year.

### 29. Fruitless, wasteful and irregular expenditure

There was no irregular, fruitless and wasteful expenditure that was incurred and confirmed in the current year. National Treasury Instruction Note no. 4 of 2022/23 requires that irregular, fruitless and wasteful expenditure incurred and confirmed in previous years be disclosed on the respective registers and annual report only.

# Notes to the ANNUAL FINANCIAL STATEMENTS

Figures in Rand

## 30. Segment information General information

### Identification of segments

Brand South Africa is structurally organised per target market on geographic basis, viz.; South Africa, China, USA and UK. These segments were used for determining strategic objectives, however in the current year management took a strategic decision to manage all segments in the head office and to reach the aforementioned target markets using shuttle mission.

Information reported about these segments is used by management as a basis for evaluating the segment performances and for making decisions about the allocation of resources. The disclosure of information about these segments are also considered appropriate for external reporting purposes.

### Types of services by segment

All four segments perform administrative, communication, reputation and brand management services.

### Segment surplus or deficit, assets and liabilities 31 March 2024

	South Africa	Total
<b>Revenue</b>		
Revenue from non-exchange transactions	214 392 000	214 392 000
Interest revenue	3 854 762	3 854 762
Other receipts	3 154 797	3 154 797
<b>Total segment revenue</b>	<b>221 401 559</b>	<b>221 401 559</b>
<b>Entity's revenue</b>		<b>221 401 559</b>
<b>Expenditure</b>		
Salaries and wages	66 847 309	66 847 309
Other expenses	154 244 390	154 244 390
<b>Total segment expenditure</b>	<b>221 091 699</b>	<b>221 091 699</b>
<b>Total segmental surplus</b>		<b>309 860</b>

## Notes to the ANNUAL FINANCIAL STATEMENTS

Figures in Rand

### 30. Segment information General information (continued)

<b>Assets</b>			
Segment assets		63 773 857	63 773 857
<b>Total assets as per Statement of Financial Position</b>			<b>63 773 857</b>
<b>Liabilities</b>			
Segment liabilities		36 965 005	36 965 005
<b>Total liabilities as per Statement of Financial Position</b>			<b>36 965 005</b>

#### Other information

Capital expenditure South Africa  
427 237

#### Segment surplus or deficit, assets and liabilities - 31 March 2023

	South Africa	USA	UK	Total
<b>Revenue</b>				
Revenue from non-exchange transactions	218 122 000	-	-	218 122 000
Interest revenue	2 605 360	-	-	2 605 360
Other income	4 332 875	-	-	4 332 875
<b>Total segment revenue</b>	<b>225 060 235</b>	<b>-</b>	<b>-</b>	<b>225 060 235</b>
<b>Entity's revenue</b>				<b>225 060 235</b>
<b>Expenditure</b>				
Salaries and wages	61 344 929	5 058 124	2 606 881	69 009 934
Other expenses	142 647 314	6 503 093	7 712 028	156 862 435
<b>Total segment expenditure</b>	<b>203 992 243</b>	<b>11 561 217</b>	<b>10 318 909</b>	<b>225 872 369</b>
<b>Total segmental surplus/(deficit)</b>				<b>(812 134)</b>

# Notes to the ANNUAL FINANCIAL STATEMENTS

Figures in Rand

## 30. Segment information General information (continued)

	South Africa	USA	UK	Total
<b>Assets</b>				
Segment assets	49 737 137	-	-	49 737 137
<b>Total assets as per Statement of Financial Position</b>				<b>49 737 137</b>
<b>Liabilities</b>				
Segment liabilities	23 238 318	-	-	23 238 318
<b>Total liabilities as per Statement of Financial Position</b>				<b>23 238 318</b>

	South Africa
<b>Other information</b>	
Capital expenditure	1 613 582











*Inspiring new ways*

**BRAND SOUTH AFRICA**

103 Central Street, Houghton 2198, Johannesburg, Gauteng

**CONTACTS**

Tel +27 11 483 0122 | Fax: +27 11 483 0124

**EMAIL**

[info@brandsouthafrica.com](mailto:info@brandsouthafrica.com)

RP132/2024

978-0-621-52049-1

[www.brandsouthafrica.com](http://www.brandsouthafrica.com)

