



STELLENBOSCH

STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

Ref no.3/4/1/5

2022-06-22

NOTICE OF A SPECIAL MEETING OF THE COUNCIL OF STELLENBOSCH MUNICIPALITY WEDNESDAY, 2022-06-22 AT 10:00

TO The Speaker, Cllr Q Smit [Chairperson]
The Executive Mayor, Ald GMM Van Deventer (Ms)
The Deputy Executive Mayor, Cllr JS Fasser

COUNCILLORS

RA Adams	NE Mcombring [Ms]
J Andrews	XL Mdemka (Ms)
Ald JC Anthony	NM Mkhontwana (Ms)
FJ Badenhorst	RS Nalumango [Ms]
PR Crawley (Ms)	ZR Ndalasi
A Crombie (Ms)	CD Noble
ZJ Dalling (Ms)	L Nkamisa
MM Danana	M Nkopane [Ms]
I De Taillerfer (Ms)	N Ntsunguzi (Ms)
R Du Toit (Ms)	N Olayi
A Ferns (Ms)	WC Petersen [Ms]
E Groenewald (Ms)	RO Pheiffer
AJ Hanekom	WF Pietersen
RB Hendrikse (Ms)	MG Rataza
P Johnson	JP Serdyn [Ms]
J Joon	A Tomose [Ms]
O Jooste	RB Van Rooyen
X Kalipa	M Van Stade
N Mananga-Gugushe (Ms)	CA Van Wyk
C Manuel	E Vermeulen
EP Masimini	J Williams

Notice is hereby given in terms of Section 29, read with Section 18(2) of the *Local Government: Municipal Structures Act, 117 of 1998*, as amended, that a **SPECIAL MEETING** of the **COUNCIL** of **STELLENBOSCH MUNICIPALITY** will be held via **MS TEAMS** on **WEDNESDAY, 2022-06-22** at **10:00** to consider the items on the Agenda.

SPEAKER
CLLR Q SMIT

A G E N D A

SPECIAL MEETING OF THE COUNCIL
OF STELLENBOSCH MUNICIPALITY

2022-06-22

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1.	OPENING AND WELCOME
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6.	APPLICATIONS FOR LEAVE OF ABSENCE

7	STATUTORY MATTERS
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7.1	MONTHLY FINANCIAL STATUTORY REPORTING: DEVIATIONS FOR MAY 2022
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Collaborator No: 730950
 IDP KPA Ref No: Good Governance
 Meeting Date: Mayco: 08 June 2022 & Special Council: 22 June 2022

1. SUBJECT: MONTHLY FINANCIAL STATUTORY REPORTING: DEVIATIONS FOR MAY 2022

2. PURPOSE

To comply with Regulation 36(2) of the Municipal Supply Chain Management Regulations and Section 36 of the Supply Chain Management Policy 2021/2022 to report the deviations to Council.

3. DELEGATED AUTHORITY

Council

FOR NOTING.

4. EXECUTIVE SUMMARY

Regulation 36(2) of the Municipal Supply Chain Management Regulations and Section 36 of the Supply Chain Management Policy (2021/2022) stipulate that SCM deviations be reported to Council. In compliance thereto, this report presents to Council the SCM deviations that occurred during May 2022.

5. RECOMMENDATION

that Council notes the deviations as listed for the month of May 2022.

6. DISCUSSION / CONTENTS

6.1. Background/Legislative Framework

The regulation applicable is as follows:

GNR.868 of 30 May 2005: Municipal Supply Chain Management Regulations

Deviation from and ratification of minor breaches of, procurement processes

36. (1) A supply chain management policy may allow the accounting officer—
 (a) **To dispense with the official procurement processes** established by the policy and to procure any required goods or services through any convenient process, which may include direct negotiations, but only—
 (i) in an emergency;
 (ii) if such goods or services are produced or available from a single provider only;
 (iii) for the acquisition of special works of art or historical objects where specifications are difficult to compile;
 (iv) acquisition of animals for zoos; or

(v) in any other exceptional case where it is impractical or impossible to follow the official procurement processes; and

(b) to ratify any minor breaches of the procurement processes by an official or committee acting in terms of delegated powers or duties which are purely of a technical nature.

(2) The accounting officer must record the reasons for any deviations in terms of sub regulation (1) (a) and (b) and **report them to the next meeting of the council**, or board of directors in the case of a municipal entity and include as a note to the annual financial statements.

6.2. Discussion

Reporting the deviations as approved by the Accounting Officer for May 2022:

The following deviations were approved with the reasons as indicated below:

DEVIATION NUMBER	CONTRACT DATE	NAME OF CONTRACTOR	CONTRACT DESCRIPTION	REASON	SUBSTANTIATION WHY SCM PROCESS COULD NOT BE FOLLOWED	TOTAL CONTRACT PRICE R
D/SM 11/22	30 May 22	CJ Distribution	Employee vaccinations	Exceptional case and it is impractical or impossible to follow the official procurement processes.	<p>The municipality must on an annual basis vaccinate staff working with biochemical and hazardous substances. Previously the service providers were appointed through a Formal Quotation process (FQ) but given the estimated cost it was recommended that a tender be issued.</p> <p>The tender process was unsuccessful as there were no responsive service providers: The services providers were non-responsive for one or more of the following reasons:</p> <ul style="list-style-type: none"> – Service providers do not have the capacity to cater for more than 300 employees that needs to be vaccinated – Services providers are not registered on the National Database or do not want to register – Service providers are not tax compliant <p>SCM also attempted to appoint a service provider through other mechanism but was unsuccessful.</p>	R 301 320,24 (VAT Incl)

					<p>It is impractical to follow the normal procurement processes as it yields no responsive (compliant) service providers to provide the service for the above reasons.</p> <p>To ensure legislative compliance, Stellenbosch Municipality in consultation with the Senior Manager: SCM, Director Corporate Services and Director Infrastructure Services, has embarked on a process of obtaining quotations from pharmaceutical companies and wish to procure the required vaccines directly from it. These vaccines will then be given to the affected staff members by a registered health practitioner (professional nurse). The municipality intends to appoint the health practitioners on a fixed term contract.</p>	
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6.3 Legal Implications

The regulation applicable is:

GNR.868 of 30 May 2005: Municipal Supply Chain Management Regulations: Deviations from and ratification of minor breaches of, procurement processes.

6.4 Staff Implications

No staff implications

6.5 Previous / Relevant Council Resolutions

None

6.6 Risk Implications

That the market may not be tested.

The measures in place to deal with deviations mitigate the risk to an acceptable level. The auditor general also audit the deviations during the yearly audit.

6.7 Comments from Senior Management

The item was not circulated for comment except to Municipal Manager.

6.8 Municipal Manager

Supports the recommendations.

RECOMMENDATIONS FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2022-06-08: ITEM 6.1

that Council notes the deviations as listed for the month of May 2022.

FOR FURTHER DETAILS CONTACT:

NAME	Kevin Carolus
POSITION	CFO
DIRECTORATE	Finance
CONTACT NUMBERS	021 808 8528
E-MAIL ADDRESS	Kevin.Carolus@stellenbosch.gov.za
REPORT DATE	02 June 2022

8.	CONSIDERATION OF URGENT ITEMS BY THE EXECUTIVE MAYOR: [ALD G VAN DEVENTER (MS)]
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8.1	PROTECTION SERVICES: (PC: CLLR R BADENHORST)
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NONE

8.2	YOUTH, SPORTS AND CULTURE: [PC: CLLR R ADAMS]
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NONE

8.3	CORPORATE SERVICES: (PC: CLLR L NKAMISA)
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8.3.1	SALARY AND WAGE INCREASE: IMPLEMENTATION OF SALGBC COLLECTIVE AGREEMENT: YEAR 2
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Collaborator No:

IDP KPA Ref No: Good Governance

Meeting Date: Mayco: 08 June 2022 & Special Council: 22 June 2022

1. SUBJECT: SALARY AND WAGE INCREASE: IMPLEMENTATION OF SALGBC COLLECTIVE AGREEMENT: YEAR 2

2. PURPOSE

To inform Council in regard to the Salary and Wage increase for Employees (excluding the Municipal Manager and Section 56 Managers) as per the SALGBC cCollective agreement 2021 – 2024 – year 2.

3. DELEGATED AUTHORITY

Council

4. EXECUTIVE SUMMARY

SALGA, SAMWU and IMATU entered into a Salary and Wage Agreement for the period 1 July 2021 until 30 June 2024 during the bargaining process on 16 September 2021. A copy of the agreement is attached as **APPENDIX 1**. In terms of clauses 6.4 and 6.5 of the agreement the increase for the 2022/23 financial year will be the projected CPI average for 2022. The forecast by the Reserve Bank in January 2022 will be used for this projection.

SALGA send the Municipality a circular 09 of 2021/2022 in March 2022 (attached as **APPENDIX 2**) in which municipalities are informed that the following increases shall apply from 1 July 2022. Salary 4.9% and the minimum wage will be R9 043.21. The flat rate for Homeowner's Allowance will be R1 011.77 and the maximum employer contribution to medical aid will increase to R5 007.00. All benefits linked to salary will increase by 4,9%. The South African Bargaining Council (SALGBC) also send a circular to the parties (01/2022) attached as **APPENDIX 3** setting out the increase for year 2 of the Salary and Wage Collective Agreement as well as the Reserve bank predictions.

Where municipalities were not able to afford the increase SALGA should be notified by 31 May 2022. There was provision made for this increase in the budget approved by Council on 25 May 2022. Employees who are not at the maximum of their salary scale are entitled to a notch increase over and above the cost-of-living increase which amounts to around a further 2,5% increase in the salary. The Municipal Manager and S56 Managers are excluded from this agreement and therefore will not be receiving an increase from 1 July 2022.

5. RECOMMENDATIONS

- (a) that Council note the circular from the SALGBC dated 9 March 2022; and
- (b) that Council takes note that the increase has been provided for in the approved budget for 2022/23.

6. DISCUSSION / CONTENTS

6.1 Background

SALGA, SAMWU and IMATU entered into a Salary and Wage Agreement for the period 1 July 2021 until 30 June 2024 during the bargaining process on 16 September 2021. A copy of the agreement is attached as **APPENDIX 1**.

6.2 Discussion

In terms of clauses 6.4 and 6.5 of the agreement the increase for the 2022/23 financial year will be the projected CPI average for 2022. The forecast by the Reserve Bank in January 2022 will be used for this projection.

SALGA send the municipality a Circular 09 of 2021/2022 in March 2022 (attached as **APPENDIX 2**) in which municipalities are informed that the following increases shall apply from 1 July 2022. Salary 4.9% and the minimum wage will be R9 043.21. The flat rate for Homeowners Allowance will be R1 011.77 and the maximum employer contribution to medical aid will increase to R5 007.00. All benefits linked to salary will increase by 4,9%. The South African Bargaining Council (SALGBC) also send a circular to the parties (01/2022) attached as **APPENDIX 3** setting out the increase for year 2 of the Salary and Wage Collective Agreement as well as the Reserve bank predictions.

Where municipalities were not able to afford the increase SALGA should be notified by 31 May 2022. There was provision made for this increase in the budget approved by Council on 25 May 2022. Employees who are not at the maximum of their salary scale are entitled to a notch increase over and above the cost-of-living increase which amounts to around a further 2,5% increase in the salary. The Municipal Manager and S56 Managers are excluded from this agreement and therefore will not be receiving an increase from 1 July 2022.

6.3 Financial Implications

Salary 4.9% and the minimum wage will be R9 043.21. The flat rate for Homeowner's Allowance will be R1 011.77 and the maximum Employer contribution to Medical Aid will increase to R5 007.00. All benefits linked to salary will increase by 4,9%. Provision was made in the approved budget for the increases.

A further 2,5 % will apply to Employees who are still eligible for a notch increase.

6.4 Legal Implications

The provision of this item is in line with Legislative provisions and Collective Agreement of the SALGBC.

6.5 Staff Implications

The increase will apply from 1 July 2022. The Municipal Manager and S56 Managers are excluded from this agreement and therefore will not be receiving an increase from 1 July 2022.

6.6 Previous / Relevant Council Resolutions

SPECIAL COUNCIL [IN-COMMITTEE] MEETING: 2021-09-29: ITEM 12.4.3

RESOLVED (majority vote)

that Council accepts the Salary and Wage collective agreement for implementation.

6.7 Risk Implications

Risks are addressed in the content of the policy.

6.8 Comments from Senior Management:

The CFO and Municipal Manager supports the recommendations. No comments were requested from other directors.

RECOMMENDATIONS FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2022-06-08: ITEM 7.3.1

- (a) that Council notes the circular from the SALGBC dated 9 March 2022; and
- (b) that Council takes note that the increase has been provided for in the approved budget for 2022/23.

ANNEXURES

APPENDIX 1: Salary and Wage Collective Agreement

APPENDIX 2: SALGA circular 09 of 2021/22

APPENDIX 3: SALGBC Circular 01/2022

FOR FURTHER DETAILS CONTACT:

NAME	<i>Annalene De Beer</i>
POSITION	<i>Director Corporate Services</i>
DIRECTORATE	<i>Corporate Services</i>
CONTACT NUMBERS	<i>021 – 808 8018</i>
E-MAIL ADDRESS	<i>Annalene.Debeer@stellenbosch.gov.za</i>
REPORT DATE	<i>31 May 2022</i>

APPENDIX 1



**SOUTH AFRICAN LOCAL GOVERNMENT
BARGAINING COUNCIL**

(Hereinafter referred to as "the "SALGBC or Council")

**SALARY AND WAGE
COLLECTIVE AGREEMENT**

In accordance with the provisions of the Labour Relations Act, 1995 made and entered into by and between the:-

SOUTH AFRICAN LOCAL GOVERNMENT ASSOCIATION

(Hereinafter referred to as "SALGA")

and

INDEPENDENT MUNICIPAL AND ALLIED TRADE UNION

(Hereinafter referred to as "IMATU")

and

SOUTH AFRICAN MUNICIPAL WORKERS' UNION


(Hereinafter referred to as "SAMWU")

(IMATU and SAMWU will together be referred to as the "Trade Unions")

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A vertical line with a hook in the middle.
The initials "N.M" above the signature.
The initials "X.S" below the signature.

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1. SCOPE OF APPLICATION

The terms of this agreement shall be observed in the Local Government Undertaking in the Republic of South Africa by all employers and by all employees who fall within the registered scope of the SALGBC.

2. EXCLUSIONS

Municipal Managers and those employees appointed as managers directly accountable to Municipal Managers in terms of Section 54A, Section 56 and Section 57 of the Municipal Systems Act 32 of 2000, as amended, shall be excluded from all the terms of this collective agreement.

3. PERIOD OF OPERATION

3.1 Notwithstanding the date of signature, this agreement shall come into operation in respect of the Parties to the agreement on **1 July 2021** and shall remain in force until **30 June 2024**.

3.2 This agreement shall come into operation in respect of non-parties on a date to be determined by the Minister of Employment and Labour and shall remain in force until **30 June 2024**.

4. OBJECTIVES

The objectives of this agreement are, *inter alia*, to:

4.1 Provide for general, across the board, salary adjustments as well as increases in the minimum wage for the financial years 2021/2022, 2022/2023 and 2023/2024;

4.2 Provide for annual adjustments to the maximum monthly employer contribution rate to accredited medical schemes for the financial years 2021/2022, 2022/2023 and 2023/2024 respectively, based on the 60/40 principle, subject to clause 10.1.1 below;

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- 4.3 Provide for annual increases to the Home-Owners Allowance for the financial years 2021/2022, 2022/2023 and 2023/2024 respectively, subject to clause 9.1.1 below;
- 4.4 Confirm the Parties' agreement on the terms of the Retirement Fund Collective Agreement as set out in the separate collective agreement, concluded under the auspices of the SALGBC;
- 4.5 Provide for a mechanism of withdrawal from the agreement under specified circumstances;
- 4.6 Outline a process for the review of maternity and paternity benefits as part of the review of the Main Collective Agreement;
- 4.7 Investigate the contractual, legislative, policy and financial arrangements related to the employability and employment of EPWP and CWP workers in the sector;
- 4.8 Provide for an exemption procedure conducted with the minimum of legal formalities; and
- 4.9 Provide for matters connected therewith.

5. DEFINITIONS

All expressions used in this agreement, which are defined in the Labour Relations Act, 1995 (hereinafter referred to as "the Act"), shall bear the same meaning as in the Act, unless the contrary intention appears, words importing the masculine gender shall include the feminine.

6. SALARY AND RELATED INCREASES

Financial Year 2021/2022

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- 6.1 In respect of this financial year, all employees covered by this agreement shall receive an increase of **three and a half percent (3.5%)** with effect from 1 July 2021.
- 6.2 In addition, all employees covered by this agreement shall receive a once-off non pensionable cash allowance as follows:
- 6.2.1 Employees earning a basic salary of **R 12 500** or less as at 1 July 2021, shall receive an amount of **R 4000.00**.
- 6.2.2 Employees earning a basic salary of **R 12 501** or more as at 1 July 2021, shall receive an amount of **R 3000.00**.
- 6.3 Payment of the once-off non pensionable cash allowance shall be made on 31 December 2021, and where not possible, by no later than 31 March 2022.

Financial Year 2022/2023

- 6.4 In respect of this financial year, all employees covered by this agreement shall receive, with effect from 1 July 2022, an increase based on the projected average CPI percentage for 2022.
- 6.5 The forecasts of the Reserve Bank, in terms of the January 2022 Monetary Policy Committee Statement, shall be used to determine the projected average CPI in terms of clause 6.4 above.

Financial Year 2023/2024

- 6.6 In respect of this financial year, all employees covered by this agreement shall receive, with effect from 1 July 2023, an increase based on the projected average CPI percentage for 2023.
- 6.7 The forecasts of the Reserve Bank, in terms of the January 2023 Monetary Policy Committee Statement, shall be used to determine the projected average CPI in terms of clause 6.6 above.

 Nim 4



7. MINIMUM WAGE

- 7.1 With effect from 1 July 2021, the minimum wage payable in the sector shall increase by **3.5%** to **R 8 620.79** per month.
- 7.2 With effect from 1 July 2022, the minimum wage payable in the sector shall increase by the same percentage as the salary and wage increase for the 2022/2023 financial year (clauses 6.4 and 6.5 above); and
- 7.3 With effect from 1 July 2023, the minimum wage payable in the sector shall increase by the same percentage as the salary and wage increase for the 2023/2024 financial year (clauses 6.6 and 6.7 above).

8. RETIREMENT FUNDS

- 8.1 The employer contributions to retirement funds shall be paid on the adjusted salaries per annum.
- 8.2 This Agreement confirms the Parties' agreement on the terms of the Retirement Fund Collective Agreement as set out in the separate collective agreement concluded under the auspices of the SALGBC.

9. HOME-OWNERS ALLOWANCE

- 9.1 The flat rate Home-Owners Allowance, currently at **R964.51**, shall increase as follows:
 - 9.1.1 For the 2021/2022 financial year, with effect from 1 July 2021, by **0%**, remaining at **R964.51**.
 - 9.1.2 For the 2022/2023 financial year, with effect from 1 July 2022, by the same percentage as the salary and wage increase for the 2022/2023 financial year (clauses 6.4 and 6.5 above).

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9.1.3 For the 2023/2024 financial year, with effect from 1 July 2023, by the same percentage as the salary and wage increase for the 2023/2024 financial year (clauses 6.6 and 6.7 above).

10. MEDICAL AID

10.1 For the duration of this agreement, and based on the 60/40 principle set out in the Main Collective Agreement, the maximum medical aid employer contribution rate to accredited medical schemes, currently at **R4 773.12**, shall increase as follows:

10.1.1 For the 2021/2022 financial year, with effect from 1 July 2021, by **0%**, remaining at **R4 773.12**.

10.1.2 For the 2022/2023 financial year, with effect from 1 July 2022, by the same percentage as the salary and wage increase for the 2022/2023 financial year (clauses 6.4 and 6.5 above).

10.1.3 For the 2023/2024 financial year, with effect from 1 July 2023, by the same percentage as the salary and wage increase for the 2023/2024 financial year (clauses 6.6 and 6.7 above).

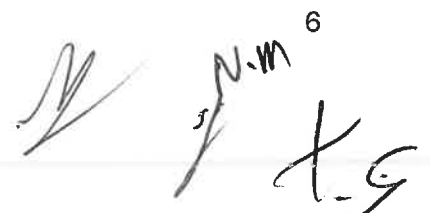
11. LINKED BENEFITS AND CONDITIONS OF SERVICE

11.1 Any benefit or condition of service that ordinarily increases by virtue of its link to the increase in the salary of an employee, shall increase by the same rate as the salary increase in each financial year, as set out above.

12. MATERNITY AND PATERNITY BENEFITS

12.1 The Parties shall review maternity and paternity leave benefits, in consideration of recent developments and amendments to Labour legislation as part of the upcoming review of the Main Collective Agreement.

12.2 A time-table for the review of the Main Collective Agreement shall be developed by the SALGBC and adopted by the Parties, to ensure that the review process

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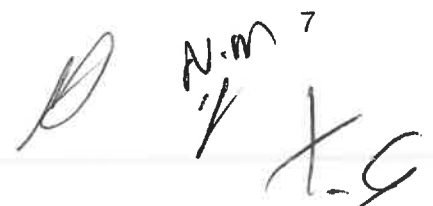
commences forthwith upon the finalisation of the 2021 wage negotiations, and concludes by no later than 30 June 2022.

13 EPWP AND CWP WORKERS

- 13.1 It is recognised that a vast number of community members take part in or are employed and/or placed in different municipalities through the Expanded Public Works Programme (EPWP) and the Community Works Programme (CWP). A full SALGBC investigation shall be conducted on the interface of the EPWP and CWP programmes with Local Government generally and Municipalities in particular.
- 13.2 The investigation shall focus on looking at legislative, policy, contractual, and financial arrangements regarding these programmes as well as employment and employability of the participants on these programmes in municipalities.
- 13.3 This investigation shall be concluded within twelve months of the conclusion of this agreement. The Parties shall establish clear terms of reference to enable a report to be submitted to the Executive Committee of the SALGBC for further consideration.

14 WITHDRAWAL FROM AGREEMENT

- 14.1 Any Party to this agreement (IMATU, SAMWU or SALGA), not their individual members, shall have the right to withdraw from this agreement by giving reasonable written notice to all Parties in the event of unforeseen circumstances that impact on the financial sustainability of the sector that cause economic hardship.
- 14.2 The notice of withdrawal shall only be effective if given within at least one financial quarter, in line with the municipal financial year, and with full disclosure of the factual circumstances which form the basis of the notice of withdrawal.
- 14.3 Notwithstanding clause 14.1 above, the right of withdrawal shall not apply in respect of the current declaration of a National State of Disaster emanating from the COVID-19 pandemic.

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14.4 In the event that the right of withdrawal is invoked by a Party in terms of clause 14.1, the Parties shall immediately enter into new wage negotiations and the SALGBC shall establish a time-table for such negotiations.

15. EXEMPTIONS

15.1 Exemptions Process

15.1.1 Any Party or person bound by this collective agreement concluded under the auspices of the SALGBC or which binds the Parties to the SALGBC, shall be entitled to apply for exemption from any provision of the said collective agreement.

15.1.2 All applications for exemption shall be made in writing on the appropriate application form, obtained from the SALGBC, setting out relevant information, including:

15.1.2.1 The provisions of the agreement in respect of which exemption is sought;

15.1.2.2 The number of persons in respect of whom the exemption is sought;

15.1.2.3 The reasons why the exemption is sought;

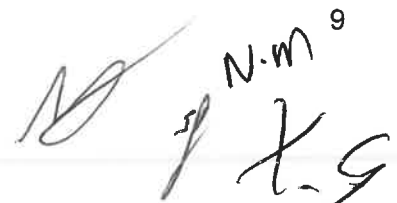
15.1.2.4 The nature and size of the municipality in respect of which the exemption is sought;

15.1.2.5 The duration and timeframe for which the exemption sought;

15.1.2.6 The business strategy and/or the financial recovery plan of the applicant seeking the exemption;

B *N.M*⁸
J *X-S*

- 15.1.2.7 The applicant's past record (if applicable) of compliance with the provisions of the Collective Agreement, its amendments and Exemptions Outcome;
 - 15.1.2.8 Confirmation that the trade unions or workforce itself were advised of the exemption application at local level;
 - 15.1.2.9 The relevant financial information which shall include, but not limited to the last audited financial statements together with Section 72 of Municipal Finance Management Act (MFMA) reports, combined with Section 71 reports for the current and preceding two financial years; and
 - 15.1.2.10 Any other relevant evidence / documents for consideration by the Senior Panellist. However, the Senior Panellist shall determine the relevance and weight to be attached to such evidence.
- 15.1.3 An application for exemption from any provision of the collective agreement shall be lodged in writing on the prescribed form with the General Secretary of the SALGBC and the applicant shall serve a copy of the application as follows:
- 15.1.3.1 In the case of a Trade Union or employee applying for exemption from a collective agreement, submit a copy of the exemption application to SALGA and the relevant municipality affected by the application; and
 - 15.1.3.2 In the case of SALGA and/or a Municipality applying for exemption from a collective agreement, forward the exemption application to the national and local offices of IMATU and SAMWU.
- 15.1.4 The Parties referred to in clause 15.1.3, as the case may be, shall be afforded ten (10) days to submit a response to the application for



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exemption to the General Secretary of the SALGBC. The party shall also be obliged to submit the response to the applicant for exemption.

- 15.1.5 The application for exemption shall be considered by the Senior Panellist.
- 15.1.6 All applications considered by the Senior Panellist shall only be based on the written exemption application and written submissions and arguments in respect of the application, if any, by the applicant and any party or person opposing the application, unless determined otherwise by a Senior Panellist. The Senior Panellist shall consider and determine exemption applications in a manner that is fair and transparent. The applications shall be determined as expeditiously as possible and may, in exceptional cases and subject to the decision of the Senior Panellist, include the hearing of evidence, where the matter cannot be decided solely on the documentation.
- 15.1.7 Notwithstanding clause 15.1.2.9 any party to this Agreement shall be free to submit any relevant evidence / documents for consideration by the Senior Panellist. However, the Senior Panellist shall determine the relevance and weight to be attached to such evidence.
- 15.1.8 The Exemptions Process shall be a financial inquiry based on the Exemptions Criteria set out in clause 15.1.15 below, along with the criteria of fairness to the employer and the employees.
- 15.1.9 In the event of applications being made that are frivolous and vexatious, such applications may be dismissed with costs.
- 15.1.10 Where a municipality submits an application for exemption, the municipality's obligation to implement the salary increase is suspended pending the outcome of the exemption application.
- 15.1.11 The Senior Panellist must consider and make a decision and issue an Exemption Outcome within 30 days of the SALGBC having received the exemption application.

D *NM¹⁰*
J *X-5*

15.1.12 The onus to prove the case for the granting of an exemption lies with the applicant.

15.1.13 Parties undertake to make every reasonable effort to assist their members to discharge such onus in a full and proper manner.

15.1.14 National Exemption Panel:

15.1.14.1 The Executive Committee of the SALGBC shall establish a dedicated exemptions panel of arbitrators from the National Panel of conciliators and arbitrators of the SALGBC to constitute the National Exemptions Panel.

15.1.14.2 The Executive Committee of the SALGBC shall also establish a dedicated panel of independent financial experts made up of persons having a qualification in finance and a background and experience in local government finances.

15.1.14.3 For each exemption application, the General Secretary of the SALGBC shall appoint a Senior Panellist from the dedicated exemptions panel of arbitrators together with one financial expert from the appointed panel of financial experts.

15.1.14.4 The Senior Panellist shall hear and determine the application. The financial expert shall assist and provide advice and recommendations to the Senior Panellist.

15.1.14.5 The Senior Panellist shall undertake its duties in a fair and transparent manner and shall have the powers and functions to:

15.1.14.5.1 Grant a full or partial exemption or reject an application for exemption; and

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15.1.14.5.2 Approve interim orders in circumstances where this will not affect the final outcome.

15.1.14.6 The Senior Panellist shall grant or reject an exemption application within thirty (30) days after a referral to the General Secretary.

15.1.14.7 The Senior Panellist shall have the power to condone any failure to comply with the time periods provided for in terms of this procedure based on good cause shown.

15.1.14.8 The decisions of the Senior Panellist shall be final and binding, subject to an aggrieved party's right to institute review proceedings in any court having jurisdiction to hear the matter. The Senior Panellist shall provide brief written reasons for its decision.

15.1.14.9 The Senior Panellist shall notify the parties of its decision and that the aggrieved party has the right to institute review proceedings in any court having jurisdiction to hear the matter.

15.1.14.10 An Exemption Outcome which contains the following information shall be signed by the Senior Panellist of the National Exemption Panel:

15.1.14.10.1 The full name of the applicant employer;

15.1.14.10.2 The date of issue;

15.1.14.10.3 The details of the agreement for which exemption is granted;

15.1.14.10.4 The period for which exemption shall operate;

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15.1.14.10.5 The terms and conditions, or remedial requirements of the exemption;

15.1.14.10.6 The reasons for the decision; and

15.1.14.10.7 Any other matter the Senior Panellist deems relevant.

15.1.15 Criteria and Other Factors to be considered by the Senior Panellist:

15.1.15.1 When considering an application for exemption, including an application for the withdrawal of an Outcome of Exemption by the SALGBC, the following criteria shall be taken into account (the order not indicating any form of priority):

15.1.15.1.1 Any written and/or verbal substantiation provided by the applicant or a Party to the SALGBC;

15.1.15.1.2 Fairness to the employer, its employees and other employers and the employees in the local government sector;

15.1.15.1.3 Whether an exemption, if granted would undermine this agreement or the collective bargaining process;

15.1.15.1.4 The employer is unable to afford the costs of the whole or part of this agreement;

15.1.15.1.5 The employer has short-term cash flow problems necessitating a limited exemption;

15.1.15.1.6 Unexpected economic hardship occurring during the currency of this agreement and job creation and/or loss thereof;

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15.1.15.1.7 Whether a budgetary provision, approved by National Treasury, was made for implementation of the obligation arising out of the collective agreement;

15.1.15.1.8 Any process or directives as may be agreed to by the Executive Committee from time to time; or

15.1.15.1.9 Any other factor(s) which is considered appropriate.

15.1.16 For the purposes of this section only, "Day" shall mean calendar day.

16. ENFORCEMENT OF THIS COLLECTIVE AGREEMENT

16.1 Despite any other provision in the Act, the SALGBC shall monitor and enforce compliance of this collective agreement in terms of Section 33A of the Act.

16.2 The General Secretary or his appointed designated agent may, in keeping with the SALGBC constitution and Section 33(3) of the Act, issue a compliance order in terms of which any person bound by this collective agreement is required to comply with the terms of this agreement, stipulating the alleged breach and requiring that such breach be rectified within ten (10) days of receipt of such compliance order.

16.3 The SALGBC may refer any unresolved dispute concerning compliance with any provision of this collective agreement to arbitration by an arbitrator appointed by the SALGBC.

16.4 If a party to an arbitration in terms of Section 33A of the Act is not a party to the SALGBC, and objects to the appointment of an arbitrator, the CCMA (herein referred to as "the Commission"), on request by the Council, must appoint an arbitrator.

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- 16.5 If an arbitrator is appointed by the Commission in terms of clause 16.4:
- 16.5.1 The council remains liable for the payment of the arbitrator's fee; and
 - 16.5.2 The arbitration is not conducted under the auspices of the Commission.
- 16.6 An arbitrator conducting an arbitration in terms of Section 33A of the Act has the powers of a commissioner in terms of Section 142 of the Act, read with the changes required by the context.
- 16.7 Section 138 of the Act, read with the changes required by the context, applies to any arbitration conducted in terms of Section 33A of the Act and clause 16.6.
- 16.8 An arbitrator acting in terms of Section 33A of the Act and clause 16.6 may determine any dispute concerning the interpretation or application of a collective agreement.
- 16.9 An arbitrator conducting an arbitration in terms of Section 33A of the Act and clause 16.6 may make an appropriate award, including:
- 16.9.1 Ordering any party to pay any amount owing in terms of a collective agreement;
 - 16.9.2 Imposing a fine for a failure to comply with a collective agreement;
 - 16.9.3 Charging a party an arbitration fee;
 - 16.9.4 Ordering a party to pay the costs of the arbitration;
 - 16.9.5 Confirming, varying or setting aside a compliance order issued by the General Secretary or his appointed designated agent; and
 - 16.9.6 Any award contemplated in Section 139 (9) of the Act.

 N.M 15



16.10 Interest on any amount that a party is obliged to pay in terms of this collective agreement accrues from the date on which the amount was due and payable at the rate prescribed in terms of Section 1 of the Prescribed Rate of Interest, Act 55 of 1975, unless the arbitration award provides otherwise.

16.11 An arbitration award in an arbitration conducted in terms of Section 33A of the Act and clause 16.6 is final and binding and may be enforced in terms of Section 143 of the Act.

16.12 If an employer upon whom a fine has been imposed in terms of this Section files an application to review and set aside an award made in terms of this clause 16.6, any obligation to pay a fine is suspended pending the outcome of the application.

17. DISPUTES ABOUT THE APPLICATION OR INTERPRETATION OF THIS COLLECTIVE AGREEMENT

17.1 Any person or Party may refer a dispute about the application or interpretation of this agreement to the General Secretary of the SALGBC.

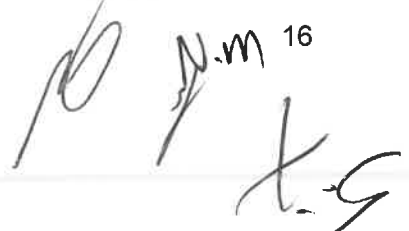
17.2 The General Secretary must appoint a conciliator from the national panel of conciliators, (doing so as far as possible on a rotational basis) to attempt to resolve the dispute.

17.3 If the dispute remains unresolved any of the parties to the dispute may request the General Secretary to appoint an arbitrator from the national panel of arbitrators, (doing so as far as possible on a rotational basis) to arbitrate the dispute.

18. ENTIRE AGREEMENT, SEVERABILITY, WAIVER AND VARIATION

18.1 This agreement incorporates the entire agreement between the Parties.

18.2 Any failure by any Party to enforce any provision of this agreement shall not constitute a waiver of such provision or affect, in any way, a Party's right to require

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performance of such provision at any time in the future, nor shall the waiver of any subsequent breach nullify the effectiveness of the provision itself.

18.3 If any provision of this agreement is held to be illegal, invalid or unenforceable, such illegality, invalidity and/or unenforceability shall not affect the other provisions of this agreement which shall continue to remain in force and effect.

NO
W.M 17
Y *K.S*

THIS AGREEMENT WAS CONSIDERED, ADOPTED AND APPROVED BY THE BARGAINING COMMITTEE OF THE CENTRAL COUNCIL IN TERMS OF CLAUSE 17.3 OF THE CONSTITUTION.

SIGNED BY THE PARTIES AT DURBAN ON THIS THE 15th DAY OF SEPTEMBER 2021.



MEMBER OF THE SALGBC
(REPRESENTING SALGA – MR X GEORGE)



MEMBER OF THE SALGBC
(REPRESENTING IMATU – MR K SWANEPOEL)



MEMBER OF THE SALGBC
(REPRESENTING SAMWU – MR N MOKGOTHO)



GENERAL SECRETARY OF THE SALGBC
MR SS GOVENDER

APPENDIX 2

CIRCULAR WC 09 OF 2021/2022

**FROM : KHALIL MULLAGIE
PROVINCIAL DIRECTOR OF OPERATIONS**

**TO : EXECUTIVE MAYOR
SPEAKER
MUNICIPAL MANAGER
CHIEF WHIP
MAJORITY OPPOSITION PARTY WHIP
SALGA WOMEN'S COMMISSION
MPAC CHAIRPERSON
DIRECTOR: CORPORATE SERVICES
HR MANAGERS**

DATE : 14 MARCH 2022

SALARY AND WAGE INCREASE FOR THE PERIOD 1 JULY 2022 TO 30 JUNE 2023

Attached hereto please find SALGBC Circular number 1/2022 dated 9 March 2022 for your attention and implementation.

The Salary and Wage increases as per the 2021 Multi-year Salary and Wage Collective Agreement for the 2022/2023 financial year shall be as follows as from 1 July 2022:

- In terms of Clauses 6.4 and 6.5 the **Salary and Wage increase** shall be 4.9%.
- In terms of clause 7.2 the **Minimum Wage** shall increase to R9 043.21.
- In terms of clause 9.1.2 the **Flat Rate Homeowners Allowance** shall increase to R1 011.77.
- In terms of clause 10.1.2 the **Medical Aid Maximum Employer Contribution** shall increase to R5 007.00.
- In terms of clause 11.1 all **benefits linked to salary** shall increase by 4.9%.

Municipalities that cannot afford to implement the above may in terms of Clause 15 of the said Agreement apply for exemption. Municipalities that want to apply for exemption are requested to please inform SALGA of such a decision as soon as possible, but not later than 31 May 2022.

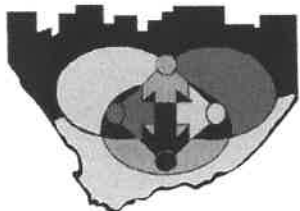
Should you have any questions, please contact Jasper van der Westhuizen (jvdwesthuizen@salga.org.za or 083 458 2510).

Kind regards



KHALIL MULLAGIE
PROVINCIAL DIRECTOR OF OPERATIONS

APPENDIX 3



SOUTH AFRICAN LOCAL GOVERNMENT BARGAINING COUNCIL

Page 36

HEAD OFFICE

Private Bag X16
MUSGRAVE
4062

Tel: (031) 201-8210
Fax: (031) 201-9788

461 King Dinuzulu Road
DURBAN
4001

E-mail: info@salgbc.org.za
Web-site: www.salgbc.org.za

9 March 2022

To All Municipal Managers

The Parties:

SALGA	Mr. X George	(012) 369-8001
SAMWU	Mr. D Magagula	Per Email
IMATU	Mr. J Koen	(012) 460-8444

And To:

Regional Secretaries:		
Gauteng/Johannesburg/Tshwane Division	Ms. E. Sekgweleo	(012) 665 1014
Eastern Cape Division	Mr. C Gqeke	(041) 581-3648
KwaZulu-Natal/eThekweni Division	Mr. V. Nzuzo	(031) 201 9752
Western Cape/ Cape Metro Division	Mrs. W Brink	(021) 917 1145
Northern Cape/Free State Division	Mr. T Mqobongo	(053) 831-3608
North West/Mpumalanga/Limpopo Division	Ms. N Hlangwani	(012) 342-7015

Dear Sir/Madam

CIRCULAR NO.: 01/2022

SALARY AND WAGE INCREASE FOR THE PERIOD 1 JULY 2022 TO 30 JUNE 2023

The parties, SALGA, IMATU and SAMWU, at the Executive Committee meeting held on 7 March 2022, agreed that the salary and wage increases for the 2022/2023 financial year as per the Salary and Wage Collective Agreement dated 15 September 2021 shall be, as follows:

1. The salary and wage increase, in terms of clauses 6.4 and 6.5 of the Collective Agreement shall be four comma nine percent (4.9 %), with effect from 1 July 2022.
2. Any linked benefits or conditions of service, as per clause 11.1 of the Collective Agreement shall increase by the same rate of four comma nine percent (4.9 %), with effect from 1 July 2022.
3. The Minimum Wage as stipulated in clause 7.2 of the Collective Agreement shall increase by the same rate of 4.9 %, from R 8 620.79 to R9,043.21. The new Minimum Wage shall be R9,043.21, with effect from 1 July 2022.
4. The flat rate Homeowners Allowance, in terms of clause 9.1.2 of the Collective Agreement, shall increase by the same rate of 4.9 %, from R964.51 to R1,011.77, with effect from 1 July 2022.

-2-

5. In respect of medical aid, the maximum employer contribution rate to an employee's accredited medical scheme as set out in clause 10.1.2 of the Collective Agreement shall increase by the same rate of 4.9 %, from **R4 773.12.** to **R5 007.00**, with effect from 1 July 2022.
6. The following CPI projected (forecast) figures, from the South African Reserve Bank, are used to calculate the salary and wage related increases:

Summary of selected forecast results										
<i>*Figures below the forecast in parentheses represents the previous MPC forecast</i>										
1. Selected forecast results (quarterly)										
Percentage change (year-on-year)	Actual					Forecast				
	1	2	3	4	2021	1	2	3	4	2022
Headline	3.1	4.8	4.8	5.5	4.5	5.6	5.0	4.7	4.3	4.9
CPI	(3.1)	(4.8)	(4.8)	(5.3)	(4.5)	(4.6)	(4.3)	(4.1)	(4.0)	(4.3)

7. The Council requests all municipalities to adhere and implement the above. This circular must be published on all notice boards.

Yours faithfully



MR. S.S. GOVENDER
GENERAL SECRETARY

8.3.2	RECRUITMENT AND SELECTION POLICY
--------------	---

Collaborator No:

IDP KPA Ref No:

Meeting Date:

Good Governance

Mayco: 08 June 2022 & Special Council: 22 June 2022

1. SUBJECT: RECRUITMENT AND SELECTION POLICY

2. PURPOSE

To inform Council of the revision of the Recruitment and Selection Policy also to be in line with the new Staff Regulations that is applicable from 1 July 2022 and to recommend the approval of the consulted Recruitment and Selection Policy for approval.

3. DELEGATED AUTHORITY

Council

4. EXECUTIVE SUMMARY

COGTA, during 2021, promulgated new Staffing Regulations which must be implemented from 1st July 2022. In terms of these regulations many of the recruitment process provisions changed and had to be incorporated into our Recruitment and Selection Policy to ensure that the Municipality becomes compliant and implement the provisions as from 1st July 2022.

The Municipality started with the revision of the Recruitment and Selection Policy in 2020. The draft revised policy was submitted to the LLF for consultation. When the process was almost completed the new Staff Regulations was promulgated and the policy had to be revised even further.

The attached Recruitment and Selection Policy for Stellenbosch Municipality (**APPENDIX 1**) has been consulted with the Labour Unions, SAMWU and IMATU.

The parties have reached consensus on most of the provisions of the policy. The policy has to serve before Council for approval before 1 July 2022 to ensure that we can implement it from 1 July 2022 and therefore the Sub-committee of the LLF had no time to resubmit the policy to the LLF for recommendations to Mayco and Council. The parties in the Sub-committee agreed that the Employer will provide the Unions a last opportunity for inputs on/before 17 June 2022.

The policy document however represents the Municipality's position and complies with the newly published Staff Regulations and therefore it is recommended that the policy be approved.

Should changes be needed due to Union inputs these will be submitted to the Council meeting for final approval.

NO further input was received from the Unions.

5. RECOMMENDATIONS

- (a) that Council notes the consultation process for this policy since 2020 within the LLF has now been concluded;
- (b) that Council notes that Unions have an opportunity to make final inputs on/before 17 June 2022;
- (c) that should changes be needed due to Union inputs these will be submitted to Council meeting for final approval; and
- (d) that Council approves the revised Recruitment and Selection Policy (2022) for implementation from 1 July 2022.

6. BACKGROUND

The policy was last reviewed in 2008 and whilst it was revised and submitted to Council for approval in 2012, the recommendation(s) was not approved.

6.1 DISCUSSION

COGTA, during 2021, promulgated new Staffing Regulations which must be implemented from 1st July 2022. In terms of these regulations many of the recruitment process provisions changed and had to be incorporated into our Recruitment and Selection Policy to ensure that the Municipality becomes compliant and implement the provisions as from 1st July 2022.

The Municipality started with the revision of the Recruitment and Selection Policy in 2020. The draft revised policy was submitted to the LLF for consultation. When the process was almost completed the new Staff Regulations was promulgated and the policy had to be revised even further.

The attached Recruitment and Selection Policy for Stellenbosch Municipality (**APPENDIX 1**) has been consulted with the Labour Unions, SAMWU and IMATU.

The parties have reached consensus on most of the provisions of the policy. The policy has to serve before Council for approval before 1 July 2022 to ensure that we can implement it from 1 July 2022 and therefore the Sub-committee of the LLF had no time to resubmit the policy to the LLF for recommendations to Mayco and Council. The parties in the Sub-committee agreed that the Employer will provide the Unions a last opportunity for inputs on/before 17 June 2022.

The policy document however represents the Municipality's position and complies with the newly published Staff Regulations and therefore it is recommended that the policy be approved.

Should changes be needed due to Union inputs these will be submitted to the Council meeting for final approval.

6.2 FINANCIAL IMPLICATIONS

As per the approved budget. No positions are filled unless budgeted for in the approved budget.

6.3 LEGAL IMPLICATIONS

Fair recruitment and selection processes is based on the following legislative framework:

The Constitution - The South African constitution asserts that employment equity is necessary to ensure equality. Section 9(2) of the constitution provides that:

“Legislative and other measures designed to protect or advance persons or categories of persons, disadvantaged by unfair discrimination may be taken.”

The Labour Relations Act - Schedule 7 of the Labour Relations Act No 66 of 1995 (LRA) stipulates that:

“An employer is not prevented from adopting or implementing employment policies and practices that are designed to achieve the adequate protection and advancement of persons or groups or categories of persons disadvantaged by unfair discrimination.”

Municipal Staff Regulations, 2021 (issued in terms of Section 72, read with Section 120 of the Municipal Systems Act 32 of 2000)

6.4 STAFF IMPLICATIONS

The amended policy provisions will not have any negative impact on current Employees and complies with the new Staff Regulations in which conditions are set in terms of qualifications, experience and competencies that prospective employees must adhere to.

6.5 PREVIOUS / RELEVANT COUNCIL RESOLUTIONS:

SPECIAL COUNCIL MEETING: 2008-09-23: ITEM 3/5/4/1/LLF

6.6 RISK IMPLICATIONS

The risk is mitigated by the content of the policy and its approval.

RECOMMENDATIONS FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2022-06-08: ITEM 7.3.2

- (a) that Council notes the consultation process for this policy since 2020 within the LLF has now been concluded;
- (b) that Council notes that unions have an opportunity to make final inputs on/before 17 June 2022;
- (c) that should changes be needed due to union inputs these will be submitted to the Council meeting for final approval; and
- (d) that Council approves the revised Recruitment and Selection policy (2022) for implementation from 1 July 2022.

NOTE: No further input was received from the unions.

APPENDICES

Appendix 1 – Recruitment and Selection Policy 2022

FOR FURTHER DETAILS CONTACT:

NAME	Annalene de Beer
POSITION	Director Corporate Services
DIRECTORATE	Corporate Services
CONTACT NUMBERS	021-808 8018
E-MAIL ADDRESS	Annalene.deBeer@stellenbosch.gov.za
REPORT DATE	1 June 2022

APPENDIX 1



STELLENBOSCH
STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

RECRUITMENT AND SELECTION POLICY

THE POLICY

1. PREAMBLE

This policy is intended to create a framework for decision-making in respect of best employment practice/s in regard to the acquisition of staff in the Stellenbosch Municipality. As such it attempts to establish a set of rules for the consistent interpretation and application of legislation governing the acquisition of staff by the Municipality.

The Recruitment and Selection policy and its implementation will be fundamentally aimed at matching the human resources to the strategic and operational needs of the Stellenbosch Municipality and ensuring the full utilization and continued development of these employees.

All aspects of recruitment, selection, and appointment of employees will aim to be non-discriminatory and will afford applicants as far as possible equal opportunity to compete for vacant positions, except as provided in this policy with reference to employment equity.

2. DEFINITIONS

- **“induction”** a formal introduction process into the organization.
- **“nepotism”** means favoritism on the basis of family relationship or friendship.
- **“candidate”** means an applicant for a post
- **“conflict of interest”** means a position where the panel member can directly or indirectly benefit from the employment of the candidate.
- **“recruitment”** means the activities undertaken in the human resource management in order to attract job candidates who have the

necessary potential, experience and qualifications to fill job requirements and to assist the municipality in achieving its objectives.

- **“reference check”** means the gathering of information about candidate’s past employment history
- **“Selection processes”** includes shortlisting and interviews
- **“selection”** means the process of making decisions about the employment of candidates considering the needs of the post and the organisation.
- **“Organised Labour”** means the registered and recognised trade unions active within the Municipality and currently having organisational rights as conferred by the Labour Relations Act.
- **“Consultation”** refers to the process where organised labour is requested to sit in on the shortlisting and interview process.
- **“Authority to appoint”** The delegation to appoint staff in accordance with the established staff structure is sub- delegated to the Director Corporate services in consultation with the applicable Director.
- **Succession Planning**” means making the necessary arrangements to ensure that suitably qualified internal candidates are available to fill posts which will arise within any specific department over forthcoming years.
- **Career Pathing”** Means ensuring that each staff member’s potential is developed and that there is a career mapped out for him/her in the municipal service. The aim should be an attempt to train and develop the Employee to be able to competently undertake the duties attached to that post.
- **“Internal candidate”** means any employee that is employed by the municipality including contractual employees and EPWP workers
- **“Panel members”** means the selection panel appointed by the Municipal Manager or his/her nominee. The panel must consist of three (3) members. The chairperson must be the supervisor of the post or a staff member at least one reporting level higher than the post. The panel must depict the race, gender, skills and expertise necessary to assess the candidates. The unions will be allowed as observers ;
- **“Scoring members”** means the relevant three members that were selected by the municipal Manager or his/her representative and communicated at the shortlisting meeting to score the assessment processes;

- **Executive Management Team** means the Municipal Manager and the Section 56/57 Senior Managers
- **“Declaration of Interests/Confidentiality”** All panel members and trade union delegates attending the shortlisting and interviews sessions will be required to complete a declaration of interest/confidentiality agreement.
- **“Family Members”**: For the purpose of this policy, family are defined as husbands and wives, parents and children, brothers, sisters, and any in-laws of any of the foregoing. Failure to disclose any of the aforementioned relations shall be regarded as nepotism. Family members may not be appointed within the same unit especially where those family members report to a current employee either directly or indirectly.

3. LEGAL FRAMEWORK

- The responsibility for the appointment of personnel rests with the Municipal Manager of the Employer or his/her delegated assignee(s) in terms of section 55(1)(e) of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000).
- Employment Equity Act (Act 55 of 1998)
- Basic Conditions of Employment Act 1997 (Act No 75 of 1997)
- Labour Relations Act, (Act 66 of 199)
- Any Collective Agreement that may be applicable within the South African Local Government Bargaining Council (SALGBC)
- Constitution of the Republic of South Africa Act 108 of 1996
- Chapter 7 of the Local Government Municipal Systems Act 32 2000
- Skills Development Act 97 of 1998
- Guidelines On Negotiation In Regard to Remuneration (Within the National Negotiated Framework) For The Retention And Attraction Of Staff (24 April 2019)
- Succession Planning and Career Pathing Policy
- Local Government: Guidelines for the Implementation of the Municipal Staff Regulations, 2021 (issued in terms of Section 72, read with Section 120 of the Municipal Systems Act 32 of 2000)

4. SCOPE AND APPLICATION

- 4.1 To ensure a fair and equitable employment process, this policy shall apply to all appointments made within the Municipality except for:
- a) Appointments of the Municipal Manager or section 56/57 managers that report directly to the Municipal Manager
 - b) Acting appointments to which staff is selected by Management prerogative.

- c) Staff in the Council Support Unit where appointments are linked to the incumbent of the political office-bearer as those employment relationships require a specific trust basis with the political incumbent.

5. OBJECTIVES OF POLICY

- 5.1 The Municipality recognizes that its employment policies, practices and procedures must comply with the good Human Resources practice principles.
- 5.2 This policy is based on the principles set out below. Human Resources Management in the Municipality must –
 - (a) be characterized by a high standard of professional ethics;
 - (b) promote the efficient, economic, and effective utilization of employees;
 - (c) be conducted in an accountable manner;
 - (d) be transparent;
 - (e) promote good human resource management and career development practices, to maximize human potential; and
 - (f) ensure that the Municipality's workforce is broadly representative of the South African people, with human resources management practices based on ability, objectivity, fairness, and the need to redress the imbalances of the past to achieve broad representation.

6. POLICY CONTENT

The responsibility for the appointment of personnel rests with the Municipal Manager of the employer or his/her delegated assignee(s) in terms of section 55(1)(e) of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000).

6.1. Post Establishment

- a) Human Resources department will maintain a record of all approved posts and shall monitor all appointments against posts according to the approved staff establishment.
- b) The post structure must be aligned with the municipal IDP and approved system of job evaluation (TASK) as defined by the South African Local Government Bargaining Council.
- c) The staff establishment will be approved as contained in the applicable legislation.

- d) It is recognized that a staff establishment is a living document and changes will be proposed if and when necessitated by the practical and operational requirements of the Municipality.
- e) Changes to the staff establishment will be dealt with in terms of the applicable legislation.

6.2 Recruitment

6.2.1 Determining recruitment needs

The department will request the Recruitment and Selection section to advertise a funded vacant position as per the organogram

6.2.1.1. The abovementioned section shall develop a strategy to:

- a) fill all funded vacant positions as per the Executive Management team's critical list and resolutions taken from time to time
- b) fill all funded vacant posts identified on the funded vacancy list on the staff establishment within six months of a funded post becoming vacant
- c) reduce turnaround times for filling vacant funded posts that include timeframes for the various activities included in the recruitment and selection process.

6.2.1.2. No vacant post on the establishment can be filled unless:

- a) the Municipal Manager or his/her delegated nominee to whom this function is delegated has approved the filling of the post, and the post is budgeted for.
- b) The post has been evaluated on the TASK system.

6.2.2. Validation of inherent requirements

6.2.2.1. The inherent requirements of a job must reflect the needs of the Municipality and must be appropriate to achieve the service delivery interests of the Municipality.

6.2.2.2. Prior to the recruitment process commencing, the outputs, skills, knowledge, competencies, and, stated educational requirements as contained in the competency/ job profile or job description are scrutinized as to relevance and applicability. An updated Job description, as well as a copy of the specific staff unit,

must accompany the request for the filling of the post as well as a completed template request form.

6.2.2.3. Despite the provisions mentioned above:

- a) a municipality may place a staff member on a program to acquire the competency requirements as prescribed for the staff member to be eligible for career opportunities in the municipality.
- b) If a staff member has not attained the competencies as prescribed in this policy, the municipality must utilize the workplace skills plan to identify and address the staff member's competency gaps and development needs.
- c) The Minister may issue a notice in the gazette determining uniform competency-based assessment for specific occupational streams
- d) Stellenbosch Municipality must subject a staff member to a competency assessment for specific occupational streams as determined by the Minister in terms of (c) above.

6.2.4 Recruitment Advertisement

6.2.4.1. The Recruitment and Selection section shall advertise a post after approval by the Municipal Manager or his/her delegated nominee.

6.2.4.2. This advertisement shall, at least, specify the –

- a) job title
- b) term of appointment
- c) place of work
- d) applicable salary scale or pay range
- e) competency requirements of the post, and where applicable minimum qualifications and experience as set out in Annexure A of the Municipal Staff Regulations
- f) inherent requirements of the job
- g) summary of the core functions
- h) need for the signing of an employment contract and, where applicable, a performance agreement and disclosure of benefits and interest
- i) address where applications must be sent
- j) a place where applicants can obtain the application form;

- k) contact person where information can be obtained
- l) closing date for submission of applications.

6.2.4.3. The advertisement must always contain:

- a) A statement that the Municipality subscribes to the principles of the Employment Equity Act
- b) A statement that the appointment will be permanent or for a fixed term, and the term (if applicable).
- c) A statement that canvassing will disqualify any candidate from being considered for an appointment.
- d) A statement that states that A CV and cover sheet must be attached indicating the detail of the post for which the application is made.
- e) A statement that applications received after the closing date will not be accepted or considered.
- f) A statement that if an applicant does not hear from the municipality within 90 days of his/her application, it be accepted that he/she was unsuccessful.
- g) The designated email address associated with the position per directorate to which the application must be sent.

6.2.4.4. An advertisement may be utilized to create a pool of potential candidates valid for a period not exceeding 6 months from the date of advertisement to fill any other vacancy in Stellenbosch Municipality if:

- a) the job title, core functions, inherent requirements of the job, and the salary level of the other vacancy is the same as the post advertised
- b) the recruitment process has been complied with

6.2.4.5. Stellenbosch Municipality may advertise any funded vacant post, as a minimum, within the municipality, but may also advertise such post – locally or nationwide. The advertising medium must be determined considering the target market of applicants as well as cost implications.

6.2.6. Application forms

6.2.6.1. All applications for a vacant post must be made on the prescribed form of the Municipality as attached as Annexure B.

6.2.6.2. All applications received must be accompanied by the prescribed application form otherwise it will be deemed invalid.

6.2.7. Application for a vacant post

6.2.7.1 An applicant for a post shall disclose

- a) his or her qualifications and experience
- b) his or her contactable references
- c) his or her registration with a relevant professional body, if applicable
- d) full details of any dismissal for misconduct or substandard performance
- e) any disciplinary actions, whether pending or finalized, instituted against the applicant in his or her current or previous employment.

6.2.7.2 Misrepresentation or failure to disclose material information contemplated in clause 6.2.7.1 and the application form is a breach of the Code of Conduct for Municipal Staff and shall be dealt with in terms of the discipline policy

6.2.7.3 The Municipality shall maintain a record of all applications received and the information contained in the applications shall be kept confidential and stored in a secure place on the Municipality's premises.

6.2.7.4 A record of applications shall be disposed of in terms of the National Archives of South Africa Act.

The record shall contain –

- a. the applicants' biographical details and contact information
- b. the details of the post for which the applicants were applying
- c. the applicants' qualifications; and
- d. any other requirements outlined in the application form

6.2.8. Unsolicited applications

- a) Unsolicited applications received during the Municipality's operations will be responded to by requesting the applicant to register on the Municipality's unemployed database from where names may be drawn when a temporary vacancy exists.
- b) Nobody may promise or undertake to accept an unsolicited application for an appointment and to submit it when a vacancy is advertised.

6.2.9. Use of Recruitment Agencies

Where the Municipality does not have the capacity to manage recruitment processes, a recruitment agency shall be appointed to undertake the recruitment processes, including

- a) response handling,
- b) compilation of the long list of applicants who applied for the advertised post,
- c) preliminary list of applicants who meet the requirements,
- d) list of applicants who do not meet all requirements but have the potential and list of applicants who do not meet the requirements: Provided that the advertising and recruitment procedures comply with this policy and that the appointed recruitment agency shall not undertake the selection process.

6.3 Selection

6.3.1 General Principles Governing Selection

- 6.3.1.1 Selection criteria shall be objective and related to the inherent requirements of the job and realistic future needs of the Municipality.
- 6.3.1.2 The central guiding principle for selection shall be competence in relation to the inherent requirements of the job provided that selection shall favour, as determined by the targets, suitably qualified applicants as defined in section 20[3] of the Employment Equity Act, where underrepresentation exists.
- 6.3.1.3 Unless formal or statutory qualifications are clearly justified as essential for the job, relevant experience/performance, training [internal/external] as reflected and measured through competencies, and potential for the prospective vacancy shall be an important criterion.
- 6.3.1.4 The assessment of the criteria will be done through an interview and other assessments.
- 6.3.1.5 Canvassing, i.e. attempting to solicit the influence of any person who could substantially influence the selection process by job applicants, or any other person on behalf of job applicants, for posts within the Council's service is prohibited and evidence thereof will disqualify the applicant's application for consideration for appointment.
- 6.3.1.6 The basic criteria for the appointment and/or promotion of employees in the Municipality shall be appropriate qualifications

and appropriate performance as set forth in the policies of the Council.

6.3.2 Selection Process

6.3.2.1 The purpose of selection is to identify the most suitable candidate(s) from all the persons who applied and to eliminate unsuitable candidates in the fairest way possible.

6.3.2.2 The Municipal Manager or his or her delegated nominee shall appoint a selection panel for each of the advertised posts to recommend the appointment of suitable persons to the vacant post and who in collaboration with Recruitment and Selection shall be responsible to deal with the recruitment process.

6.3.2.3 The selection panel shall comprise of no less than three but not more than five panel members of which one must be on a management level and will act as the chairperson of the panel.

6.3.2.4 In deciding on the composition of the selection panel, the Municipal Manager/ Director or his/her delegated nominee shall consider the following:

- a) nature of the post
- b) gender and race balance of the panel; and
- c) skills, expertise, experience, and availability of the person to be involved

6.3.2.5 A member of a selection panel shall:

- a) disclose any interest or relationship with shortlisted candidates during the short-listing process
- b) recuse himself or herself from the selection panel if –
- c) his or her spouse, partner, close family member or close friend has been shortlisted for the post
- d) the panel member has a de facto relationship or some form of indebtedness to a short-listed candidate or vice versa; or
- e) any other conflict of interest; and
- f) sign a prescribed declaration of confidentiality to avert the disclosure of information to unauthorized persons.

6.3.2.6 If a union representative is allowed to attend interviews as an observer, he or she must sign the declaration form (Annexure B) to prevent the disclosure of information to unauthorized persons.

6.3.2.7 The Head of Human Resources or his/her delegated nominee may provide secretarial or advisory services during the selection process, but may not form part of the selection panel

6.3.2.8 Each panel member shall disclose the potential conflict to be considered by the full selection panel at the initial meeting of the panel.

6.3.2.9 If a conflict of interest becomes apparent during the selection process, the Municipal Manager or his or her delegate shall take the appropriate steps to remedy the situation, which may include declaring the selection process invalid and commencing a new process.

6.3.3 If a conflict of interest becomes apparent after the appointment, the Municipal Manager or his or her delegate shall report the matter to the Council, which shall take remedial action, including possible disciplinary action

6.3.3.1 A representative from Human Resource Management will only serve as the third scoring panellist when specifically requested by the relevant director and HR will always provide the administrative services to the panel.

6.3.3.2 The labour unions must be invited to the selection processes.

6.3.3.3 Organised Labour may attend the proceedings as observers and their absence shall not prohibit the selection and recruitment process from proceeding and being concluded.

6.3.3.4 A member of the selection panel is required to withdraw from the panel if he/she has a conflict of interest in or experience partiality with regard to any of the applicants. This is also applicable to Organized Labour.

6.3.4 Compiling of long lists

After the closing date of an advertisement, all the applications received for every specific position are captured on a long list.

6.3.3.1. The long list must contain, in table form, the following particulars in respect of each candidate:

- a) the applicant's surname followed by her/his initials
- b) the applicant's gender;
- c) the applicant's race;
- d) internal or external candidate;
- e) the applicant's qualifications and experience relevant to the job description and job specification; and
- f) if applicable, the nature of the applicant's disability.

- 6.3.3.2. The Recruitment and Selection section must submit the long lists, together with the applications to the relevant departmental head for preliminary scrutiny of the applications received within two (2) weeks after the closure of the advertisement unless otherwise approved by the Senior Manager Human Resources.
- 6.3.3.3. This information must be treated as confidential and may not be made available to outside parties or internal employees not part of the recruitment and selection process.
- 6.3.3.4. No documents - the Application form or CV with supporting documentation will be forwarded with long list.
- 6.3.3.5. The Recruitment and Selection section, during the compilation of the long lists, must take all reasonable steps and actions to ensure that the content of the longlist is correct.
- 6.3.3.6. The Recruitment and Selection section, during the compilation of the long lists must take all reasonable steps and actions to establish the validity and accuracy of any certificates, diplomas and other information supplied by an applicant. If any candidate submitted or claimed that she/he had some or other certificate or diploma, qualification or experience that is disproved, such information must be noted next to the name of the candidate in the long list.
- 6.3.3.7. The department must within 7 (seven) days after receipt of the long list provide the Recruitment and Selection unit with a proposed shortlist.

6.3.4. Compiling shortlist(s)

- 6.3.4.1. A shortlisting panel should within 7 days after the department provided a proposed shortlist be convened and in the event of the department not providing a proposed shortlist the Recruitment and Selection unit should convene a shortlist meeting within these timeframes irrespective.
- 6.3.4.2. Trade unions will be allowed insight into the longlist 24 hours before the shortlisting meeting is scheduled at the recruitment and selection offices. A confidentiality agreement must be signed by the representatives.
- 6.3.4.3. A shortlisting panel consisting of the directorate representatives, Recruitment and Selection, must select from the long list, and with due regard for the numerical goals set in the Municipality's employment equity plan a minimum of three (3) and not more than 5 applicants per post who in their opinion would be the most suitable candidates to be subjected to the selection process.

- 6.3.4.4. The relevant Director may approve a shortlist of less than 3 candidates on the advice of the Senior Manager Human Resources and based the efforts that were made in regard to ensuring that suitable applicants were aware of the vacancies and had the opportunity to apply.
- 6.3.4.5. Where there are more than one (1) post advertised the panel must adjust the maximum number of applicants in line of with the minimum required) and may increase that even further pending on the amount of posts.
- 6.3.4.6. The shortlist of applicants is prepared by Line Management, based on the agreed selection criteria and taking into consideration Employment Equity. Organized Labour can give inputs based on the selection criteria, to the shortlist.
- 6.3.4.7. Any candidate, internal or external, should be placed on the short list only if they meet the requirements of the advertisement and the selection criteria.
- 6.3.4.8. In the case of candidates earmarked for the shortlist of candidate, who failed to attach originally certified copies of qualifications, driver's license or proof of clean criminal record to the application, the Human Resource Department, in a consistent manner, may request these candidates to submit the required documentation prior to the finalization of the shortlist of candidates.
- 6.3.4.9. Shortlisting may give preference to the following: –
 - a) Internal applicants
 - b) Local applicants (Stellenbosch WC024)
 - c) Provincial applicants
 - d) National applicants
- 6.3.4.10. The approved Employment Equity Plan of the Stellenbosch Municipality will determine the targets set for the organization when shortlists are approved.

6.3.5. References and personal credential verification

- 6.3.5.1. Reference checks and personal credential verification for short-listed candidates shall be conducted by –
 - a) verifying the candidate's inherent requirements of the job with the current or previous employer
 - b) establishing the validity of candidate qualifications and any other verification required by the position before the appointment

- c) determining whether the candidate has been dismissed previously for misconduct or poor performance by another municipality or employer, and, if so, the nature of that misconduct or poor performance; and
- d) verifying any other additional personal credentials as may be required by the nature of the job such as criminal records, credit checks, identification documents, security clearance, etc.

6.3.5.2. A written report on the outcome of the reference checks and personal credential verification shall be compiled before the appointment is concluded.

6.3.5.3. Notwithstanding the absence of a previous employment record shall not disqualify a candidate for an appointment to an advertised post.

6.3.6. Notification of shortlisted candidates of selection proceedings

The Recruitment and Selection section must notify every candidate whose name has been shortlisted of the venue or electronic medium, date and time, and nature of the selection proceedings she/he must attend using the most reliable communications methods available.

6.3.7. Expenses Relating to Recruitment and Selection Process

6.3.7.1. Prior approval from the Director: Corporate Services must be obtained for the payment of travelling costs for candidates attending interviews. The most cost-effective transport (car/air travel) must be utilized and the cheapest form of transport (car/air travel!) will be paid for.

6.3.7.2. The expense incurred for compensating a candidate for attending an interview, must be covered by the budget of the Directorate in which the vacancy exists. All expenses emanating from the interview shall be covered by the budget in which the vacancy exists.

6.3.7.3. Expenses emanating from the interview must be paid back if the employee leaves the employer's service for any reason other than death within 12 months after appointment.

6.3.8. Interviewing in respect of vacancies

6.3.8.1. The list of short-listed candidates and copies of their applications shall be submitted to the selection panel prior to the interviews taking place.

- 6.3.8.2. The selection panel for a post shall once be constituted and remain the same at all times. If a member of the selection panel is unable to proceed with the interviews due to circumstances beyond that member's control, such panel members may be replaced or withdrawn. If the selection panel does not quorate, the panel shall be reconstituted.
- 6.3.8.3. The Municipality shall grant observer status to each of the recognised trade union representatives during the interviews.
- 6.3.8.4. The selection panel shall interview the short-listed candidates.
- 6.3.8.5. Before the interviews for a specific post commence, the selection panel shall confirm the selection criteria for the advertised post, based on the relevant competencies required for the advertised post.
- 6.3.8.6. The selection panel shall keep a written record of the interviewed candidates.
- 6.3.8.7. After considering all the relevant information, the selection panel shall recommend candidates in order of preference. If the recommended candidate declines an offer of employment, the next suitable candidate, where applicable, may be considered for appointment.
- 6.3.8.8. If it is determined that the recruitment process has not attracted suitable candidates, the post may be re-advertised.
- 6.3.8.9. If the post is categorised as a critical and scarce skill post, alternative recruitment methods such as executive search, head-hunting, referrals and/ or readvertising may be considered. The details of these alternatives shall be agreed to in the Local Labour Forum and approved by Council.
- 6.3.8.10. The recommendations of the selection panel shall be determined by:
 - a. consensus; or
 - b. where the panel fails to reach a consensus, the matter shall be referred to the Municipal Manager or his or her delegate for resolution.
- 6.3.8.11. If the selection panel recommends an appointment to the post, it shall submit its recommendation to the Municipal Manager or his or her delegate for approval.

6.3.9. Interview and assessment process

6.3.9.1 Interviews can be done face-to-face or via electronic virtual mediums.

The interviews will be in the form of an interview question and answer session and a practical written or practical physical assessment. Assessments must take the nature of the post into account.

6.3.9.2 Further assessment may be done where applicants score the same or close in the first assessments or depending on the grading of the post.

6.3.9.3 Interviews shall strictly be based on job-related competency. A standard scoring system will be used. Candidates scoring a combined competency rate of 60% or above will be considered for appointment to a post. The Municipal Manager or his/her nominee may deviate from this requirement on good cause shown and motivation from the affected Director.

6.3.9.4 Once shortlisting has been done, the Human Resources Management Services section will attempt to arrange an interview as soon as possible but not less than three (3) working days' notice.

6.3.9.5 All interviews will be arranged and facilitated by Human Resources Management Services. Prospective candidates must avail themselves for an interview at the organisation's convenience. Applicants who are unable to attend will not be taken into account.

6.3.9.6 All parties involved shall uphold the strictest confidentiality in respect of any information supplied in the recruitment process.

6.3.9.7 Failure to comply with these provisions may result in disciplinary action.

6.3.9.8 All interviews will be conducted in a fair manner and questions shall be non-discriminatory and job-related. Questions pertaining to a candidate's political affiliation are not allowed.

6.3.9.9 The interview panel shall consist of a minimum of 3 (three) members that are delegated by the relevant authority. At least two of the employer representatives must be present to continue with the interviews.

6.3.9.10 The interview shall be conducted by the panel members as agreed on during the preparation meeting for the interviews, through the use of consistent questioning techniques across interviews. The Directorate will be responsible for the practical assessment. Assessments must contain model answers and points. Questions must be related to the requirements for the post and not discriminate on the grounds of race, gender and disability. The questions and practical assessment must be sent to Recruitment and Selection before the interview or assessment.

- 6.3.9.11 The interviewing panel is responsible for ensuring that the interview is structured by using consistent questioning techniques in all interviews so that questioning is related to the requirements for the post and not discriminate on the grounds of race, gender and disability.
- 6.3.9.12 The panel will consult amongst them to get an indication of the reasons for their preferred candidate.
- 6.3.9.13 Stellenbosch Municipality is an Equal Opportunity employer. The requirements of the Employment Equity Act will be considered as part of the selection criteria/process and recommendations for preferred candidates will take this into consideration. The reasons for underrepresented candidates not qualifying will be included in the appointment memorandum. (Revisit before adding)
- 6.3.9.14 The panel will recommend the most suitable candidate to appoint based on the screening process and it may not necessarily be candidate with the highest score.

Completed score sheets must be kept in safe storage by Human resources for a period of at 12 months after an appointment decision has been made.

6.3.10 Conducting tests during recruitment process

- a) One or more relevant tests (e.g. practical assessments like for example typing tests, operating a grader, written assessments etc.) must be conducted before or after an interview is conducted. The test and interview must be relevant to the job requirements that would be expected of the employee. The Selection Panel on the mandate of the relevant Director will determine the type of tests to be done and the weighting attached thereto.
- b) Psychometric tests may be done on agreed shortlisted candidates from posts that are in the Tactical band T16 and upwards and be part of the selection consideration. This may also apply to any post that the Municipal Manager approve on good cause shown.

6.4. Headhunting

- 6.4.1. Headhunting may be done at any stage after a failed The operational requirements and needs should be taken into account when doing headhunting.
- 6.4.2. If a person is being headhunted, he/she will still be subjected to an administrative and recruitment procedure.

- 6.4.3. Targeted persons will be provided with a copy of the advertisement, and they will be allowed to apply on their own accord and must comply with the requirements of the post. Applications must be made by returning their CV and a cover page to the Municipality within a certain time frame.
- 6.4.4. Any headhunting will be disclosed and recorded in writing as part of the recruitment process

7. Succession Planning and Career Pathing

- 7.1. Where there is an identified successor(s) who has been properly assessed and developed in line with the requirements for the position, this person can be considered for the vacancy. Care must be taken that this is an unbiased and objective process.
- 7.2. There must be adequate historical documentation, proof of training, qualifications and development and sound assessment data to support decisions taken regarding identified successors in the Municipality's workforce.
- 7.3. A committee for each directorate titled the Staff Succession Plan Committee (hereinafter referred to as the Committee) may be established if and when necessary comprising of the following stakeholders:

Director: Corporate Services
 Relevant Director
 Relevant Manager (if applicable)
 Senior Manager: Human Resources (Secretariat of committee)
 One representative from SAMWU
 One representative from IMATU

- 7.4. The Committee is tasked to identify the individuals that forms part of the Directorate's Succession Plan, which will provide guidance and oversight supporting the staff succession process.

7.5. Succession Planning Programme

- 7.5.1. Identification of occupational areas and key positions for succession planning.
- 7.5.2. The Committee must identify and assess the Municipality's current and future projected needs in terms of staff and expected staff vacancies.
- 7.5.3. When a post becomes vacant, the pool of employees who were identified and placed on the Succession Planning Programme

and have obtained the required qualifications and skills will be able to apply for the post, however this will not necessarily guarantee employment in the position they are prepared for. All candidates will compete equally, that is, they will be subjected to the Municipality's normal recruitment and selection processes whereby is included, but not limited to the provisions of the Municipality's Employment Equity Policy and Employment Equity Plan as from time to time.

7.6 Implementation of the Succession Planning Programme

- 7.6.1 For each of the key positions identified, the skills, competency and knowledge required for incumbents must be identified and qualifications and unit standards must be attached to such positions. The objective of the Committee is to identify at least one or more candidates for each of the planned posts included in the Staff Succession Plan.
- 7.6.2 Employees can be invited to participate in the Succession Planning Programme by means of a notice and such applications must be submitted to the Department: Human Resources before or on the closing date specified in the notice.
- 7.6.3 The Committee must identify training requirements.
- 7.6.4 Training interventions, for purposes of the career development of the relevant employees, are to be identified and agreed upon with the relevant employees.
- 7.6.5 The Committee may refer specific candidates to the mentoring process that may be applicable.
- 7.6.6 Participants must sign an agreement of understanding acknowledging the fact that the achievement of a qualification or skill will not necessarily guarantee employment in the position they are prepared for or for any other position.
- 7.6.7 Feedback must be documented and placed on the relevant employee's file.

8. Appointment

General requirements for the appointment of staff members

- 8.1 No person may be appointed as a staff member on a fixed-term contract, permanent basis, ~~or probation~~, to any post on the approved staff establishment of the Municipality, unless he or she –

- a) is a South African citizen, permanent resident or foreign national with a valid work permit; and
 - b) possesses the relevant competencies, qualifications, and experience, as set out in the Municipal Staff Regulations.
- 8.2 The appointment of the suitable applicant takes place in accordance with the requirements of the post concerned as reflected in the advertisement of the post linked to the job description of the post.
- 8.3 Any person appointed as a staff member in the Municipality shall, where applicable, have competencies, and comply with the minimum requirements or educational qualifications, work experience, and knowledge as set out in Annexure A of the Municipal Staff Regulations.
- 8.4 A staff member who was appointed before these Regulations came into effect and who does not meet the minimum competency requirements of the relevant post as prescribed, shall be deemed to be meeting the requirements of the post. This does not apply to conditions given to staff members for obtaining certain qualifications for a current position before 1 July 2022.
- 8.5 An applicant may be appointed as a staff member only if they –
- a) are not disqualified in terms of the policy provisions on the re-employment of dismissed municipal staff.
- 8.6 The Municipal Manager or his/her delegated nominee to whom this function is delegated shall :
- consider the recommendations of the selection panel; and decide –
- a) on whom to appoint; and
 - b) the terms and conditions of employment.
- 8.7 Before making a decision to appoint, the Municipal Manager or his/ her delegate shall satisfy himself or herself that the candidate meets the relevant requirements of the post as provided in the competency framework of the Municipal Staff Regulations.
- 8.8 An appointment shall only take effect after the Municipal Manager or his or her delegate has approved the appointment.
- 8.9 The Municipal Manager or his/her delegated nominee shall ensure that all the interviewed candidates are informed whether or not they were successful.
- 8.10 Unsuccessful candidates shall on request be provided with, or given reasons, in writing why they were not successful or appointed.

8.11 Appointment of support staff to ward offices and full-time councillors (public office bearers).

8.11.1 An applicant appointed to a post on the staff establishment in order to support the full-time office bearers and as ward administrators shall either be –

- a. seconded from a post on that Municipality's current staff establishment or
- b. appointed on a fixed-term contract of employment.

8.11.2 The duration of the secondment or fixed-term employment contract in this regard may not be longer 30 days after the full-time councillor or ward councillor vacates office.

8.2 Re-employment of dismissed municipal staff

8.2.1 A person who was dismissed from a municipality for any reason stated in the Municipal Staff Regulations may not be employed in the Municipality before the period set out, or any concurrent periods set out, has expired.

8.2.2 Notwithstanding clause 8.2.1, a person who has lodged a dispute in terms of any applicable legislation, may be appointed subject to the outcome of the dispute.

8.2.3 The Municipality shall maintain a record of staff dismissed for misconduct and staff who resigned prior to the finalisation of any disciplinary proceedings.

8.2.4 The record shall contain –

- a) full names and identity number of the person
- b) title of the post that the person occupied
- c) nature of the misconduct
- d) date of suspension, if any
- e) conditions of suspension, if any
- f) date on which the misconduct was referred to a disciplinary hearing or pre-dismissal arbitration
- g) date of commencement of the disciplinary hearing or pre-dismissal arbitration

- h) finding
- i) whether a dispute was referred to the SALGBC or the Labour Court
- j) costs incurred by the municipality; and
- k) date of resignation or dismissal of the person.

8.3 Retention of staff

- 8.3.1 The Municipality is from time to time confronted with situations where permanent staff is offered promotional opportunities at other municipalities/employers.
- 8.3.2 The Municipality may want to retain the skills of such employees which are considered essential to maintaining a high level of service delivery.
- 8.3.3 To retain staff the Municipal Manager or delegated nominee must be put in a position to make counter offers to existing permanent staff when it is believed that it is critical to retain such staff member due to a specific skill he/she has and very good performance in the functions he/she performs. The Municipal Manager or delegated nominee must also be able to make a counteroffer to retain the current employee for a position within the salary framework that exists. The Municipal Manager has the authority to appoint an employee on a salary that will fall within the National Framework which currently is TASK.
- 8.3.4 Counteroffers offers to existing staff may be approved by the Municipal Manager or delegated nominee in terms of the Systems Act, subject to the following:-
- 8.3.4.1 A request in writing by a Director when an existing employee receives an offer from another employer, to consider a counteroffer to the existing permanent staff member. The request must be addressed to the Municipal Manager or delegated nominee accompanied by a full motivation for such proposal as well as a copy of the written offer by the other employer.
- 8.3.4.2 The motivation must include an indication of the performance of an existing employee who received an offer from another employer. The performance must be measured in general and on specific aspects for example attendance, quality of work over the last 12 months, years' service, qualifications, and skills
- 8.3.4.3 The counteroffer will be limited to the maximum notch of the post level of the advertised post and not more than 10 % scarce skills allowance where the post falls within a scarce skills grouping

- 8.3.4.4 The experience of the employee requesting a counteroffer must be taken into account to ensure consistency within the organisation.
- 8.3.4.5 Where an internal employee receives an offer from another employer a more senior post in the Stellenbosch Municipality may be considered provided that:
- a) The more senior post is vacant
 - b) The employee has the necessary qualifications for the more senior position
 - c) No other employee in the organisation can lay claim to the senior post through natural career pathing.
- 8.3.4.6 The Municipal Manager, on advice from the relevant Director retains the discretion whether to consider a counteroffer to the affected employee or not.
- 8.3.4.7 No employee should have any expectations of receiving a counter offer from the municipality.
- 8.3.4.8 The higher salary notch should as a rule match the offer received and not be more than 2 (two) notches higher than a proven salary offer received from the other employer or what the employee is currently earning.
- 8.3.4.9 Where an employee applies for a more senior position in the Municipalities' staff establishment, but earns more than the top notch of the salary scale at which the post has been advertised such employee may be allowed to retain the current salary personal to incumbent. No notch increases will apply in such instance. When such post is evaluated and the salary falls in the scale, so evaluated, the employee be put on the nearest highest notch with implementation of the evaluation result.

8.4 Remuneration negotiations

- 8.4.1 The Municipality is also from time to time confronted with situations where a new applicant requests to negotiate his/her salary for the post. In the negotiation process, the impact the negotiated salary will have on other employees in the organisation, and possible precedents that are set must be taken into account.
- 8.4.2 When employees are appointed it is done on the basis of the first notch of a salary scale applicable to the post. It often happens that candidates request to negotiate their salaries and provide proof of their previous remuneration.
- 8.4.3 The negotiations in terms of salary should be initiated by the candidate in writing within 5 days of receipt of the employment offer. In

considering alternative offers the following principles must/may be considered: years of experience; other employees in the organisation doing the same job etcetera

8.4.4 The higher salary notch should as a rule match the offer received and not be more than 2 (two) notches higher than a proven salary offer received from the other employer or what the employee is currently earning.

8.4.5 Posts are advertised reflecting the minimum and maximum notches of the salary range/ salary band associated with the post (as evaluated through job evaluation or based on a benchmark where the post is not evaluated yet) to avert unrealistic earning expectations. All salary offers are made in consultation with the Director Corporate Services

8.5 Additional allowances

8.5.1 Additional responsibility allowances are paid when an employee takes on additional duties or responsibilities of a higher graded post for a limited period of time as per the additional allowance policy.

8.5.2 An individual would receive an additional responsibility allowance if they are asked to:

- a. Undertake part of the duties and responsibilities of a higher graded post for a continuous period which would normally be for a minimum of four (4) weeks and a maximum of six (6) months.
- b. Criteria to qualify for an additional responsibility allowance:

8.5.3 Taking on a % of the duties and responsibilities of the higher post in the event that the higher post is vacant or the incumbent is on extended sick leave/maternity leave/special leave and the employee cannot act in the post;

9 Appointment contract

9.1.1. The employment contract of a person must include, subject to applicable labour legislation, details of –

- a) the remuneration, benefits and other terms and conditions of employment of the employer and employee.
- b) include a provision for cancellation of the contract, in the case of non-compliance with the employment contract or a performance agreement; and
- c) be subject to the provisions of the values and principles referred to in Section 50, the Code of Conduct set out in Schedule 2 in the Systems Act.

9.1.2. Appointment of employees to posts on a temporary basis

9.1.2.1. Advertisement

Refer to clause 6.2.4 above and 9.1.2.2 below

9.1.2.2. Selection

- Appointment of a temporary employee(s) must be consistent with the Recruitment and Selection Policy.
- Appointment must be in line with the inherent requirements as per advertisement.
- Appointments must be in line with employment equity requirements, unless no suitable candidate are available or the post needs to be filled on an urgent basis.
- Will be required to sign an agreement; and
- In addition to an employment contract, committing themselves to full participation in the educational and workplace assignments in accordance with policies and procedures.
- The employer may utilise the jobseeker's database (EPWP inclusive) for selection;
 - The person must be unemployed at the time of inclusion on the data base and when the opportunity becomes available;
 - The person must be a South African citizen;
 - The person must be a resident of the Stellenbosch Municipality area;
 - The person must be of a legally employable age;
 - The person must be physically fit to work in relation to requirements of position;
 - Selection from the database is not a guarantee of employment;

9.1.2.3. The department who request a temporary appointment must provide a written motivation indicating the operational reasons for the temporary appointment. The motivation must indicate the post on the organogram as well as the cost centre from which the appointment will be financed.

- 9.1.2.4. The motivation must be signed by the relevant Director of the directorate in which the appointment is requested and must be submitted to HR. HR must obtain the input from the Director: Corporate Services before submitting it to the Municipal Manager for approval;
- 9.1.2.5. Temporary appointments for less than three (3) months may be done from the previous shortlists (not older than 6 months) or the jobseekers database provided they meet the minimum requirements for appointment and are unemployed at that date;
- 9.1.2.6. When making temporary appointments for more than three (3) months the candidates will be interviewed before appointing the preferred candidate(s).
- a) The Human Resources section will contact the candidates selected by the department to enquire on their availability and invite them for a departmental interview;
 - b) A member of HR will oversee the process and keep record of the proceedings;
 - c) HR will inform the recommended candidate and offer him/her the temporary position and ensure that necessary paperwork is completed after approval of appointment by the Municipal Manager; and
 - d) No person may start work without
- 9.1.2.7. All temporary appointments must comply with the provision set out in section 198B of the LRA if the contract is to run for more than three months and above the determined threshold.
- 9.1.2.8. In exceptional circumstances the department may motivate for the renewal or extension of the temporary employment contract of a specific temporary employee; and
- A recommendation will be provided by the Director to the Municipal Manager or delegated authority for approval.
 - The trade unions must be informed of the recruitment process days prior to the interviews and a representative of each union may attend the process as an observer

9.2. Appointment to a permanent position

- 9.2.1. The Recruitment and Selection section must present every newly appointed employee with a letter of appointment, signed by the Director: Corporate Services or his/her nominee not later than the day on which she/he starts working in terms of section 29 of the Basic Conditions of Employment Act 1997.
- 9.2.2. Whenever any of the details contained in such a letter change the Human Resources Services must inform the employee in writing of such changes.
- 9.2.3. In the event of an employee that cannot read Recruitment and Selection must explain the content of such letter and any amendment thereof to every such employee in a language that she/he understands.

9.3. Probation

- 9.3.1.1. The appointment of a person as per this policy shall be effective on a probationary period of six months that can be extended to a maximum probationary period of 12 months.
- 9.3.1.2. The probationary period shall be determined on the basis of the complexity of the job and the minimum period required to establish whether performance is satisfactory or not.
- 9.3.1.3. The Municipal Manager or his or her delegate shall –
 - a) inform the staff member within the first two weeks of employment of that member's performance requirements
 - b) ensure that the staff member completes the Municipality's induction programme; and
 - c) assess the staff member's performance and provide the staff member with feedback on a quarterly basis on that member's performance.
- 9.3.1.4. If a staff member's performance is not satisfactory, the Municipal Manager or his or her delegate shall advise the staff member of any aspects that the staff member is considered to be failing to meet the required performance standards.
- 9.3.1.5. If the Municipal Manager or his or her delegate believes that the staff member's performance does not meet the required standards, he or she may extend the probationary period or dismiss the staff member, provided that –
 - a. the staff member shall first be given a reasonable period

- of time for assessment, training, guidance or counselling;
and
- b. the staff member's performance continues to be unsatisfactory after a reasonable period has been given to the staff member to improve his or her performance.

- 9.3.1.6. Notwithstanding clause 9.3.1.1, the Municipal Manager or his or her delegate may extend the probationary period by a period not exceeding six months, in order to afford the Municipality an opportunity to further assess the staff member's performance.

Within one month after the completion of the probationary period, the Municipal Manager or his or her delegate shall –

confirm the appointment if –

- a. the staff member's performance during the probationary period was satisfactory; and
- b. the staff member complied with all the conditions of the probationary appointment.

subject to the Labour Relations Act, terminate the appointment if –

- a. the staff member's performance was not satisfactory during the probationary period; and
- b. the staff member did not comply with all the conditions of the probationary appointment.

9.4. Promotion

- 9.4.1. A staff member who is appointed in accordance with this chapter to a post in a municipality that is higher in salary level or job grade than the one that he or she previously occupied in that municipality is deemed to be promoted to that post.

- 9.4.2. A staff member who is promoted does not forfeit his or her years of service and the benefits which accrued from those years of service.

9.5. Transfer of staff

- 9.5.1. A municipality may transfer any staff member in the service of that municipality to any equivalent post in the municipality or, subject to section 197 of the Labour Relations Act, to an equivalent post in another municipality.

- 9.5.2. A staff member may only be transferred—

- a) if the staff member requests or consents, in writing, to the transfer; or
- b) in the absence of consent, if the transfer is fair taking into consideration—
- c) the operational requirements of the affected institutions, including whether the transfer of the staff member would address such requirements;
- d) written representations from the staff member prior to the proposed transfer; and
- e) the extent to which the interests and circumstances of the staff member may be fairly accommodated.

9.5.3. The salary and other conditions of service of a staff member may not be adversely affected by a transfer under this regulation without the written consent of that staff member.

9.5.4. A staff member may not be demoted, promoted or transferred to a position at a level which is lower or higher than the staff member's current post level.

9.6. Secondment of staff to another municipality

9.6.1. A municipality may second a staff member with the relevant competencies to act in a post that is vacant in another municipality.

9.6.2. The municipalities must conclude a written agreement regarding the secondment that specifies—

- a) the municipality responsible for the costs of secondment;
- b) the duration of the secondment, which may not exceed a period of twelve months;
- c) the person to whom the seconded staff member must report;
- d) the place at which the seconded staff member must work; and
- e) the new job description of the seconded staff member.

9.7. Secondment of other government employees to municipality

9.7.1. A municipality may request national or provincial government, another municipality, or any state organ as the case may be, to second a person with the relevant competencies to act in a vacant post for a specified period or until such time that a suitable candidate has been appointed.

9.7.2. The municipality must inform the MEC of any such secondment and the terms and conditions associated with that secondment.

9.8. Acting appointment

- 9.8.1. An acting appointment may be made to a funded post in order to ensure that the disruption of services is minimized.
- 9.8.2. A staff member who is acting in a higher post in the same municipality must continue to perform the duties of the post that the staff member ordinarily occupies during the acting period.
- 9.8.3. A person acting in a higher post has no right or expectation to be appointed to that post.
- 9.8.4. A staff member may only act in a post that is equivalent to or one reporting level higher than the post that the staff member ordinarily occupies.
- 9.8.5. The appointment to act in a post must be with the consent of the staff member; in writing; and authorized.
- 9.8.6. The staff member appointed to act must have the requisite competencies to be able to perform the duties associated with the post.
- 9.8.7. A person may only be appointed in an acting position for a period not exceeding three months.
- 9.8.8. The municipal manager, or delegate, may extend the period for a further period of three months, if there is a justifiable reason to do so.
- 9.8.9. Any further extensions shall not exceed a period of nine consecutive months.
- 9.8.10. The performance of a staff member appointed to act in a post must be assessed in terms of these Regulations

10. Induction

- 10.1. All permanent appointments will be subjected to a induction process through Human Resources. This can be done at a venue with the providers physically there or via a virtual medium if necessary.
- 10.2. The Recruitment and Selection Section shall ensure, in conjunction with the incumbent, that all appointment documentation has been completed and processed.
- 10.3. The Recruitment and Selection section will arrange a tour /explanation for the new incumbent of the range of services.

- 10.4. The Directorate will explain and provide a copy of the job description relating to the new employee's specific position / job function (line management is expected to conduct a full job orientation).
- 10.5. The Recruitment and Selection section will also explain and provide a copy of the Councils Human Resources Policy and Procedure Manual.
- 10.6. The Directorate is responsible for the induction of each employee in his/her department in order to familiarise the employee with the department in which he/she has been appointed.

11. Relocation of Newly Appointed Employees

- 11.1 The Municipality shall pay 100% of an employee's cost (excluding VAT) of moving from his/her current residence on his or her appointment at Stellenbosch Municipality, but excluding any packing and packaging cost, as indicated on the cheapest of the quotations, regardless of the quotation the employee accepts.
- 11.2 The employee must obtain three written quotations for the relocation of that employee's household and appoint a removal company to relocate her/his household goods. The written quotations obtained by the employee must be attached to her/his claim for reimbursement.
- 11.3 The employee must reimburse the full amount of the costs to the Municipality if her/his employment with the Municipality is terminated for whatever reason within one year after the relocation claim had been paid. If an employee's service are terminated before two years have been completed the employee must reimburse 50% of the moving costs.

12. DEVIATION

The Municipal Manager may deviate from the provisions of this policy on good cause shown.

13. IMPLEMENTATION AND MONITORING

This policy will be implemented and effective once approved by Council.

14. COMMUNICATION

This policy will be communicated to all Municipal employees using the full range of communication methods available to the municipality.

15. RECORD KEEPING

Adequate records of the entire selection process need to be maintained, including selection and shortlisting criteria: reasons for inclusion/exclusion of candidates; structured interview guide; copies of all other assessments utilised; comprehensive notes on assessment of each candidate; assessment ratings; reference checks. As in the recruitment process, these records need to be maintained as per the Archive legislation and record management schedules.

16. DISPUTE RESOLUTION

Unsuccessful candidates shall utilise the mechanisms of the Labour Relations Act to address any unhappiness about an appointment made.

17. POLICY REVIEW

This policy will be reviewed every two years or as necessary.

* Archive legislation: Unsuccessful candidates – 1 year, hortlisted and unsuccessful - 5 years

8.3.3	REVISED OVERTIME AND STANDBY POLICY FOR STELLENBOSCH MUNICIPALITY
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Collaborator No:

IDP KPA Ref No: Good Governance

Meeting Date: Mayco: 08 June 2022 & Special Council: 22 June 2022

1. SUBJECT: REVISED OVERTIME AND STANDBY POLICY FOR STELLENBOSCH MUNICIPALITY

2. PURPOSE

To request Council's approval of the consulted Revised Overtime and Standby Policy.

3. DELEGATED AUTHORITY

The delegated authority for approval of this policy is Council.

4. EXECUTIVE SUMMARY

The Revised Overtime and Standby Policy is intended to guide management on the principles that apply in the instance of work performed by Employees. The policy is furthermore aimed at regulating and maintaining cost effectiveness for the Stellenbosch Municipality particularly considering the fact that the payment of overtime although operationally required, is more expensive than actually performing the work during office hours.

During 2018 the previous policy was revised and replaced with a new policy that respectively served before Mayco and Council on 09 and 28 November 2018. Clause 5 of the existing 2018 Overtime Policy requires for the policy to be revised bi-annually.

The Overtime Policy was not reviewed as there was no need for same at the time. Due to the new earnings threshold and the Municipality's decision to further restrict overtime, the policy was referred to the Human Resources Development Sub-Committee and was discussed at the meetings of 30 August 2021. The final Revised Overtime and Standby policy was discussed at the LLF on 25 April 2022 where agreement was reached to support the policy and recommend it to Mayco and Council for approval.

5. RECOMMENDATIONS

(a) that Council notes the consultation process followed in the LLF with the trade unions over the period 30 August 2021 to 25 April 2022; and

(b) that the Revised Overtime and Standby Policy (2022) be approved by Council.

6. DISCUSSION / CONTENTS

6.1 Background

Overtime is regulated by the Conditions of Service Collective Agreement for the Western Cape Division of the SALGBC but also Section 10 of the Basic Conditions of Employment Act 75 of 1997, as amended.

Only Employees below the earnings threshold set by the Minister of Labour, is entitled to paid overtime unless such Employee is on standby and then called out for emergency work. Currently that earnings threshold falls at the top notch of Grade 9. The current earnings threshold is R224 080.48.

The initial Overtime and Standby Policy guidelines were approved during 2008/2009 and the revised policy was again submitted during 2012. The 2012 Overtime Policy was reviewed and replaced with a new Overtime Policy that was approved by Council on 09 and 28 November 2018 respectively.

6.2 Discussion

Overtime and the payment of same are regulated in terms of the Conditions of Service Collective Agreement for the Western Cape Division of the SALGBC but also Section 10 of the Basic Conditions of Employment Act 75 of 1997, as amended.

The working of overtime is subject to very strict control measures and therefore only Staff in a supervisory capacity who has been given written permission by his / her Director, shall be entitled to approve the performance of any overtime by Subordinates.

Due to the new earnings threshold and the Municipality's intention to further restrict overtime the 2018 policy was referred to the Human Resources Development Sub-Committee and was discussed at the meetings of 30 August 2021, 06 September 2021 and 20 January 2022 at which stage it was agreed that the final draft Revised Overtime and Standby Policy may be submitted to the LLF.

The item was referred back to the Human Resources Development Sub-Committee at the LLF of 28 March 2022 for the recordings to be checked with reference to the resolution made by the Sub-committee. The Human Resources Development Sub-Committee then met on the 11th of April 2022 where it was resolved that both the Employer and Employee component will obtain mandates pertaining to the amendment made in Clause 6.5.6.2 of the Revised Overtime and Standby Policy and will submit those mandates for discussion at the LLF of April 2022. The final Revised Overtime and Standby Policy was discussed at the LLF on 25 April 2022 where agreement was reached on the amendment to Clause 6.5.6.2 and the policy was accepted and recommended to Mayco and Council for approval.

6.3 Financial Implications

As per approved budget.

6.4 Legal Implications

The provision of this policy is in line with legislative provisions and collective agreements of the SALGBC and SALGA guidelines.

6.5 Staff Implications

Staff will be appropriately remunerated for overtime or may receive time off for working longer hours to complete work related requirements.

6.6 Previous / Relevant Council Resolutions

The previous revised overtime policy was approved by Council on 09 and 28 November 2018.

6.7 Risk Implications

Approval of the policy will minimize risks as there will be set guidelines or rules on when overtime can be work and whether same will be payable or time off granted.

6.8 Comments from Senior Management

The final draft served at the Director's meeting and the policy is supported.

RECOMMENDATIONS FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2022-06-08: ITEM 7.3.3

- (a) that Council notes the consultation process followed in the LLF with the trade unions over the period 30 August 2021 to 25 April 2022; and
- (b) that the Revised Overtime and Standby Policy (2022) be approved by Council.

ANNEXURES

Annexure A: Revised Overtime and Standby Policy for Stellenbosch Municipality

FOR FURTHER DETAILS CONTACT:

NAME	<i>Annalene De Beer</i>
POSITION	<i>Director Corporate Services</i>
DIRECTORATE	<i>Corporate Services</i>
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REPORT DATE	<i>31 May 2022</i>

ANNEXURE A



STELLENBOSCH

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MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

OVERTIME AND STANDBY POLICY 2022

1. Preamble

The Municipality acknowledges that overtime work is a necessary element of service delivery and thereby make necessary arrangements for employees to access the benefit. The policy does not take precedence over any collective agreement which may be in force at the time of its approval. The Municipality will apply for exemption in regard to any provisions that are not in line with any applicable collective agreements.

2. Purpose

This policy serves to guide management regarding overtime worked and payment thereof, as required by the Basic Conditions of Employment Act. Where employees earn above the threshold set for payment of overtime, the employer will provide time of in lieu of overtime worked as indicated in this policy. All personnel must be made aware that even though overtime work is needed to adhere to operational requirements, payment thereof is more expensive than actually performing the work during office hours. It is important to note that the cost implication for Council must be taken into consideration when overtime is authorized.

3. Definitions

- 3.1 "Overtime" means the time that an employee works during a day or a week in excess of ordinary hours of work, as defined in the Basic Conditions of Employment Act and the Collective Agreement on Conditions of Service. A full day's work (8 hours) must first be worked before such employee is eligible for overtime. This excludes staff that work shifts and are required to stand in for another person who did not come in for his/her shift. People who are called out to cover a shift will be paid overtime.
- 3.2 "Emergency work" refers to work that must be done without delay because of circumstances for which the employer could not reasonably have been expected to make provision and which cannot ~~not~~ be performed by employees during their ordinary hours of work. Emergency work excludes the performance of routine maintenance work outside normal working hours.
- 3.3 "Senior Manager" means a municipal manager, manager directly accountable to the Municipal Manager, appointed in terms of the applicable legislation, and includes an acting Municipal Manager or Acting Manager directly accountable to the municipal manager appointed in terms of section 56 of the Act referred to as Directors of Stellenbosch Municipality.

- 3.4 "Operational employee(s)" refers to all employees up to and including T13 (skill level 3)
- 3.5 "Managerial Employee(s)" refers to all employees on T14 and above
- 3.6 "Shift worker", is an employee engaged in a scheduled continuous process which activity is deemed to be one in which continuous working by means of daily shifts is necessary.
- 3.8 "Standby" means when an employee is requested by written instruction to be available for duty after working hours to deal with emergency situations.

4. Policy

Legal framework

- Constitution of the Republic of South Africa Act 108 of 1996
- Municipal Systems Act 32 of 2000
- Municipal Structures Act 117 of 1998
- Municipal Finance Management Act 56 of 2003
- Labour Relations Act 66 of 1995
- Employment Equity Act 55 of 1998
- Local Government: Regulations on the appointment and conditions of employment of Senior Managers, dated 17 January 2014
- Local Government: Municipal Staff Regulations, 2016 (issued in terms of Section 72, read with Section 120 of the Municipal Systems Act 32 of 2000)
- Local Government: Guidelines for the Implementation of the Municipal Staff Regulations, 2016 (issued in terms of Section 72, read with Section 120 of the Municipal Systems Act 32 of 2000)
- Basic Conditions of Employment Act 75 of 1997 amended in 2005 (BCEA)South African Local Government Bargaining Council Main Collective Agreement
- Western Cape Conditions of Services Collective Agreement
- Any other legislation requiring that certain work be done within a prerequisite time:
 - Electricity Regulation Act with reference to NRS 047 and 048
 - Water Services Act
 - National Environmental Management Act
 - Occupational Health and Safety Act

5. Scope and application

This policy document shall apply to all employees appointed by the Stellenbosch Municipality excluding EPWP employees or employees working on a specific project.

6. POLICY PROVISIONS

6.1 Remunerated Overtime

6.1.1 Remunerated overtime is calculated on the basis of hours worked in excess of

prescribed working hours.

- 6.1.2 Duty performed by an employee during a period of any leave is not considered for purposes of the payment of remunerated overtime.

6.2 Calculation of Overtime Payment

- 6.2.1 Mondays to Saturdays - 1½ x normal pay calculated on an hourly rate.
- 6.2.2 Sundays and Public Holidays – 2 x normal pay calculated on an hourly rate. An employee who normally works shifts on a Sunday will be remunerated according to the provisions in the BCEA.
- 6.2.3 The normal amount paid towards shift work will be the average hours worked in a month

6.3 Conditions for Remunerated Planned Overtime

- 6.3.1 Employees shall not be required or permitted to work planned overtime for a period exceeding:
- 6.3.1.1 ten (10) hours a week (BCEA 10(b))
 - 6.3.1.2 Three (3) hours on any working day (BCEA 10(1A))
 - 6.3.1.3 This provision excludes employees earning above the threshold as determined by the Minister from time-to-time and must be read with the Western Cape Conditions of Service Collective agreement (BCEA 6(31).
- 6.3.2 No employee shall perform planned overtime before the relevant person with delegated authority has granted the necessary approval in writing on a prescribed pre-approval form.
- 6.3.3 Employees that earn above the top of the notch of the T scale within which the earnings threshold falls shall be granted time off, based on one hour for every hour worked.
- 6.3.4 Employees earning less than the overtime earnings threshold provided for in the Basic Conditions of Employment Act as amended, will, subject to the provisions of this policy, be remunerated for planned overtime, in line with the Basic Conditions of Employment Act.

6.4 Standby

- 6.4.1 Only Employees who have been pre-approved to do standby work may do Emergency Standby. Employees who must perform overtime duty will be on standby (up to T13) and will not be required to obtain prior approval unless they have already performed 60 hours emergency overtime in the month.

- 6.4.2 The time off will be granted on the basis of one hour for every hour worked to employees who are not on standby but is required to attend to the emergency work.
- 6.4.3 IN exceptional situations where an employee earning above the threshold is placed on standby the Director must motivate the necessity for such standby to the Municipal Manager who must approve the standby.
- 6.4.4 Employees' currently above T13 whose post graded on T13 and lower will be placed on standby using their post gradings, thus standby and overtime will be paid against the salary of the post grade and not the salary of the employee.

6.5 **Overtime in regard to Emergency Work**

- 6.5.1 This type of overtime occurs unexpectedly where work must be done immediately and cannot wait till the next working day.
- 6.5.2 When employees not on standby is required to work overtime the Director must authorise such overtime verbally prior to performing such work and follow it up in writing. Payment for the overtime will either be time of in lieu of overtime worked or paid overtime if authorised by the Municipal manager.
- 6.5.3 The relevant Senior Manager / Director shall be responsible for managing these hours.
- 6.5.4 Payment will be calculated as per clause 6.2 above.
- 6.5.5 Where overtime in emergency situations cause an employee to work past midnight on a day, the employee will be entitled to a break of at least 8 hours before the employee is required to report for normal duty, without negatively impacting on his salary.
- 6.5.6 An employee shall not be allowed to claim overtime unless the relevant Director has ensured that the reasons for non-compliance with the below indicated conditions are reported to the Human Resources Management Department when a claim form for such hours is submitted. The Municipal Manager must approve such deviation from conditions:
 - 6.5.6.1 An employee may not book overtime for Sunday if the emergency was reported on Saturday and not attended to on the Saturday.
 - 6.5.6.2 If an employee took vacation, sick or special leave on a Friday **more than once in six months**, that employee shall not be allowed to claim overtime for either the Saturday or Sunday.

6.6 **Time off in-lieu of overtime worked**

- 6.6.1 Time off in lieu of overtime worked shall be granted to employees earning above the threshold, who is not on standby and whose overtime was approved by the municipal manager or who worked planned overtime.

- 6.6.2 Application for time off in lieu of overtime worked shall be done on the prescribed application form.
- 6.6.3 Time off in lieu of overtime worked must be taken within 3 months from date of accrual. Time off not taken within 3 months will be forfeited. This 3-month period may, for operational reasons, be extended to a maximum of 6 months by the Municipal Manager or his/her delegate.
- 6.6.4 Time off in lieu of overtime worked cannot be encashed and compulsory leave must still be taken irrespective of time of in lieu of overtime worked.

7. General

- 7.1 The following information shall be provided when an application for overtime is submitted for approval:
 - 7.7.1 The circumstances that necessitated the performance of the overtime duty where the employee was not on standby.
 - 7.7.2 The names and ranks of the employees who will be required to perform overtime duty.
 - 7.7.3 The duration of the planned overtime duty.
 - 7.7.4 Specific indication about the responsible manager who shall supervise the remunerated overtime.
 - 7.7.5 Overtime work is subject to the provisions of the Basic Conditions of Employment Act as amended, the Collective Agreement on Conditions of Service: Western Cape Division and the provisions of this policy. In case of conflict between this policy and the provisions of the Basic Conditions of Employment Act as amended, the provisions of the Act will prevail.
 - 7.7.6 An employee may not be required or permitted to work planned overtime for a longer period than 10 hours during any working week, these hours may only be increased to 15 hours by means of an agreement between the employee and the employer.
 - 7.7.7 An employee may not work more than 12 hours on any working day (normal + overtime hours), except in case of work related to emergency situations and employees performing essential services.
 - 7.7.8 Only officials with delegated authority may approve overtime work and
 - 7.7.9 Overtime can only be claimed for actual hours worked and exclude travelling time except for standby staff. Overtime for the latter group starts from the time of call out.
 - 7.7.10 No overtime will be paid for attendance of functions/prize giving, etc. and/or by personal invitation.
 - 7.7.11 Should an employee who is appointed on a part-time or 5/8th basis be required (and agree) to work overtime, payment or time off in lieu of overtime worked would only be affected after 5 hours worked on that specific day. The hours

worked in excess of such an employee's ordinary working hours will be paid at straight time up to 5 hours and only thereafter at overtime rates.

- 7.7.12 If an employee is granted time off it cannot be converted to normal leave.
- 7.7.13 Each Director is responsible and accountable to constantly monitor and review the provisions for overtime on his/her budget and to ensure that trends are noted early; funds are adequate; justified and provided for timeously.
- 7.7.14 Attendance registers, time sheets and overtime approval forms, which should indicate dates, starting and ending times, must be kept at source for three years in respect of all employees who qualify for overtime payment or time off in terms of this policy. Attendance registers/time sheets serve as source documents to complete overtime sheets.
- 7.7.15 Overtime forms must be submitted monthly before the 10th of the month to the Remuneration Section. Forms that are not submitted within 1 month after overtime worked must be supported with valid reasons for the late submission.
- 7.7.16 The following information shall be provided when an application for overtime is submitted for approval:
 - 7.7.16.1 The circumstances that necessitated the performance of the overtime duty where the employee was not on standby.
 - 7.7.16.2 The names and ranks of the employees who will be required to perform overtime duty.
 - 7.7.16.3 The duration of the overtime duty.
 - 7.7.16.4 The estimated expenditure and total hours on the planned overtime duty,
 - 7.7.16.5 Specific indication about the responsible manager who shall supervise the remunerated overtime, if authorised.

8. Deviation

The Municipal Manager is authorised or may deviate from the provisions of this policy in line with Legislation, Collective Agreements and the approved system of delegation based on operational requirements.

9. Policy Review

This policy shall be reviewed every second year or as and when the need arises and replaces any other policy relating to overtime and standby.

Pre-approval forms/ timesheets/ standby rosters to be standardized and updated as and when required.

8.3.4	SUBMISSION OF THE DRAFT EMPLOYMENT EQUITY POLICY
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Collaborator No:

IDP KPA Ref No: Good Governance

Meeting Date: Mayco: 08 June 2022 & Special Council: 22 June 2022

1. SUBJECT: SUBMISSION OF THE DRAFT EMPLOYMENT EQUITY POLICY

2. PURPOSE

To obtain Council's approval for the adoption of the draft Employment Equity Policy for consultation with the Unions.

3. DELEGATED AUTHORITY

Council

4. EXECUTIVE SUMMARY

Council does not have an approved Employment Equity policy but there was an Employment Equity Plan which was approved and effective for a five-year term from 2013 to 2018.

Normally in the last year (2018) a revision should have been undertaken and the Plan and Policy would be amended, revised or changed. Due to the re-organisation of the municipality during 2017 Council established and adopted a new structure which was populated with current staff since early 2018. Since the new structure almost doubled the staff structure in size an annual plan was developed and reported on. This was done in consultation with the Unions and the Department of Labour. The population of the organogram was only completed in early 2021. We identified the need for the development of an Employment Equity Policy and the development of a new five-year plan is a legislative requirement.

The attached policy (**APPENDIX 1**) has not been consulted with the Unions yet and is submitted to Council to approve the draft for consultation with the Unions. The Plan will be drafted and consulted simultaneously with the consultation of the policy and submitted for approval after conclusion of the consultation process. The policy has been drafted with due consideration of the provisions of the Employment Equity Act and the Plan will be aligned to reflect the current organogram figures and filled positions as well as setting targets to attain said targets within the 5-year period framework.

5. RECOMMENDATION

that Council approves the draft Employment Equity Policy for consultation with the Unions.

6. BACKGROUND

6.1 Council does not have an approved Employment Equity policy but there was an Employment Equity Plan that was approved and effective for a five-year term from 2013 to 2018.

Normally in the last year (2018) a revision should have been undertaken and the Plan and Policy would be amended or revised or changed. Due to the re-organisation of the municipality during 2017 Council established and adopted a new structure which was then populated with current staff since early 2018. Since the new structure almost doubled the staff structure in size an annual plan was developed and reported on. This was done in consultation with the Unions and the Department of Labour. The population of the organogram was only completed in early 2021.

6.2 DISCUSSION

In general, the aim of an Employment Equity Policy is to set a framework that redresses the disparities of the past with the objective of achieving equity in the workplace; apply affirmative action principles and to comply with the requirements of the Employment Equity Act no. 55 of 1998.

The Employment Equity Policy contains provisions for the establishment of an Employment Equity Committee that will serve as the consultation forum between the Employer and the Employees in the organisation on all matters that is Employment Equity related for example:

- conducting an analysis of the Municipality's employment policies, practices, procedures and the working environment, in order to identify employment barriers which adversely affect people from designated groups;
- assist with and monitor the preparation of an Employment Equity Plan which will achieve reasonable progress towards employment equity in the company's workforce;
- monitoring the implementation of the Employment Equity Plan; and
- Monitor the preparation and compilation of the report required to be submitted to the Director-General of the Department of Labour.

The Employment Equity Policy's main purpose is redressing inequality and building social justice through conscious interventions, to return dignity to the formerly historically disadvantaged by amplifying their voices and creating an institutional culture that promotes fair employment equity practices.

Stellenbosch Municipality has done fairly well in ensuring the representation of the workforce as is clear from the report that is compiled on an annual basis. In various skill levels representativity has been achieved. Women throughout as well as people living with disabilities remains a big challenge.

7. FINANCIAL IMPLICATIONS

As per the approved budget. When the new policy is approved there will be interventions like workshops that will be scheduled and other related measures for which the municipality will have to budget. Those costs are currently not known.

8. LEGAL IMPLICATIONS

The legal framework for drafting of an Employment Equity Policy and consequently an Employment Equity Plan is as follows:

- The Constitution - The South African constitution asserts that employment equity is necessary to ensure equality. Section 9(2) of the constitution provides that:

“Legislative and other measures designed to protect or advance persons or categories of persons, disadvantaged by unfair discrimination may be taken.”

- The Labour Relations Act - Schedule 7 of the Labour Relations Act No 66 of 1995 (LRA) stipulates that:
“An employer is not prevented from adopting or implementing employment policies and practices that are designed to achieve the adequate protection and advancement of persons or groups or categories of persons disadvantaged by unfair discrimination.”
- Employment Equity Act - Sections 2 of the Employment Equity Act no 55 of 1998 (EEA) sets out the purpose of the act are to achieve equity in workplace by:
“promoting equal opportunity and fair treatment in employment through the elimination of unfair discrimination; and implementing affirmative action measures to redress the disadvantages in employment experienced by designated groups in all occupational categories and levels of the workforce”

9. STAFF IMPLICATIONS

The implementation of an Employment Equity Policy seeks to heighten awareness of diversity, multiculturalism and the importance of fairness in the workplace.

10. PREVIOUS / RELEVANT COUNCIL RESOLUTIONS:

None

11. RISK IMPLICATIONS

The risk of an unhappy workforce because diversity in the workplace is not embraced by all Employees will be reduced through the approval and implementation of the Employment Equity Policy.

RECOMMENDATIONS FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2022-06-08: ITEM 7.3.4

that Council approves the draft Employment Equity Policy for consultation with the Unions.

APPENDIX

Appendix 1 – Draft Employment Equity Policy

FOR FURTHER DETAILS CONTACT:

NAME	Annalene de Beer
POSITION	Director Corporate Services
DIRECTORATE	Corporate Services
CONTACT NUMBERS	021-808 8018
E-MAIL ADDRESS	Annalene.deBeer@stellenbosch.gov.za
REPORT DATE	01 June 2022

APPENDIX 1



STELLENBOSCH

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MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

EMPLOYMENT EQUITY POLICY

POLICY NUMBER:	APPROVED DATE:
EFFECTIVE DATE:	REVIEW DATE:
Purpose	To redress disparities of the past to achieve equity in the workplace; and to comply with the requirements of the Employment Equity Act No. 55 of 1998.
Policy Custodian	Senior Manager – Human Resource Management Services
Related Policies and Legislation	Local Government Municipal Systems Act, Act No. 32 of 2000 Labour Relations Act, Act No. 66 of 1995, as amended Employment Equity Act, Act No 55 of 1998.
Approving Authority	Council
Stakeholders Consulted	MANCOM, Employment Equity Committee, HR Section, Unions, Local Labour Forum

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1. MISSION

The mission of Stellenbosch Municipality is to deliver cost-effective services that will provide the most enabling environment for civil and corporate citizens

2. VALUES

- Integrity
- Accountability
- Transformation
- Innovation

3. STRATEGIC OBJECTIVES

In addition to our values, the Municipality also has the following strategic goals:

- To be an innovative municipality on the cutting edge in respect of the use of technology in terms of management information, development, communication and health and safety.
- the risk about Human Capital.
- Increase the Employment Value Proposition (EVP) of Stellenbosch Municipality.
- Attain relevant international benchmarks in HRM&D (SHER & HR man).
- To align the HR practices of Stellenbosch Municipality with the 13 HR standards developed by the SA Board for People Practices.

The municipality also subscribes to the following eight Batho Pele principles mentioned below.

3.1 Batho Pele principles:

- Consultation
- Service Standards
- Access
- Courtesy
- Information
- Openness and Transparency
- Redress
- Value for money

4. PURPOSE

Establish a framework for the redressing of the disparities of the past to achieve equity in the workplace; and to comply with the requirements of the Employment Equity Act no. 55 of 1998 [EEA].

Existing policies have been scrutinized to identify employment barriers to members of designated groups, and appointment and selection policies

should increase the possibility of appointing candidates from the designated groups in employment categories and levels where they are under-represented. Policies regarding selection criteria and selection panels will ensure that fair and non-discriminatory selection procedures be implemented. Such procedures will help contribute to the appointment of suitable candidates from designated groups.

SCOPE

Applicable to all current employees in the service of the Municipality as well as applicants for employment.

DURATION OF THE PLAN

In terms of section 20(1) of the Employment Equity Act, the Employment Equity Plan [EEP] must be for a period of five years and thereafter successive plans must be submitted. The duration of the plan is based on the planning needs of the municipality with specific reference to the need to set attainable numerical goals to be achieved over a reasonable period of time.

5. DEFINITIONS

Black people – *“is a generic term which means Africans, Coloured and Indians”*

Candidate - *“means an applicant for a post”*

Designated groups - *“means black people, women and people living with disabilities”*

Diversity refers to the range of human differences, including but not limited to race, ethnicity, gender, gender identity, sexual orientation, age, social class, physical ability, or attributes, religious or ethical values system, national origin, and political beliefs

Employee – *“means any person, excluding an independent contractor who works for another person or for the state and who receives, or is entitled to receive, any remuneration”.*

Fixed term contract employee - *is a person who is employed on an agreement and is based on a specific duration or time frame with an end date or the completing of a specific task or happening.*

Headhunting - *is defined as the process of selecting individuals with a proven track record (reputation, work history, professional acquaintance and minimum academic qualification) within a particular field, who can be evaluated to fill a vacant post.*

Labour Relations Act, = Act 66/1995 as amended

Medical testing - “includes any test, question, inquiry or other means designed to ascertain, or which has the effect of enabling the employer to ascertain, whether an employee has any medical condition”

People with disabilities – “means people who have a long-term or recurring physical or mental impairment which substantially limits their prospects of entry into, or advancement in employment”

Reasonable accommodation - "means any modification or adjustment to a job or to the working environment that will enable a person from a designated group to have access to or participate or advance in employment”

Recognition of prior learning - as defined by the South African Qualifications Authority (SAQA) is a process whereby people’s prior learning can be formally recognized in terms of registered qualifications and unit standards, regardless of where and how the learning was attained. RPL acknowledges that people never stop learning, whether it takes place formally at an educational institution, or whether it happens informally.

Remuneration - "means any payment in money or in kind, or both in money and in kind, made or owing to any person in return for that person working for any other person, including the state”

Seasonal employee – “means an employee who is employed to work a full season of not less than a continuous period of six months and who should qualify for all benefits in terms of employment conditions, except housing and pension benefits”

Suitably qualified – a person may be suitably qualified for a job as a result of any one of, or any combination of that person's-

- (A) Formal qualifications;
- (B) Prior learning;
- (C) Relevant experience; or
- (D) Capacity to acquire, within a reasonable time, the ability to do the job.

6. LEGAL FRAMEWORK

6.1 Constitution

The South African constitution asserts that employment equity is necessary to ensure equality. Section 9(2) of the constitution provides that:

“Legislative and other measures designed to protect or advance persons or categories of persons, disadvantaged by unfair discrimination may be taken.”

6.2 Labour Relations Act - Schedule 7 of the Labour Relations Act No 66 of 1995 (LRA) stipulates that:

“An employer is not prevented from adopting or implementing employment policies and practices that are designed to achieve the adequate protection and advancement of persons or groups or categories of persons disadvantaged by unfair discrimination.”

6.3 Employment Equity Act

Sections 2 of the employment equity act no 55 of 1998 (EEA) sets out the purpose of the act are to achieve equity in workplace by:

“promoting equal opportunity and fair treatment in employment through the elimination of unfair discrimination; and implementing affirmative action measures to redress the disadvantages in employment experienced by

7 EMPLOYMENT EQUITY COMMITTEE

7.1 PURPOSE OF THE EMPLOYMENT EQUITY COMMITTEE

Serves as the consultation forum between the employer and stakeholders in regard to the provisions contained in the EEA. The committee shall always have regard to the provisions of the act, and any regulations, codes of good practice, directives and administrative guidelines published in terms of the act. The tenure of the committee shall be for a period of three years.

7.2 FUNCTIONS

Representatives shall represent their constituency in the employment equity committee in respect of those matters identified for consultation set out in these terms of reference.

The representatives shall, where possible,

- Obtain mandates from their respective constituencies on those matters identified for consultation;
- Report back to their constituencies on the progress of and matters discussed in the committee meetings, utilising the official committee meeting minutes as the basis for their report-backs;
- Perform all responsibilities, tasks, duties, investigations and surveys assigned to them from time to time by the committee, always acting in good faith and in the interests of the Municipality to ensure the successful implementation of the plan.

- To conduct an analysis of its employment policies, practices, procedures, and the working environment, in order to identify employment barriers which adversely affect people from designated groups.
- Monitor the implementing an employment equity plan which will achieve reasonable progress towards employment equity in the company's workforce.
- Make inputs into the Employment Equity report required to be submitted to the director-general of the department of labour.
- Make inputs into the EE policy review and review of EE plan.
- The internal procedures to resolve any dispute about the interpretation or implementation of the employment equity plan.

7.3 REPRESENTATIVES COMPOSITION

The committee shall be comprised of the following member's representative of the following interests. Representatives shall be representative of all designated groups and represent a cross-section of occupational levels and categories:-

Employment Equity Committee Representatives

- Senior officials and managers
- Professionals
- Technicians and associate professionals
- Clerks
- Plant and machine operators & assemblers
- Elementary occupations
- SAMWU
- IMATU
- Disabled persons

The composition of the committee must reflect the gender balance between male and female.

Any representative who ceases to be representative of the constituency which he or she represents or ceases to be an employee of the Municipality shall cease to be a member of this committee. In such instances, an alternative representative shall be nominated by the appropriate constituency in the same manner in which the first representative was nominated as a representative.

7.4 FREQUENCY

- The committee shall meet once every three months.
- Special meetings may be called by the Chairperson.
- The Chairperson of the committee shall be biannually elected by the committee. The committee shall be constituted by a quorum of 50% plus one.
- The Senior Manager: Human Resource Management will be responsible for the implementation and monitoring of recommendations and suggestions of the committee.

7.5 MINUTES AND RECORD-KEEPING

- The Senior Manager: Human Resource Management shall be responsible for the recording of all meetings and recommendations made by the committee.
- The Senior Manager: Human Resource Management shall prepare an agenda for discussion prior to each meeting and distribute to the representatives such agenda seven (7) days in advance of the meeting.
- The Senior Manager: Human Resource Management shall arrange for the release of all representatives from their normal work duties for the purpose of:
 - Attending committee meetings.
 - Consulting with their constituencies.
 - Preparing for such meetings.
 - Providing feedback to their constituencies using the official minutes of the employment equity committee meeting.
- All meetings shall take place during normal working hours, and representatives shall be paid their usual pay for attending such committee meetings and related duties.
- All representatives shall indicate their acceptance of or record their objections or additional comments to any recommendations made by the forum, including any dissenting opinions.

8 AFFIRMATIVE ACTION MEASURES

The following affirmative action measures have been identified and developed to address the employment barriers and under-representation identified during the numerical analysis and the review of the Employment Policies and Practices of the Municipality.

8.1.1 INCREASING THE POOL OF AVAILABLE CANDIDATES

A policy on recruitment has been adopted which provides for the internal and external recruitment of suitable candidates from designated groups. A concerted effort will further be made to increase the level of interest of potential candidates from designated groups in applying for vacancies.

8.1.2 The EEA requires the Municipality to focus on :

- ◆ The redrafting of employment application forms and employment contracts so that all discriminatory or prejudicial provisions and clauses are removed.
- ◆ An increased awareness of psychometric tests and evaluation methods tend to be culturally un-biased and non-discriminatory.

- ◆ The increased use of competency-based recruitment and selection methods, whereby the potential of the candidate and the ability to perform the job plays an increasingly prominent role.
- ◆ Compliance with numerical targets and annual benchmarks.
- ◆ The advancement of designated groups within the provisions of the EEA
- ◆ Recognising that the appointment of members of designated groups will help create a more diverse workforce, which holds social and economic benefits for the Municipality.

Reasonable accommodation of people living with disabilities

The Municipality subscribes to the principles of accommodating people living with disabilities, with specific reference to adapt physical facilities that will be implemented. For this purposes funding will be made available to make the grounds and buildings accessible to people with disabilities. Special attention will be given to the employment and career development of disabled people.

Steps to ensure that the corporate culture of the past is transformed in a way that affirms diversity in the workplace and harnesses the potential of all employees

The consultation forum includes employees from different levels and seniority and is fully representative of all designated and non-designated groups at the Municipality. The Municipality also recognizes the importance of adopting an overall strategy which highlights the importance of managing a diverse, multiracial and multicultural workforce, for the purposes of ensuring the maximum utilization of all employees. This includes reducing negative stereotyping, cultural importance, exclusion and discrimination, creating an acceptable environment, and the integration of affirmative action programmes with general management practices and strategies.

Protection of employees and persons seeking employment (applicant) - no. 66 of 1995: Labour Relations Act, 1995.

- (1) no person may discriminate against an employee for exercising any right conferred by this act.
- (2) without limiting the general protection conferred by subsection (1), no person may do, or threaten to do, any of the following-
 - (a) require an employee or a person seeking employment-
 - (i) not to be a member of a trade union or workplace forum;
 - (ii) not to become a member of a trade union or workplace forum; or
 - (iii) to give up membership of a trade union or workplace forum;
 - (b) prevent an employee or a person seeking employment from exercising any right conferred by this act or from participating in any proceedings in terms of this act; or

- (c) prejudice an employee or a person seeking employment because of past, present or anticipated-
 - (i) membership of a trade union or workplace forum;
 - (ii) participation in forming a trade union or federation of trade unions or establishing a workplace forum;
 - (iii) participation in the lawful activities of a trade union, federation of trade unions or workplace forum;
 - (iv) failure or refusal to do something that an employer may not lawfully permit or require an employee to do;
 - (v) disclosure of information that the employee is lawfully entitled or required to give to another person;
 - (vi) exercise of any right conferred by this act; or
 - (vii) participation in any proceedings in terms of this act.
- (3) no person may advantage, or promise to advantage, an employee or a person seeking employment in exchange for that person not exercising any right conferred by this act or not participating in any proceedings in terms of this act. However, nothing in this section precludes the parties to a dispute from concluding an agreement to settle that dispute.
- (4) a provision in any contract, whether entered into before or after the commencement of this act, that directly or indirectly contradicts or limits any provision of section 4, or this section, is invalid, unless the contractual provision is permitted by this act.

9. CORRECTIVE MEASURES TO ELIMINATE BARRIERS IDENTIFIED DURING THE ANALYSIS

- 9.2.1 Employment policies and practices are continuously reviewed by the Municipality in order to remove any possible discriminatory content and to eliminate employment barriers from the policies and practices.
- 9.2.2 The selection criteria at the Municipality are continuously revised in order to allow for the definition of suitably qualified candidates as contained in the employment equity act to serve as standard for selection.
- 9.2.3 The affirmative action measures implemented at the Municipality are designed to prevent the creation of absolute barriers for the appointment or promotion of persons from non-designated groups, and care is taken to ensure that the measures adopted does not discriminate in any way against persons from the non-designated groups.

10. NUMERICAL GOALS

- 10.1 A numerical analysis must be carried out to determine the representation of employees internally in every employment level and job category as well as externally to determine the external representation of the various groups on both a regional and provincial level. This analysis enables the Municipality to set quantitative targets which are realistic and attainable given the particular circumstances of the Municipality as an employer.
- 10.2 Numerical goals must be developed for the appointment and promotion of people from designated groups in order to address under-representation of the designated groups.

- 10.3 The following factors must be taken into consideration in developing the numerical goals:
- ❖ The degree of under-representation of designated employees in the various employment categories at the Municipality as determined by the numerical analysis (as per the approved EE Plan).
 - ❖ The labour turnover rate at the Municipality as determined by terminations, and determined quarterly.
 - ❖ Affirmative action measures as contained in paragraph 4.1 of the policy.

11. CONSENSUS

The representatives on the Employment Equity Committee must be involved in the meaningful consultation processes surrounding the numerical analysis, the review of employment systems and policies and the drafting of the EEP. The parties must strive to reach a high degree of consensus in the consultation process.

12. BUDGET

The municipality is committed yearly to align the staff budget to any approved measures to address the short comings on implementing EE objectives.

13. ASSIGNMENT OF RESPONSIBILITY

The Municipality has nominated the Municipal Manager as Administrative Head in conjunction with the Directors and the Senior Manager: Human Resource Management to accept responsibility for the implementation and monitoring of the Employment Equity process. The Municipal Manager will remain functionally accountable for the implementation of the Employment Equity Process.

14. COMMUNICATION

- 14.1 A copy of all relevant employment equity documents must be kept at the section of human resources for perusal by employees of the municipality.
- 14.2 Circulars, messages and notices on notice boards will be utilized in order to inform all employees of the availability of the Employment Equity Documentation referred in above.

15. MONITORING AND EVALUATION

- 15.1 A report detailing the progress with the implementation of employment equity, with specific reference to achievement of numerical goals, has to be compiled every quarterly by the person with the responsibility for implementation and monitoring and will serve at the Employment Equity Committee meeting for

that quarter.

- 15.2 EE Targets applicable on the day of the closing the advert will prevail until the appointment is concluded.

16. IMPLEMENTATION OF THE POLICY

The policy shall be implemented after consultation with the Employment Equity Committee and the approval of the Municipal Manager and Council.

Date of Approval:

8.4	FINANCIAL SERVICES: (PC: CLLR P JOHNSON)
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8.4.1	APPROVAL OF DEBT AGREEMENT
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Collaborator No: 730948

IDP KPA Ref No: Good Governance

Meeting Date: Mayco: 08 June 2022 & Special Council: 22 June 2022

1. SUBJECT: APPROVAL OF DEBT AGREEMENT

2. PURPOSE

To obtain Council's approval for the raising of an external loan in terms of Section 46 (2) of the Municipal Finance Management Act (Act No 56 of 2003).

3. DELEGATED AUTHORITY

Council

4. EXECUTIVE SUMMARY

During March 2022 an advertisement was placed inviting interested parties to make submissions regarding the financing of the proposed loan of R144 million. Submissions were received from 6 authorised financial institutions:

- (a) Development Bank of Southern Africa (DBSA);
- (b) ABSA Bank;
- (c) Nedbank;
- (d) Standard Bank
- (e) First National Bank (FNB); and
- (f) INCA

After due process, in terms of the municipality's approved Supply Chain Policy, the offer of *Standard Bank for the term of 10 years*, was adjudicated by the Bid Adjudication Committee and approved by the Municipal Manager as being the most favorable for Council.

5. RECOMMENDATIONS

- (a) that Council approves the debt agreement as stipulated in **APPENDIX 1**; and
- (b) that the Municipal Manager be mandated to enter into a loan agreement with Standard Bank.

6.1 Background

that Council specifically note and consider the need to take up an external loan, needed for investment in income generating infrastructure to the amount of R144 millions.

6.2 Discussion

The following infrastructure projects, as included in the capital budget and approved by Council on 26 May 2021, requires external loan funding, but it can possibly be used on other capital items as well:

Projects	External Funding Amount
Expansion of the landfill site (New cells)	2 000 000
Landfill Gas To Energy	2 000 000
Transfer Station: Stellenbosch Planning and Design	1 000 000
Alternative Energy	15 000 000
Electricity Network: Pniel	3 500 000
General System Improvements - Franschoek	2 000 000
General Systems Improvements - Stellenbosch	3 451 000
Infrastructure Improvement - Franschoek	1 500 000
Jan Marais Upgrade: Remove Existing Tx 1 and 2 and replace with 20MVA units	12 392 036
Laterra Substation	2 000 000
System Control Centre & Upgrade Telemetry	94 406
Bulk water supply Klapmuts	11 893 709
Bulk Water Supply Pipeline & Reservoir - Jamestown	500 000
New Reservoir & Pipeline: Vlottenburg	7 000 000
New Reservoir Rosendal	11 396 840
Reservoirs and Dam Safety	500 000
Water Conservation & Demand Management	3 000 000
Waterpipe Replacement	5 693 042
Upgrade of WWTW Wemmershoek	25 078 967
Upgrade of WWTW: Pniel & Decommissioning Of Franschoek	34 000 000

6.3 Financial Implications

The total estimated cost of the borrowing over the repayment period is disclosed in the table below.

DESCRIPTION	10 YEAR TERM
Capital	R144 000 000
Interest	R 75 303 153
Total	R 219 303 153

6.4 Legal Implications

In terms of Section 160(2) of the Constitution, a Council may not delegate the function to raise a loan. Section 160(3) stipulates that any decision regarding the raising of a loan must be taken by Council with the supporting vote of the majority of its members.

The procedures to be followed in order to raise a loan, is stipulated in Section 46 of the Municipal Finance Management Act (MFMA). According to Section 46 of the MFMA, the following procedures must be followed:

- s.46(2)(a) A Council resolution must be obtained to approve the debt agreement. The Mayor must then sign such a resolution.
- s.46(3)(a) The Accounting Officer (Municipal Manager) must sign the Debt Agreement.
- s.46(3)(a) An information statement must be made public 21 days prior to the Council meeting. The public, National Treasury and the Provincial Treasury must be invited to submit written comments in respect of the proposed loan.

Comment: A copy of the information statement is attached as **APPENDIX 2** and was published in the Eikestadnuus. In the information statement the public was invited to submit written comments in respect of the proposed loan. National Treasury and the Provincial Treasury were invited by letter to submit their comments in respect of the proposed loan. S46(3)(b) The information statement must be submitted to Council at least 21 days prior to the Council meeting at which Council is to consider taking up the loan.

Comment: The information statement, as well as other supporting documentation, was distributed to each individual councillor on 19 May 2022.

The closing date for comments was 9 June 2022 and all comments received are included as **APPENDIX 3**, for Council's consideration.

6.5 **Staff Implications**

This report has no staff implications to the Municipality.

6.6 **Previous / Relevant Council Resolutions**

Council approved the external loan funding at the Council meeting held on 26 May 2021.

6.7 **Risk Implications**

This report has no risk implications for the Municipality.

6.8 **Comments from Senior Management**

6.8.1 **Municipal Manager:**

Agree with the recommendations

RECOMMENDATIONS FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2022-06-08: ITEM 7.4.1

- (a) that Council approves the debt agreement as stipulated in **APPENDIX 1**; and
- (b) that the Municipal Manager be mandated to enter into a loan agreement with Standard Bank.

FOR FURTHER DETAILS CONTACT:

NAME	Monique Steyl
POSITION	<i>Senior Manager: Financial Management Services</i>
DIRECTORATE	<i>Financial Services</i>
CONTACT NUMBERS	021 808 8512
E-MAIL ADDRESS	<i>Monique.Steyl@ Stellenbosch.gov.za</i>
REPORT DATE	02 June 2022

APPENDIX 1

TERM LOAN AGREEMENT

by and between

THE STANDARD BANK OF SOUTH AFRICA LIMITED

and

STELLENBOSCH MUNICIPALITY

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ANNEXURES

Annexure A NOTICE OF DRAWDOWN

1. PARTIES

The parties to this agreement are:

- 1.1 The Standard Bank of South Africa Limited; and
- 1.2 Stellenbosch Municipality.

2. DEFINITIONS

2.1 In this Agreement, unless clearly inconsistent with or otherwise indicated by the context:

- 2.1.1 **Agreement** means this agreement, together with all appendices hereto and letters and notices given in terms hereof from time to time, all read together;
- 2.1.2 **Bank** means The Standard Bank of South Africa Limited (Registration Number 1962/000738/06), a public company duly incorporated with limited liability according to the company laws of South Africa and its successors in title and assigns;
- 2.1.3 **Borrower** means Stellenbosch Municipality, a municipality established in accordance with the Local Government: Municipal Structures Act 117 of 1998 and the municipal laws of South Africa;
- 2.1.4 **Borrower's Loan Account** means the loan account in the Borrower's name in the Bank's books in respect of the Loan Facility;
- 2.1.5 **Business Day** means a day other than a Saturday, Sunday or proclaimed public holiday in South Africa;
- 2.1.6 **Calendar Month** means a full calendar month in any year, namely, January, February, March, April, May, June, July, August, September, October, November and December;
- 2.1.7 **Collateral** means any security, indemnity or undertaking provided to the Bank to secure the Borrower's payment and other obligations in terms of this Agreement;
- 2.1.8 **Collateral Provider** means each person or entity who is to provide Collateral to the Bank in respect of the due performance by the Borrower of its payment and other obligations in terms of this Agreement;
- 2.1.9 **Early Repayment** means any payment made by the Borrower in advance and in addition to the repayment set out in 8 of this Agreement, as part payment of the Loan Facility;
- 2.1.10 **FICA** means the Financial Intelligence Centre Act 38 of 2001;
- 2.1.11 **Group** means Standard Bank Group Limited, its subsidiaries and their subsidiaries;
- 2.1.12 **Indebtedness** means the total balance of the capital amount outstanding on the Loan Facility plus any interest, fees and costs in respect of the Loan Facility which are owed by the Borrower to the Bank from time to time;
- 2.1.13 **Limit** shall have the meaning ascribed to it in clause 5;
- 2.1.14 **Loan Facility** means the term loan facility referred to in this Agreement;
- 2.1.15 **Margin** means 1.79% (one point seven nine percent) per annum;
- 2.1.16 **Material Adverse Event** means any event, circumstance or matter or combination of events, circumstances or matters which, in the reasonable opinion of the Bank, has or may have a material adverse effect on the:
 - 2.1.16.1 business, assets, operations, property or financial condition of the Borrower taken as a whole;
 - 2.1.16.2 ability of the Borrower to perform its obligations in terms of this Agreement;
 - 2.1.16.3 ability of a Collateral Provider to perform its obligations in terms of the Collateral; or
 - 2.1.16.4 validity or enforceability of this Agreement or the Collateral or any other documents provided under this Agreement or the rights or remedies of the Bank thereunder;
- 2.1.17 **MFMA** means the Local Government: Municipal Finance Management Act 56 of 2003, including all schedules and regulations thereto;
- 2.1.18 **Parties** means the Bank and the Borrower and Party means any one of them as the context may indicate;
- 2.1.19 **Personal Information** means information about an identifiable, natural person and where applicable, a juristic person, including, but not limited to information about: race; gender; sex; pregnancy; marital status; nationality; ethnic or social origin; colour; sexual orientation; age; physical or mental health; well-being; disability; religion; conscience; belief; culture; language; birth; education; medical, financial, criminal or employment history; any identifying number, symbol, e-mail, postal or physical address, telephone

- number; location; any online identifier; any other particular assignment of the person; biometric information; personal opinions, views or preferences of the person or the views or opinions of another individual about the person; correspondence sent by the person that is implicitly or explicitly of a private or confidential nature or further correspondence that would reveal the contents of the original correspondence; and the name of the person if it appears with other personal information relating to the person or if the disclosure of the name itself would reveal information about the person;
- 2.1.20 **Prime Rate** means the publicly quoted variable base rate of interest per annum ruling from time to time at which the Bank lends on overdraft, available on the Bank's website: www.standardbank.co.za (or as certified by any manager or business unit head of the Bank, whose appointment it shall not be necessary to prove and which certification shall be binding on the Parties absent manifest error);
- 2.1.21 **Process** means any operation or activity, automated or not, concerning Personal Information, including: alteration, blocking, collation, collection, consultation, degradation, destruction, dissemination by means of transmission, distribution or making available in any other form, erasure, linking, merging, organisation, receipt, recording, retrieval, storage, updating, modification, or the use of information; Processing and Processed will have a similar meaning;
- 2.1.22 **Rand** means the South African Rand, the currency of South Africa;
- 2.1.23 **Sanctioned** means listed on all or any one of the Sanction Lists or subject to any Sanctions;
- 2.1.24 **Sanction List** means the Specially Designated Nationals and Blocked Persons List of the Office of Foreign Assets Control of the Department of Treasury of the United States of America or the United Nations Security Council list of persons or entities suspected to be involved in terrorist related activities or the funding thereof or any other list of Her Majesty's Treasury of the United Kingdom or the European Union's Common Foreign and Security Policy;
- 2.1.25 **Signature Date** means the date of signature of this Agreement by the Party signing last in time;
- 2.1.26 **South Africa** means the Republic of South Africa;
- 2.1.27 **Term** means the term referred to in clause 8.1; and
- 2.1.28 **VAT** means value added tax in terms of the Value Added Tax Act, 89 of 1991.
- 2.2 Any reference in this Agreement to legislation or subordinate legislation is to such legislation or subordinate legislation at the Signature Date and as amended or re-enacted from time to time.
- 2.3 Words importing the singular shall include the plural, and *vice versa*, words importing the masculine gender shall include the feminine and neuter genders, and *vice versa*, and words importing natural persons shall include legal persons, and *vice versa*.
- 2.4 The head notes to the clauses to this Agreement are inserted for reference purposes only and shall not affect the interpretation of any of the provisions to which they relate.
- 2.5 If any provision in the definition clause is a substantive provision conferring rights or imposing obligations on a Party, then notwithstanding that such provision is contained in this clause, effect shall be given thereto as if such provision were a substantive provision in the body of the Agreement.
- 2.6 Words and expressions defined in any clause shall, unless the application of any such word or expression is specifically limited to that clause, bear the meaning assigned to such word or expression throughout this Agreement.
- 2.7 Unless otherwise provided, defined terms appearing in this Agreement in title case shall be given their meaning as defined, while the same terms appearing in lower case shall be interpreted in accordance with their plain English meaning.
- 2.8 The words include and including mean include without limitation and including without limitation. The use of the words include and including followed by a specific example or examples shall not be construed as limiting the meaning of the general wording preceding it.
- 2.9 When any number of days is prescribed in this Agreement, same shall be reckoned exclusively of the first and inclusively of the last day.
- 2.10 If the due date for performance of any obligation in terms of this Agreement is a day which is not a Business Day then (unless otherwise stipulated) the due date for performance of the relevant obligation shall be the immediately preceding Business Day.
- 2.11 Any reference in this Agreement which requires that the Bank exercise its discretion in respect of any matter stated herein shall mean that the exercise thereof shall be as determined by the Bank in its reasonable discretion.

- 2.12 When any condition of this Agreement requires fulfilment by the Borrower, or any information, evidence, proof or documentation is required to be furnished by the Borrower, such condition shall be required to be fulfilled and information, evidence, proof or documentation shall be required to be furnished, in a form and substance to the satisfaction of the Bank.
- 2.13 Unless the context indicates a contrary intention, any reference in this Agreement to material or materially shall mean material or materially as determined by the Bank in its reasonable opinion.
- 2.14 No provision of this Agreement shall (unless otherwise stipulated) constitute a stipulation for the benefit of any person (*stipulatio alteri*) who is not a Party to this Agreement.
- 2.15 The terms and conditions of this Agreement having been negotiated by the Parties, no provision herein shall be construed against or interpreted to the disadvantage of any Party by reason of such Party having or being deemed to have structured, drafted or introduced such provision.
- 2.16 Any reference in this Agreement to a specific requirement under the MFMA shall not derogate from or exclude the application of any provisions not specifically referred to herein.

3. LOAN FACILITY

The Bank has agreed to grant the Borrower the Loan Facility, on and subject to the terms and conditions hereinafter set out.

4. RANKING OF LOAN FACILITY

The Borrower represents, warrants and undertakes that the Loan Facility comprises senior debt and ranks at least equally with all other senior debt in terms of servicing, repayment and collateral rights and the claims of all of the Borrower's other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law.

5. LIMIT

- 5.1 The aggregate amount to be advanced to the Borrower under the Loan Facility is R144,000,000 (one hundred and forty four million Rand) (**Limit**).
- 5.2 To the extent that a drawdown under the Loan Facility would cause the Limit to be exceeded, the Borrower shall not be entitled to make such a drawdown.

6. AVAILMENT AND PURPOSE

- 6.1 The Loan Facility may only be utilised on fulfilment to the satisfaction of the Bank or waiver by the Bank of all the conditions precedent referred to in clause 11 and provided that drawdown must be made by the Borrower under the Loan Facility within 3 (three) months from the date of such fulfilment or waiver of all of the conditions precedent set out in clause 11, following which date, any unutilised portion of the Loan Facility shall be reduced by such unutilised amount. The Borrower shall be obliged to give the Bank prior written notice of a requested drawdown by not later than 11:00 am at least 2 (two) Business Days before the proposed date of drawdown in the form of **Annexure A** hereto.
- 6.2 The Loan Facility shall be utilised by the Borrower to fund the Borrower's capital expenditure projects as contemplated in section 46(1)(a) of the MFMA namely, infrastructure and vehicles as approved by the Borrower's Municipal Council for the Borrower's 2021/2022 financial year.
- 6.3 The Bank shall not, however, be under any obligation to verify or monitor that the Borrower will utilise the Loan Facility for the aforesaid purpose.

7. INTEREST

- 7.1 The Loan Facility shall bear interest at the Margin above the Prime Rate per annum. The Margin is indicative and the Margin and the Prime Rate are subject to change. Any amendment to the Margin and/or Prime Rate will be advised by the Bank to the Borrower in writing on the date of first drawdown of the Loan Facility.
- 7.2 The interest payable by the Borrower is calculated on a nominal annual compounded monthly in arrears basis on the Indebtedness and is calculated on a 365 (three hundred and sixty five) day year, irrespective of whether it is a leap year.
- 7.3 The interest payable by the Borrower will be:
- 7.3.1 charged monthly in arrears;
- 7.3.2 debited to the Borrower's Loan Account on a date convenient to the Bank and shall be payable in accordance with clause 8.
- 7.4 The Bank may immediately amend the pricing structure of the Loan if there is a change in:
- 7.4.1 law or the issue of a directive with which the Bank must comply; or

7.4.2 market conditions resulting in an increasing cost to the Bank.

7.5 If the Bank amends the pricing structure of the Loan, it will advise the Borrower accordingly.

8. DURATION AND REPAYMENT

8.1 The capital and interest amount of the Loan Facility is to be repaid (**Repayments**) by the Borrower over a period of 10 (ten) years in 20 (twenty) equal bi-annual instalments in terms of the Repayment schedule to be prepared by the Bank on receipt of the drawdown notice referred to in clause 6 and delivered by the Bank to the Borrower at the address set out clause 18.15.1.2 or 18.15.2.2.

8.2 The first Repayment shall be due on 31 December 2022 and shall thereafter be due and payable on the last business day of June and December of each and every succeeding year.

8.3 All Repayments pursuant to this Agreement shall be made by means of electronic funds transfer, in permanent reduction of the Loan Facility, into a bank account the details of which will be communicated to the Borrower in writing.

8.4 The Bank reserves the right in its sole discretion, to accept payment made other than by electronic funds transfer.

8.5 The Parties agree that the Repayment schedule will be amended by the Bank from time to time to cater for variations in the interest rate, changes in the interest period due to fluctuations in the interest calculations and/or in the event that the Bank becomes entitled to amend the pricing structure of the Loan Facility in accordance with this Agreement. The Bank will deliver the amended Repayment schedule to the Borrower at the address set out clause 18.15.1.2 or 18.15.2.2.

9. EARLY REPAYMENTS

9.1 The Borrower shall be entitled to make an Early Repayment of the Loan Facility. If the Borrower wishes to make an Early Repayment of the Loan Facility which is:

9.1.1 in permanent reduction of the Loan Facility, then:

9.1.1.1 the Early Repayment must be made on not less than 90 (ninety) Business Days' written notice (or such shorter notice period as the Bank may agree to in writing) of the Borrower's intention to make such Early Repayment; and

9.1.1.2 the Repayments over the remainder of the Term will be rescheduled by agreement in writing between the Parties; or

9.1.2 not in permanent reduction of the Loan Facility then:

9.1.2.1 an Early Repayment must be in multiples of R100,000 (one hundred thousand Rand);

9.1.2.2 only 1 (one) Early Repayment may be made in any Calendar Month; and

9.1.2.3 the Borrower may drawdown in part or in full up to the amount of such Early Repayment, provided that:

9.1.2.3.1 the Borrower provides the Bank with a drawdown notice by not later than 11:00 am at least 2 (two) Business Days before the proposed date of drawdown in the form of **Annexure A** hereto;

9.1.2.3.2 the purpose for the drawdown is and remains the same as contemplated in clause 6 and consistent with section 46(1) of the MFMA;

9.1.2.3.3 such drawdowns are in multiples of R100,000 (one hundred thousand Rand);

9.1.2.3.4 only one such drawdown may be made in any Calendar Month; and

9.1.2.3.5 the Bank may, however, on written notice to the Borrower, refuse a drawdown of an Early Repayment where there has been an event of default set out in clause 14 or any change(s) in circumstances set out in clause 16.

9.2 To the extent that an Early Repayment is made, this will not result in any waiver of any rights by the Bank in terms of this Agreement or relieve the Borrower of its obligations to comply with the provisions of this Agreement.

10. EARLY SETTLEMENT

In the event of an early repayment as contemplated in clause 9.1.1 and 9.1.2. above, the Borrower will fully compensate the Bank for the costs, expenses, liabilities or losses incurred or suffered in connection with, or following the modification, breaking, or unwinding, or funding from other sources, or any arrangement which the Bank may have made for investing any repayments of the Loan Facility and/or hedging the Loan Facility for the Term.

11. CONDITIONS PRECEDENT

11.1 The Borrower shall only be entitled to drawdown the Loan Facility if all of the following conditions precedent are fulfilled or waived by the Bank, which conditions precedent shall be fulfilled or waived by no later than close of business on the 90th (ninetieth) day after the Signature Date:

- 11.1.1 that the Borrower has undergone the Bank's Know Your Customer (KYC) process pursuant to the provisions of FICA;
- 11.1.2 that the Bank is provided with a copy of this Agreement signed by the accounting officer of the Borrower, accepting the terms and conditions stipulated herein, in accordance with section 46(2)(b) of the MFMA;
- 11.1.3 that the Bank has been provided with the certified copy of the resolution of the Municipal Council, signed by the Mayor, approving the Loan Facility and the agreement(s) relating thereto, in accordance with section 46(2)(a) of the MFMA
- 11.1.4 that the Borrower has provided the Bank with a written disclosure, in form and substance acceptable to the Bank, that the purpose of the Loan Facility is to fund capital expenditure on property, plant or equipment as contemplated in section 46(1)(a) of the MFMA;
- 11.1.5 that the Borrower has provided the Bank with a certified copy of the information statement, in form and substance acceptable to the Bank, signed by the Mayor, prepared in terms of section 46(3) of the MFMA in respect of the Loan Facility;
- 11.1.6 that the Borrower has provided the Bank with a letter of award, in form and substance acceptable to the Bank, in favour of the Bank, in terms of which the Borrower informs the Bank that it has been successful in bidding to provide the Loan Facility;

Financial

- 11.1.7 that the Borrower has provided the Bank with the:
 - 11.1.7.1 approved annual budget;
 - 11.1.7.2 integrated development plan or multi-year business plan referred to in section 87(5)(d) of the MFMA, if applicable;
 - 11.1.7.3 repayment schedules pertaining to its existing short-term and long-term debt;
 - 11.1.7.4 the audit report prepared by the Auditor General in terms of section 126(3) of the MFMA in respect of the 2020/2021 financial statements;
- 11.1.8 if applicable, that the Borrower has provided the Bank with a copy of the adjustments budget tabled in terms of the MFMA and that the Bank is satisfied as to the manner in which the Loan Facility has been dealt with in such adjustment budget;
- 11.1.9 that the Borrower has provided the Bank with written confirmation (in a form and substance acceptable to the Bank) from the Accounting Officer or any other duly authorised representative of the Borrower confirming:
 - 11.1.9.1 that the Borrower is not in breach of any material contracts to which the Borrower is a party; and
 - 11.1.9.2 the absence of any material pending (which has a reasonable prospect of occurring) industrial action; litigation, investigation or proceeding against the Borrower; and
 - 11.1.9.3 that there has been no material deterioration in the financial position of the Borrower between the date of acceptance of this Agreement and the date of the first drawdown under the Loan Facility;
- 11.1.10 that, in the Bank's opinion, there has been no material deterioration in the financial position of the Borrower between the Signature Date and the date of first drawdown of the Loan Facility by the Borrower;

Other

- 11.1.11 that the Bank has been provided with written confirmation signed by the accounting officer of the Borrower in a form and substance acceptable to the Bank, confirming that the Borrower has, in relation to the Loan Facility:-
 - 11.1.11.1 obtained all authorisations (including exemptions, approvals, consents) and no steps have been taken to revoke, adversely modify or cancel any such authorisations and the authorisations are not subject to any conditions which the Borrower does not expect to be satisfied; and
 - 11.1.11.2 complied with all laws or regulations applicable to it, including but not limited to the provisions of the MFMA and the Preferential Procurement Policy Framework Act 5 of 2000, including all schedules and regulations thereto, as amended from time to time.

- 11.2 The above conditions precedent are inserted for the benefit of the Bank, which may in writing on or before the dates for fulfilment of the conditions set out in clause 11.1, extend the period for fulfilment or waive any of the said conditions precedent in its sole discretion. Unless and until the above conditions precedent are either waived or fulfilled, the Borrower shall not be entitled to drawdown the Limit.
- 11.3 Notwithstanding any provision to the contrary, if the Bank, in the erroneous belief that all the conditions precedent have been fulfilled or waived (as the case may be), makes any advances or any portion of the Limit (Advanced Amount) available to the Borrower and if it subsequently transpires that any one (or more) of the conditions precedent has in fact not been fulfilled or waived (as the case may be):
- 11.3.1 the terms and conditions of this Agreement shall apply in respect of the amount of the Advanced Amount (subject to clauses 11.3.2 and 11.3.3);
- 11.3.2 the Bank shall be entitled to declare the amount of the Advanced Amount to be immediately due and payable by the Borrower to the Bank; and
- 11.3.3 the Bank shall not be obliged to make any further advances to the Borrower.

12. ONGOING CONDITIONS AND FINANCIAL COVENANTS

12.1 Financial covenants

The Borrower undertakes that during the Term it shall maintain the following financial covenants the breach of which shall constitute an event of default, based on the financial information in the most recent management accounts and/or draft financial statements and/or audited financial statements (as the case may be): The financial covenants will also be measured on a rolling annual basis, for the periods ending on the last day of June each year as opposed to each financial year or part thereof:

- 12.1.1 **Debt to Revenue Ratio** to be maintained at a level that is less than or equal to 50% (fifty percent) of revenue. For purposes of this clause "**Revenue**" includes billings and all other income and grants received by or accruing to the Borrower and "**Debt**" shall mean the aggregate of moneys borrowed (both long and short term).
- 12.1.2 **Billings to Collections** rate to be maintained at a level that is greater than or equal to 90% (ninety percent). For purposes of this clause, "**Collections**" shall mean the amount received by the Borrower from its debtors and "**Billings**" shall mean the aggregate amount in respect of accounts rendered by the Borrower for assessment rates, services and consumption charges and other regulated municipal imposts and levies.
- 12.1.3 **Interest paid to total costs** to be maintained at a level that is less than or equal to 7.5% (seven point five percent) of total expenditure.
- 12.1.4 **Debt Service Cover Ratio** to be maintained at a level that is greater than or equal to 1 (one) times, calculated as the sum of net cash from operating activities plus finance charges incurred, less capital grant funding received to cover the sum of capital redemption and interest paid on interest bearing debt as reflected in the cash flow statement.

12.2 Compliance certificate

The Borrower undertakes that during the Term it shall provide the Bank with a certificate signed by the accounting officer of the Borrower (in the format as agreed between the Parties from time to time) stipulating that the Borrower has complied with the financial covenants applicable in terms of this Agreement and the calculations used by the Borrower in calculating same, by no later than 60 (sixty) Business Days from the end of the financial year to which it relates.

12.3 Signing Authorities

In the event of there being any variation in the signing authorities during the Term, the Borrower is then to furnish the Bank with written resolution and amended mandate instructions timeously.

12.4 Management Accounts

The Borrower undertakes that during the Term it shall provide the Bank with the management accounts of the Borrower (in the format as agreed between the Parties from time to time) by no later than 15 (fifteen) Business Days after the end of the Calendar Month to which they relate and which management accounts shall not differ materially from the signed financial statements (prepared in compliance with the relevant Financial Reporting Standard) of the Borrower for the particular year.

12.5 Financial Statements

12.5.1 The Borrower shall furnish the Bank with signed copies of the audited annual financial statements of the Borrower annually within a period of 180 (one hundred and eighty) days from the date that they are due in terms of the MFMA together with any other information as the Bank may reasonably require.

12.5.2 The draft audited annual financial statements submitted to the Bank shall not differ materially from the signed audited annual financial statements in respect of the previous financial year.

12.6 Notification of event of default

The Borrower hereby undertakes to the Bank that it will advise the Bank immediately on becoming aware of the occurrence of an event of default or of any circumstances that could potentially result in an event of default as contemplated in clause 14.

12.7 Reporting Requirements

While the Loan Facility remains available or any amount or commitment remains outstanding to the Bank the following conditions shall apply, the Borrower shall:

12.7.1 provide the Bank with information relating to its draft budgets, approved budgets, adjustment budgets as well as a copy of the quarterly reports required in terms of the MFMA within 5 (five) days of such information being due in terms of the MFMA for a particular period;

12.7.2 inform the Bank, as soon as possible after identification of any financial problems facing the Borrower, including any emerging or impending financial problems in terms of the provisions of section 54 of the MFMA that could reasonably be expected to affect the Borrower's ability to repay any amounts outstanding under the Loan Facility; and

12.7.3 provide the Bank with confirmation, if requested by the Bank, in form and substance acceptable to the Bank, that it submits to its mayor and the Provincial Treasury the monthly reports required in terms of section 71 of the MFMA within 10 (ten) days after the month to which they relate.

12.8 Annual Review

12.8.1 The Loan Facility is subject to annual review by the Bank, with the first annual review falling due by 30 June 2023 and annually thereafter in light of the following information:

12.8.1.1 annual audit report required in terms of the MFMA;

12.8.1.2 audited annual financial statements;

12.8.1.3 approved annual budget;

12.8.1.4 annual revised integrated development plan; and

12.8.1.5 repayment schedules pertaining to the Borrower's existing short-term and long-term debt.

12.8.2 The above information must be given to the Bank before the review date. In the event of a delay in receipt of this information, the Bank may reduce or restructure the Loan Facility until such time as such required information has been received and the review undertaken.

12.8.3 Without limitation to the Bank's other rights under this Agreement, the Bank reserves the right to reassess and to renegotiate the Loan Facility in the event of there being any change in the:

12.8.3.1 management and/or legislated governance of the local authority;

12.8.3.2 overall structure of the local authority;

12.8.3.3 structure of revenue streams; or

12.8.3.4 any deterioration in the Borrower's financial position; or

12.8.3.5 an existing or pending material (which has a reasonable prospect of occurring) industrial action, litigation, investigation or proceeding against the Borrower.

13. EVENTS OF DEFAULT

13.1 An event of default will occur if:

13.1.1 the Borrower fails to pay any sum due and payable by it to the Bank in terms of this Agreement;

13.1.2 the Borrower commits a breach of any of the other terms and conditions of this Agreement, and such breach is not remedied within a period of 14 (fourteen) days of written notice having been given to the Borrower to do so;

- 13.1.3 the Borrower or any Collateral Provider commits a breach of any of the terms and conditions of any Collateral and such breach is not remedied within a period of 14 (fourteen) days' of written notice having been given to the Borrower to do so;
- 13.1.4 the Borrower ceases to carry on its business in a normal and regular manner;
- 13.1.5 the Borrower defaults in the due payment of any amount falling due for payment under any suretyship or guarantee to which it is a party;
- 13.1.6 the Borrower suffers any default judgment against it which remains unsatisfied for 21 (twenty one) days, or is refused a rescission of any default judgment;
- 13.1.7 the Borrower permits any of its assets to be attached under a warrant of execution which is not set aside within a period of 21 (twenty one) days after service thereof on the Borrower;
- 13.1.8 the Borrower defaults in the due and punctual performance under any other agreement including but not limited to any other agreement concluded between the Borrower and a third party or any other loan/credit facility between the Borrower and the Bank and (if such default is capable of being remedied) same has not been remedied to the satisfaction of the Bank within 14 (fourteen) days' from the date of any written notice given by the Bank to the Borrower to remedy the default;
- 13.1.9 the Borrower meets the conditions of a mandatory provincial intervention (as contemplated in section 139 and 140 of the MFMA);
- 13.1.10 any representation, or warranty or undertaking made either in respect of the Borrower or in connection with this Agreement or in any documents delivered under this Agreement, is not complied with or is materially incorrect in any respect;
- 13.1.11 the Borrower's auditors in any financial statements of the Borrower published after the date of the last set of financial statements furnished to the Bank or if none have been so furnished, after the Signature Date, materially qualifies that annual statement in any respect, or inserts a note in the supporting documents to that financial statement relating to any material irregularity;
- 13.1.12 there is a material deterioration in the Borrower's financial position;
- 13.1.13 the whole or any part of the Collateral furnished is judicially attached, or becomes subject to any lien, hypothec or other encumbrance without the Bank's prior written consent;
- 13.1.14 the Borrower is unable to pay its debts, suspends or threatens to suspend payment of all or a material part of (or of a particular type of) its indebtedness to any other creditors, commences negotiations or takes any other step with the view to the deferral, rescheduling or other re-adjustment of all of (or all of a particular type of) its indebtedness to creditors (or of any part of such indebtedness which it will or might otherwise be unable to pay when due), proposes or makes a general assignment or an arrangement or composition with or for the benefit of its creditors or a moratorium is agreed or declared in respect of or affecting all or a part of the indebtedness of the Borrower;
- 13.1.15 if the Loan Facility and/or charges related to or associated with the Loan Facility is not budgeted for in the Borrower's budget in any particular year;
- 13.1.16 if the Borrower becomes aware of any over expenditure or potential over expenditure in respect of its budget or adjustments budget;
- 13.1.17 if the payment of all amounts under the Loan Facility/and or charges is not retrospectively approved by means of an adjustments budget within the prescribed time period in terms of the MFMA; or
- 13.1.18 if there is at any time a change in the demarcation of the area falling within the jurisdiction of the Borrower as at the Signature Date;
- 13.1.19 if at any time after the Signature Date there is any change in (including but not limited to repeal of legislation) or addition to, the legislation to which the Borrower is subject and which in the reasonable opinion of the Bank could be expected to adversely affect the ability of the Borrower to comply with any of its obligations hereunder;
- 13.1.20 if the Borrower defaults in the due payment or due performance of any amount payable or obligation to be performed under any agreement, which amount or which obligation the Bank considers to be material in its reasonable opinion;
- 13.1.21 if any material indebtedness or obligation for monies borrowed constituting indebtedness of the Borrower shall become due and payable prior to its specified maturity by reason of default, or shall not be paid when due;

- 13.1.22 any Collateral Provider who may have provided additional Collateral for, the whole or part of the Indebtedness commits any act, or omits to do anything, referred to in this clause 13 or if any of the events referred to in this clause 13 occurs in respect of any such person, or in relation to that person's own affairs;
- 13.1.23 a Material Adverse Event occurs;
- 13.1.24 the Borrower generally does or omits to do anything which may cause the Bank to suffer any loss or damage;
- 13.1.25 the Borrower or any Collateral Provider becomes or is, in the opinion of the Bank, likely to become Sanctioned, or the Bank in any way knows or suspects that the Borrower's Loan Account (or any other bank accounts held with the Bank) is being used fraudulently, negligently, for illegal or terrorist activities, or for any purpose that does not comply with the law or the Borrower is involved in any illegal or terrorist activities.
- 13.2 The Bank, may without prejudice to any other rights hereunder or at law, at any time after the happening of an event of default, by written notice to the Borrower:
- 13.2.1 decline any request by the Borrower to drawdown any further monies under the Limit and cancel the Limit forthwith;
- 13.2.2 require immediate repayment all the Indebtedness, which Indebtedness shall become immediately become due, owing and payable;
- 13.2.3 require immediate payment of all "breakage costs" being all costs, charges, expenses, losses or reduced receipts which the Bank may have sustained or incurred in relation to the termination or modification of any arrangements the Bank may have made on account of or in respect of funds borrowed, contracted for or utilized to fund any amount payable or advanced under the Loan Facility; or
- 13.2.4 increase the rate of interest charged.
- 13.3 The Bank's rights under this clause shall not be exhaustive but shall be in addition to and without prejudice to any other rights which it may have under this Agreement or the law.
- 13.4 If any of the events specified in clause 13.1 (other than in clause 13.1.2 become applicable in respect of any Collateral Provider (and for such purpose, a reference to "Borrower" in clause 13 shall be read and construed as a reference to such person), then, on the occurrence of such event, an event of default shall be deemed to have taken place for the purposes of this Agreement thereby entitling the Bank to avail itself of the remedies specified in clause 13.2.
- 13.5 **Penalty Interest**
- At any time after the occurrence of an event of default set out in clause 13.1 above or otherwise as contemplated in this Agreement, the Bank shall be entitled, but not be obliged, in respect of any amount falling due or payable to the Bank, to increase the interest rate in clause 7.1 by a rate of 2.5% (two point five percent) per annum on such overdue amount (compounded monthly from the due date to the date of payment to the Bank), without prejudice to any rights which the Bank may otherwise have as a result of that event of default.

14. REPRESENTATIONS AND WARRANTIES AND UNDERTAKINGS

The Borrower represents and warrants to the Bank that as at the Signature Date and for the Term, that:

- 14.1 it is a Municipality duly constituted and existing under the laws of South Africa;
- 14.2 it has full power to enter into and perform in terms of this Agreement and has taken all necessary corporate, regulatory and other actions to authorise the borrowings hereunder;
- 14.3 the execution, delivery and performance of any agreements applicable to the Loan Facility do not violate any law, including the MFMA;
- 14.4 it has complied with all the provisions of the MFMA in relation to the Loan Facility and undertakes that it will continue to do so for the currency of the Loan Facility;
- 14.5 it has disclosed all guarantees, suretyships and other off-balance sheet items to the Bank;
- 14.6 its annual budget as well as its approved annual budget contains all of the information referred to in section 17 of the MFMA;
- 14.7 there are no circumstances resulting in a Material Adverse Event, and in the reasonably exercised opinion of the Borrower no such circumstances are likely to arise;
- 14.8 it is not in breach of any law applicable to it, nor in breach of any material contract by which it is bound, or to which it is a party, and in its reasonably exercised opinion, no such breach is likely to occur or arise;

- 14.9 the terms of this Agreement do not conflict with and do not constitute a breach of the terms of any other agreement or undertaking or act or legislation that is binding on the Borrower;
- 14.10 there is no material industrial action or litigation or similar proceedings, to the knowledge of the Borrower, presently pending or threatened which would result in a Material Adverse Event;
- 14.11 no event of default specified in clause 13.1 has occurred and is continuing;
- 14.12 the Loan Facility and the charges associated with the Loan Facility have been provided for in an approved budget, which has been properly approved in terms of the MFMA and that payment of the amount of the Loan Facility and any charges associated with the Loan Facility will not result in the total amount of the budget being exceeded. These requirements will be met in future as well;
- 14.13 it will not utilise savings with regards to an unrelated expenditure in a budget to defray any excess expenditure that may be required for satisfying a claim under a loan agreement;
- 14.14 its acceptance in terms of the Loan Facility has been duly authorised and to the best of its knowledge and belief does not contravene any law or any contractual obligation binding upon it;
- 14.15 the terms and conditions applicable to any loans provided by any other long term funders, are not, and shall not, be more favourable than the terms and conditions applicable to the Loan Facility;
- 14.16 the Loan Facility shall be used solely for the purposes set out in clause 6;
- 14.17 all information supplied or to be supplied to the Bank by the Borrower concerning the Borrower's business as contained in the Borrower's balance sheets, trading and profit and loss accounts, cash flows and other financial statements or accounts, is true and correct in all material respects and will in future be true and correct in all material respects;
- 14.18 the Borrower has, in relation to the conduct of its business, obtained and complied with all the necessary consents, registrations, filings, certificates, licences, approvals, permits and insurances;
- 14.19 there has been no material deterioration in the financial position of the Borrower;
- 14.20 this Agreement constitutes legal, valid, binding and enforceable obligations of the Borrower;
- 14.21 it is in full compliance with all applicable laws, regulations and practices relating to the protection of the environment applicable to in it each jurisdiction in which the Borrower conducts business (its "Environmental Responsibility") and hereby undertakes to continue to do so for so long as the Borrower is indebted to or owes any obligations to the Bank under or in terms of this Agreement;
- 14.22 that it is not aware of any circumstances which may prevent full compliance with its Environmental Responsibility in future;
- 14.23 it will ensure that the Collateral Providers, at all times comply with all legislation and other laws, including anti-money laundering and combating the financing of terrorism regulations;
- 14.24 neither the Borrower nor any of the Collateral Providers are subject to any law prohibiting the borrowing of funds or ownership of the property by non-resident individuals or limiting the borrowing of funds by companies and other entities in which non-residents have a 75% (seventy five percent) or greater interest or, if such law does apply, that the Borrower shall deliver to the Bank before the first advance written evidence to the Bank's satisfaction of the written permission of the exchange control authorities entitling the Borrower to obtain the Loan Facility;
- 14.25 it will not use (or otherwise make available) the proceeds of the Loan Facility for the purposes of financing, directly or indirectly, the activities of any person or entity which is Sanctioned or in a country which is subject to any Sanctions;
- 14.26 it will not contribute or otherwise make available, directly or indirectly, the proceeds of the Loan Facility to any other person or entity if such party uses or intends to use such proceeds for the purpose of financing the activities of any person or entity which is subject to any Sanctions;
- 14.27 it is not involved in any illegal or terrorist activities; and
- 14.28 none of the bank accounts held by the Borrower with the Bank are being used fraudulently, negligently, for illegal or terrorist activities, or for any purpose that does not comply with any law.

15. INDEMNITIES

- 15.1 The Borrower hereby indemnifies the Bank against any loss, damage, claims, costs, charges, expenses or any other liability, which may arise (because of this or any other banking facility or the Bank having an interest in the Borrower's assets) in respect of a breach of, or a failure, by the Borrower to meet its Environmental Responsibility.

- 15.2 The Borrower hereby indemnifies and holds the Bank harmless against any actions, proceedings, claims or demands that may be brought against the Bank and all losses, damages, costs, charges and expenses which the Bank may incur or sustain, in connection with or arising out of:
- 15.2.1 the seizure, blocking or withholding of any funds by any Sanctioning Body; and
- 15.2.2 the breach of any warranties as set out in clause 14.
- 15.3 The Borrower shall be bound by all instructions transmitted by it to the Bank by facsimile transceiver or by means of an e-mail message, and hereby waives any rights it may have or obtain against the Bank arising directly or indirectly from any losses or damages which the Borrower may suffer as a result of the Bank acting on any purported faxed or e-mailed instruction. The Borrower further indemnifies the Bank in respect of any claims, demands or actions made against the Bank or losses or damages suffered by the Bank as a result of the Bank acting on the said faxed or e-mailed instruction.

16. CHANGE(S) IN CIRCUMSTANCES

- 16.1 If at any time or times during the Term there is:
- 16.1.1 any change in or introduction of any law, regulation, ruling, directive, policy, requirement, request or guidelines (whether or not having the force of law) or any other similar event with which the Bank or any of its divisions is obliged to comply or which is in accordance with the practice of a responsible banker, or any interpretation or administration thereof,
- without derogating from the generality of the foregoing:
- 16.1.2 any change in banking practice, as it affects or is applied generally by any financial institution in South Africa;
- 16.1.3 a requirement or a request by any authority, to pay taxes or other amounts whatsoever or to maintain special deposits or reserve assets;
- 16.1.4 any compliance by the Bank with any reserve, cash ratio, special deposit or liquidity requirements (or any other similar requirements) in respect of the Loan Facility;
- 16.1.5 any compliance with or application of (whether mandatory or not) any capital adequacy or similar requirements, including but not limited to the provisions of the International Convergence of Capital Measurement and Capital Standards (a revised framework) (i.e. BASEL II) or any other standards or guidelines published by the Basel Committee on Banking Supervision (including BASEL III) by the Bank or any of its divisions, or any interpretation or administration thereof, results in any increase in the Bank's costs in providing the Loan Facility to the Borrower;
- 16.1.6 any change to any present or future law, ruling or regulation;
- 16.1.7 any change in the interpretation or administration of any law, ruling or regulation by any relevant monetary or fiscal authority;
- 16.1.8 any amendment to the Banks Act, 94 of 1990; or
- 16.1.9 any compliance by the Bank with any directive or request, whether or not having the force of law, from any monetary or fiscal authority;

which would or does:

- 16.1.10 subject the Bank to any taxes, duties, or other charges in respect of the Loan Facility or change the basis of taxation of the Bank in respect of payments of principal or interest/fees payable to the Bank (except for changes in the rate of taxation on the overall net income of the Bank);
- 16.1.11 impose, modify or deem applicable any reserve, special deposit or similar requirement against assets of, deposits with or for the account of, or credit extended by the Bank; or
- 16.1.12 impose on the Bank any other obligation or condition affecting the Loan Facility or its commitment in terms of this Agreement,

and the result of any of the above is to increase the cost to the Bank of making any advance or maintaining the Loan Facility or to reduce any amount or amounts received or receivable or loanable by the Bank hereunder by a material sum, then the Borrower shall pay to the Bank on demand and while such circumstances continue, such fee as the Bank may impose or such additional amount or amounts which will compensate the Bank for such additional cost or reduced receipts.

- 16.2 The Bank shall give the Borrower 30 (thirty) days' written notice of all amounts payable in terms of clause 16.1. A certificate signed by any manager or divisional head of the Bank (whose appointment it shall not be necessary

to prove) as to such additional amount/s shall be prima facie proof for all purposes in the absence of manifest error.

- 16.3 If the Borrower is required to pay additional amount/s to the Bank pursuant to clause 16.1, it shall be entitled to prepay any amounts owed in terms hereof without penalty, or to forthwith cancel any unutilised portion of the Loan Facility by giving the Bank 30 (thirty) days' written notice thereof.
- 16.4 Without detracting from any other rights that the Bank may have, the Borrower furthermore acknowledges that the Bank has approved and is providing the Loan Facility based on the present circumstances of the Borrower and the industry and environment within which it operates. The Borrower understands and agrees that certain circumstances, including but not limited to those circumstances set out in clause 16.1.1, may rise that would have the effect of materially altering the basis on which said Loan Facility was/is given. Should any event or series of events accordingly occur which, in the reasonable opinion of the Bank have or may be expected to have an adverse effect on the ability of the Borrower to comply with its obligations hereunder the Bank shall, by giving reasonable written notice, have the right to change the terms of the Loan Facility with the Borrower. Should the new terms on which the Bank is prepared to continue to make the Loan Facility available not be acceptable to the Borrower, all outstanding amounts will, without further notice, immediately become due and payable and the Borrower, or any other entities indebted in terms of the Loan Facility will immediately effect payment of such outstanding amounts.

17. CERTIFICATE OF INDEBTEDNESS

A certificate signed by any manager or business unit head of the Bank (whose authority, qualification or appointment need not be proved) setting out the amount of any Indebtedness of the Borrower to the Bank in terms hereof, the rates of interest and any other fact, shall, on its mere presentation, be sufficient proof, unless the contrary is proved, of the Indebtedness and of such other facts contained therein.

18. GENERAL TERMS

18.1 Matters requiring the Bank's consent

The Borrower may not without the Bank's prior written consent, which shall not be unreasonably withheld:

- 18.1.1 cease carrying on business;
- 18.1.2 change the nature of its business;
- 18.1.3 become surety, guarantor for or give any indemnity on behalf of any third party whomsoever or render itself liable in any way whatsoever for the debts or engagements of any other party, other than encumbrances as agreed to by the Bank;
- 18.1.4 pledge, cede, mortgage, hypothecate or otherwise encumber or further encumber any of its movable or immovable assets to secure any liability of any nature;
- 18.1.5 sell or otherwise dispose of or attempt to sell or dispose of any of its assets except in the ordinary course of its business;
- 18.1.6 incur any further borrowings, including but not limited to guarantees provided, other than permitted indebtedness as agreed to by the Bank. This restriction shall include off-balance sheet commitments;
- 18.1.7 advance credit to third parties other than in the ordinary course of business; and/or
- 18.1.8 make material changes to the accounting policies, standards or conventions of the Borrower or any Collateral Provider.

18.2 Legal Charges

- 18.2.1 Each Party shall bear its own costs and expenses of and incidental to the negotiation, preparation and completion of this Agreement.
- 18.2.2 All legal costs (on the attorney and own client scale), commissions or fees and other charges and expenses in connection with this Agreement including but not limited to all costs incurred by the Bank in the enforcement of any of its rights hereunder, the preparation of any documentation relating hereto, the registration and eventual cancellation of any bonds referred to herein, and the premiums on the insurance policies which may be ceded in security to the Bank, will be for the account of the Borrower and payable on demand.

18.3 Fees and Charges

- 18.3.1 The Bank may charge and recover fees and charges in respect of this Agreement.
- 18.3.2 All fees and charges will be debited to the account nominated by the Borrower for this purpose.

- 18.3.3 Where there is a change in the frequency or time for payment of a fee or charge, the Bank will give the Borrower written notice setting out the particulars of the change.
- 18.3.4 The Borrower must pay to the Bank all applicable fees and charges set out in this Agreement.
- 18.3.5 The Bank may charge and recover from the Borrower interest on and in respect of any unpaid fees and charges referred to in this Agreement.
- 18.3.6 The fees and charges applicable will be set out in the Bank's annual pricing schedule (amended from time to time) which will be issued to the Borrower or available on the Bank's website www.standardbank.co.za.
- 18.3.7 The Bank reserves the right to charge separate fees for any indulgences granted, or additional services provided by the Bank in connection with this Agreement. The Bank shall advise the Borrower in writing of these fees, as well as the payment terms associated therewith.

18.4 **Free of Deduction**

All amounts paid to the Bank under this Agreement shall be made free of deduction or set-off. Should the Borrower be compelled by law to withhold or deduct any taxes or other charges from any amounts payable to the Bank, the amounts payable to the Bank shall be increased to the extent necessary to ensure that the Bank receives the amounts payable, free of such withholding or deduction.

18.5 **Allocation of Payments**

The Bank will be entitled to allocate any payments received under this Agreement to any indebtedness of the Borrower to the Bank and the Borrower waives any rights it may have to name the debt in respect of which payment is made.

18.6 **Set-off and Realisation**

Should (i) the Bank demand repayment in accordance with clause 8, or (ii) the Borrower commits an event of default as set out in clause 13.1 or elsewhere in this Agreement and the Bank exercises its rights in terms of the provisions of clause 13.2, the Bank may in addition to any rights the Bank has and to the extent that it may be lawful:

- 18.6.1 set-off any credit balances held in any other account which the Borrower has with the Bank whether due and payable or not, against the Indebtedness; or
- 18.6.2 realise any Collateral held by the Bank and use the proceeds in payment of the Indebtedness, on written notice to the Borrower.

18.7 **Collateral**

On the incurrence of an event of default in clause 13.1 or elsewhere in this Agreement, or if the value of any Collateral held by the Bank to secure the Indebtedness is no longer adequate, or if in the opinion of the Bank the Borrower's account conduct increases the Bank's risk regarding the Indebtedness or any other amount owing to the Bank by the Borrower in terms of any other agreement, the Bank shall have the right to:

- 18.7.1 request the Borrower to provide the Bank with additional Collateral to secure repayment of the Indebtedness;
- 18.7.2 reduce the Limit;
- 18.7.3 require repayment of all or some of the Loan Facility; and/or
- 18.7.4 increase the interest rate in accordance with the provisions of clause 13.5.

18.8 **Renunciation of benefits**

The Borrower hereby renounces the benefits of the following legal defences to any claim brought by the Bank:

- 18.8.1 the Borrower has received no value for its obligations to the Bank;
- 18.8.2 no money has been paid to the Borrower;
- 18.8.3 there is no underlying cause for the Borrower's obligation to the Bank; and
- 18.8.4 the Bank made an error in calculating the Indebtedness. The Bank will revise its accounts in respect of the Indebtedness if they are incorrect.

18.9 **Whole Agreement, Variation of Terms**

- 18.9.1 This Agreement by the Borrower and the Bank shall constitute the whole agreement between the Bank and the Borrower relating to the subject matter hereof.

18.9.2 No addition to, variation, or amendment, or consensual cancellation of any of the terms contained in this Agreement, shall be of any force or effect unless it is recorded in writing and is signed on behalf of the Bank by one of its authorised officials and accepted by the Borrower. This requirement will only be satisfied if such amendment or variation is made in a written, paper based form. The provisions of the Electronic Communications and Transactions Act, 25 of 2002 do not apply to this clause.

18.10 Illegality

If at any time after the Signature Date it is or becomes unlawful in any jurisdiction, or contrary to any lawful and binding request from or requirement of the South African Reserve Bank or other South African governmental department or authority, for the Bank to perform any of its obligations under this Agreement, then the Bank shall promptly after becoming aware of the same notify the Borrower by way of a certificate signed by any manager or divisional head of the Bank (whose authority, qualification or appointment need not be proved) and the Borrower shall repay any and all amounts due under this Agreement as required by law.

18.11 No Indulgence

18.11.1 No indulgence shown or extension of time given by the Bank shall operate as an estoppel against the Bank or waiver of any of the Bank's rights unless recorded in writing and signed by the Bank.

18.11.2 The Bank shall not be bound by any express or implied term, representation, warranty, promise or the like not recorded herein, whether it induced the conclusion of any agreement created by acceptance of the Loan Facility or whether it was negligent or not.

18.12 Good Faith

The Parties undertake at all times to do all such reasonable things, perform all such reasonable actions and take all such reasonable steps open to them and necessary for or incidental to the putting into effect or maintenance of the terms, conditions or import of this Agreement, provided that nothing herein shall prevent the Bank from exercising its rights under the Agreement in the event of the occurrence of an event of default.

18.13 Severability

Each provision of this Agreement is severable, the one from the other and, if at any time any provision is or becomes or is found to be illegal, invalid, defective or unenforceable for any reason by any competent court, the remaining provisions shall be of full force and effect and shall continue to be of full force and effect.

18.14 Governing Law

The terms of this Agreement shall be governed by and interpreted in accordance with the laws of South Africa.

18.15 Domicilium and Notices

18.15.1 The Parties choose as their *domicilium citandi et executandi* (address for the purpose of legal proceedings) their respective addresses set out below, at which addresses all processes and legal notices arising out of or in connection with this Agreement, its breach or termination may validly be served on or delivered to the Parties:

18.15.1.1 as regards the Bank:

Attention: Group Governance / Legal

Standard Bank Centre,

9th Floor, Reception 1, 5 Simmonds Street, Johannesburg, 2001

With a copy to be sent to:

Attention: Head Public Sector Business Banking : Timothy Matlala

7th Floor West Wing, 30 Baker Street, Rosebank, 2196

Telephone Number: 011 721 7389; and

18.15.1.2 as regards the Borrower:

Attention: Municipal Manager : Me G Mettler

Stellenbosch Municipality, Plein Street, Stellenbosch, 7599

Telephone Number: 021 808 8025,

or at such other physical address, not being a post office box or *poste restante*, of which the Party concerned may notify the other Party in writing.

- 18.15.2 Any other written notices in connection with this Agreement shall be addressed as follows:
- 18.15.2.1 as regards the Bank:
at the address set out in clause 18.15.1.1
Email address: Timothy.Matlala@standardbank.co.za; and
- 18.15.2.2 as regards the Borrower:
at the address set out in clause 18.15.1.2
Email address: municipal.manager@ Stellenbosch.gov.za
- or at such other address of which the Party concerned may notify the other in writing.
- 18.15.3 Any notice given in terms of this Agreement shall be in writing and shall:
- 18.15.3.1 if delivered by hand be deemed to have been duly received by the addressee on the date of delivery;
- 18.15.3.2 if delivered by a recognised international courier service, be deemed to have been received by the addressee on the first business day following the date of such delivery by the courier service concerned;
- 18.15.3.3 if posted by prepaid registered post will be deemed to have been received by the addressee on the 8th (eighth) Business Day following the date of such posting; and
- 18.15.3.4 if sent electronically, shall be deemed to have been received on the first Business Day following the successful transmission thereof as evidenced by the electronic confirmation of receipt (unless the contrary is proven). It is recorded, for the avoidance of doubt, that a legal notice sent by a Party shall not be regarded as valid legal notice, if sent electronically in terms of this clause 18.15.
- 18.15.4 Notwithstanding anything to the contrary contained in this Agreement, a written notice or communication actually received by a Party at its chosen address set out above, shall be an adequate written notice of communication to such Party.
- 18.15.5 Where the post office does not effect street deliveries at the Borrower's Notice Address, the Bank may send any notices in terms of this Agreement to the Borrower's post office box number.

18.16 Counterparts

This Agreement may be signed by the signatories hereto in counterparts and each signed copy shall together constitute one document.

18.17 Cession

- 18.17.1 The Borrower shall not be entitled to cede or assign its rights or obligations in terms of this Agreement to any party.
- 18.17.2 The Bank shall, on written notification to the Borrower, be entitled at any time to cede any or all of its rights or delegate any or all of its obligations under or in terms of this Agreement to any party.
- 18.17.3 To the extent that any cession, assignment or transfer by the Bank of its rights or obligations under or in terms of this Agreement to any party results (whether directly or indirectly) in a splitting of claims against the Borrower, the Borrower hereby irrevocably and unconditionally consents to such splitting of claims.
- 18.17.4 On cession, assignment or transfer in accordance with the provisions of clause 18.17.2 and without limitation to clause 18.18 the Bank shall be entitled to divulge and disclose such information or documents relating to the Borrower or any of its subsidiaries, which would otherwise be deemed to be confidential, to the cessionary, assignee or transferee as the Bank may deem necessary.

18.18 Data protection

- 18.18.1 The Borrower consents to the Bank collecting its Personal Information from the Borrower and where lawful and reasonable, from public sources for credit, fraud and compliance purposes as well as and the purposes set out below.
- 18.18.2 If the Borrower gives the Bank Personal Information about or on behalf of another person (including, but not limited to, account signatories, shareholders, principal executive officers, trustees and beneficiaries), the Borrower confirms that it is authorised to: (a) give the Bank the Personal Information; (b) consent on their behalf to the Processing of their Personal Information, specifically any cross-border transfer of Personal Information into and outside the country where the products or services are provided; and (c) receive any privacy notices on their behalf.

- 18.18.3 The Borrower consents to the Bank Processing its Personal Information:
- 18.18.3.1 to provide products and services to the Borrower in terms of this Agreement and any other products and services for which the Borrower may apply;
- 18.18.3.2 to carry out statistical and other analyses to identify potential markets and trends, evaluate and improve our business (this includes improving existing and developing new products and services);
- 18.18.3.3 in countries outside the country where the products or services are provided. These countries may not have the same data protection laws as the country where the products or services are provided. Where the Bank can, the Bank will ask the receiving party to agree to the Bank's privacy policies;
- 18.18.3.4 by sharing the Borrower's Personal Information with the Bank's third-party service providers, and insurers, locally and outside the country where the products or services are provided. The Bank asks people who provide services to the Bank, including its insurers, to agree to the Bank's privacy policies if they need access to any Personal Information to carry out their obligations;
- 18.18.3.5 within the Group.
- 18.18.4 The Borrower consents to the Bank disclosing its Personal Information to Collateral Providers.
- 18.18.5 The Borrower will find the Bank's Processing practices in the Group and the Bank's privacy statements. These statements are available on the Group's websites or on request.
- 18.18.6 If the Borrower is unsure about its tax or legal position because the Borrower's Personal Information is Processed in countries other than where the Borrower lives or conducts business, the Borrower should get independent advice.
- 18.19 **Recordal of Conversations**
- The Borrower agrees that the Bank may record telephone conversations with the Borrower's representative for the purpose of creating a record of the Borrower's instructions or requests given telephonically by the Borrower to the Bank.
- 18.20 **Independent Advice**
- 18.20.1 The Borrower acknowledges and agrees that it has not relied in any way on any information or advice given by the Bank in preparation, negotiation or implementation of this Agreement and that it has taken all reasonable actions to satisfy itself as to the consequences of entering into this Agreement.
- 18.20.2 The Borrower further acknowledges that:
- 18.20.2.1 the Bank does not provide any tax advice. The Borrower is responsible for any tax consequences associated with any account the Borrower has with the Bank;
- 18.20.2.2 it has been free to secure independent legal and other advice as to the nature and effect of all the provisions of this Agreement, and that it has taken such independent legal and other advice or dispensed with the necessity of doing so; and
- 18.20.2.3 all of the provisions of this Agreement, and the restrictions herein contained, are fair and reasonable in all the circumstances and are part of the overall intention of the Parties in connection with this Agreement.

SIGNED AT _____ ON THE _____ DAY OF _____ 2022

Signature

Full Names

Designation

For and on behalf of:
THE STANDARD BANK OF SOUTH AFRICA LIMITED
Who warrants his/her authority hereto

As witnesses:

1 _____ Full names: _____
ID number: _____

2 _____ Full names: _____
ID number: _____

SIGNED AT _____ ON THE _____ DAY OF _____ 2022

Signature

Full Names

Designation

For and on behalf of:
STELLENBOSCH MUNICIPALITY
Who warrants his/her authority hereto

As witnesses:

1 _____ Full names: _____
ID number: _____

2 _____ Full names: _____
ID number: _____

ANNEXURE A

NOTICE OF DRAWDOWN

TO BE TYPED ON THE BORROWER'S LETTERHEAD

Addressed to:

The Manager
The Standard Bank of South Africa Limited
Attention:

Date:

Dear Sir/Madam

Notice of drawdown

1. Stellenbosch Municipality (**Borrower**) hereby requests drawdown of R (..... Rand) (**Drawdown Amount**) under the loan facility on the 2nd (second) Business Day after the Business Day on which this drawdown notice is received by The Standard Bank of South Africa Limited (Registration number: 1962/000738/06), ("**Bank**") pursuant to the provisions of clause 6.1 of the Term Loan Agreement concluded between the Bank and the Borrower on _____.
2. Please credit the Drawdown Amount to the Borrower's current account number _____ held in the books of the Bank's _____ branch.

Yours sincerely

For: **STELLENBOSCH MUNICIPALITY**

Full name of signatory: _____

Capacity of signatory: _____

Date of authorising resolution: _____

APPENDIX 2

Annexure A

INFORMATION STATEMENT: RAISING OF EXTERNAL LOAN		
	In terms of Section 46(3) of the Local Government: Municipal Finance Management Act (Act 56 of 2003) read together with Section 21A of the Local Government Municipal Systems Act (Act 32 of 2000), the following information statement is made public.	
AMOUNT	R144 000 000	
PURPOSE	Stellenbosch Municipality has approved a budget on 26 May 2021 and made provision for incurring long-term debt to the amount of R144 000 000 for the funding of capital projects.	
	PROJECT NAME	IDP OBJECTIVE
	Expansion of the Landfill Site (New cells)	Green and Sustainable Valley
	Landfill Gas To Energy	Green and Sustainable Valley
	Transfer Station: Stellenbosch Planning and Design	Green and Sustainable Valley
	Alternative Energy	Green and Sustainable Valley
	Electricity Network: Pniel	Valley of Possibility
	General System Improvements - Franschhoek	Valley of Possibility
	General System Improvements - Stellenbosch	Valley of Possibility
	Infrastructure Improvement - Franschhoek	Valley of Possibility
	Jan Marais Upgrade: Remove Existing T x 1 and 2 and replace with 20 MVA units	Valley of Possibility
	Laterra Substations	Valley of Possibility
	System Control Centre & Upgrade Telemetry	Good Governance and Compliance
	Bulk Water Supply Klappmuts	Valley of Possibility
	Bulk Water Supply Pipeline & Reservoir: Jamestown	Valley of Possibility
	New Reservoir & Pipeline: Vlotenburg	Valley of Possibility
	New Reservoir Rosendal	Valley of Possibility
	New Reservoir and Dam Safety	Valley of Possibility
	Water Conservation & Demand Management	Valley of Possibility
	Waterpipe Replacement	Valley of Possibility
	Upgrade of WWTW Wemmershoek	Dignified Living
Upgrade of WWTW: Pniel & Decommissioning of Franschhoek	Dignified Living	
PROPOSED BORROWING DETAIL	REPAYMENT PERIOD	10 Years
	FINANCIAL INSTITUTION	The Standard Bank of South Africa
	TYPE OF INSTRUMENT	Long Term Loan
	AMOUNT OF PROPOSED DEBT	R144 000 000
	SECURITIES TO BE PROVIDED	None
	INTEREST RATE	9,69%
	- BASE RATE	7,90%
	- CREDIT MARGIN	1,14%
	INSTALMENTS	Six Monthly (Interest And Redemption)
	NUMBER SIX MONTHLY INSTALMENT	20 Payments
	ESTIMATED SIX MONTHLY INSTALMENTS	R10 965 158
	ESTIMATED INTEREST REPAYMENTS	R75 303 153
	ESTIMATED REDEMPTIONS REPAYMENTS	R144 000 000
ESTIMATED TOTAL REPAYMENTS	R219 303 153	
SCHEDULE OF CONSULTATION	Written comments or representations are invited from the public and can be lodged with the Municipal Manager on the 3rd Floor, Town House Complex, Plein Street, Stellenbosch on or before 09 June 2022. Enquiries in this regard can be directed to Adele Wagenaar at 021 808 8512 or Adele.Wagenaar@stellenbosch.gov.za	

APPENDIX 3



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

Private Bag X115, Pretoria, 0001 • 40 Church Square, PRETORIA, 0002 • Tel: +27 12 315 5111, Fax: +27 12 406 9055 • www.treasury.gov.za

Email: mfma@treasury.gov.za

The Municipal Manager
Stellenbosch Municipality
PO Box 17
STELLENBOSCH
7599

For attention: Ms. G Mettler

Fax: (021) 808-8026

Dear Madam

RE: NOTICE IN TERMS OF SECTION 46 OF THE LOCAL GOVERNMENT FINANCE MANAGEMENT ACT (NO. 56 OF 2003) FOR THE RAISING OF EXTERNAL LOANS FOR THE 2021/22 FINANCIAL YEAR – R144 MILLION

The letter dated 20 May 2022, requesting the National Treasury's comments, on the municipality's intention to incur long-term borrowing to fund capital projects, has reference.

We have noted the contents of the letter, including the supporting documents. Section 46(3)(a)(ii) of the MFMA requires a public participation process to be undertaken whenever a municipality decides to incur a long-term loan. We have noted the information statement and the public notice inviting comments from the public in this regard. We trust that the municipality will ensure that all comments received from the public, including the Western Cape Provincial Treasury will be addressed accordingly.

According to the municipality's approved 2021/22 annual budget, the municipality budgeted to borrow R144 million. However, we note that the municipality had reduced this amount in its adjustment budget to R143 537 000. Please ensure that this amount is not exceeded as it will be regarded as unauthorised.

The municipality's long-term debt will be at a 9,69% indicative interest rate, over a 10-year period. We trust that the municipality has ensured compliance with all the necessary SCM processes. Currently, the municipality's average maturity for its loans is around 10 years and given its healthy financial position, the term may be increased. The municipality should consider issuing longer tenor loans or possibly borrowing through issuance of municipal bonds.



We have noted the list of projects to be financed from the proceeds of the loan includes a Transfer Station, Stellenbosch planning and design. We encourage municipalities to borrow to fund revenue-generating assets. Consequently, the municipality should be strategic in identifying projects that will generate future revenue as this will assist in ensuring future financial sustainability.

We provide the following comments on the financial position and performance as observed during our analysis of the 2019/20 and 2020/21 audited group annual financial statements and the MTREF Budget.

Our analysis shows that the municipality's liquidity position weakened from a current ratio of 1.82 for 2019/20 to 1.49 for the 2020/21 financial year and is now slightly below the norm of 1.5:2.1. The cash coverage ratio for 2020/21 was 3 months and within the norm which ranges between 1 and 3 months. When the trends for both the current ratio and cash coverage ratio are considered, it indicates that the municipality has enough cash reserves to cover its fixed monthly operational expenditure in the event where collections were to drop significantly.

In terms of the working capital management, it takes the municipality 47 days to receive cash from consumers and 66 days to pay its creditors. These trends indicate that the municipality is unable to efficiently collect from consumers or pay its creditors within a period of 30 days. It is essential for the municipality to adequately manage its working capital and to put effective controls in place to ensure prompt payments.

The municipality's collection rate reduced from 99% in 2019/20 to 94% for the 2020/21 financial year and is now below the 95% norm. Furthermore, the increasing provisions for impairment of receivables from exchange transactions is signifying substantial debtor write-offs that would impact negatively on the municipality's cash flow position. It is imperative that the municipality continues to implement its revenue enhancement initiatives and enforce credit control policies to increase the debtor's collection rate to reduce the increasing debtors' balance.

When the proposed borrowing and the planned borrowing over the MTREF period is considered, the debt to revenue ratio is likely to increase from 22% in 2020/21 to 25% in 2021/22 and 28% in 2022/23. The capital cost to total operating expenditure ratio of 3% calculated for 2020/21 will increase to 4% in 2021/22 and 5% in 2022/23 and is below the norm of 6% to 8%.

The municipality shows a relatively low debt to revenue ratio after taking into consideration the current loan being taken and the budgeted borrowing over the MTREF, coupled with sound financial



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

management practices and a steady stream of revenues from rates and service charges which results in a healthy repayment capacity to settle its debts when due.

The municipality is in a good position to tap into other sources of financing to invest in long-term infrastructure to support its growing economy.

We trust that you will be guided accordingly.

Yours sincerely

Karen Maree
Acting Accountant-General
Date: 15 June 2022

Cc: Chief Financial Officer

Cc: MFMA Coordinator: Western Cape Provincial Treasury



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OFFICE OF THE MUNICIPAL MANAGER

Enquiries: Mrs. Monique Steyl
 Tel: 021 808 8516
 Email: Monique.steyl@stellenbosch.gov.za

17 June 2021

Karen Maree
 Acting Accountant - General
 MFMA Implementation
 National Treasury
 240 Madiba Street
 Pretoria
 0001

Dear Madam

RESPONSE PERTAINING TO COMMENTS MADE BY THE NATIONAL TREASURY ON THE RAISING OF THE EXTERNAL LOAN - R144 MILLION

This letter serves to provide a response on the areas highlighted in the letter dated 15 June 2022.

In terms of Section 46(3)(b) of the Local Government: Municipal Finance Management Act (MFMA), (No. 56 of 2003);

A municipality may incur long term debt only if the accounting officer of the municipality has, in accordance with section 21A of the Municipal Systems Act-

(i) at least 21 days prior to the meeting of the council at which approval for the debt is to be considered, made public an information statement setting out particulars of the proposed debt. Including the amount of the proposed debt, the purposes for which the debt is to be incurred and particulars of any security to be provided.

Stellenbosch Municipality has duly complied with S46(3)(b) of the Local Government: Municipal Finance Management Act (MFMA) as well as S21A of the Municipal Systems Act. Commentary was received from the office of the Western Cape Provincial Treasury on 9 June 2022 and a response was drafted on 15 June 2022.

The municipality initially indicated that the annual capital budget will be funded by borrowings to the amount of R144 000 000.00 for the 2021/22 financial year in the original budget. In the August roll-over adjustment budget, in terms of S28(2)(e) of the MFMA, the borrowing amount including the unspent borrowings of R8 861 625.00, increased to R152 861 625.00 and was approved by Council on 24 August 2021.

The R144 000 000.00 remained unchanged and the only effected change was the increase in relation to the unspent borrowings of R8 861 625.00.

Reference: PTR 16/1/11/1

Enquiries: Mr WS Alexander

The Municipal Manager
Stellenbosch Municipality
P.O. BOX 17
STELLENBOSCH
7599

For attention: MS G Mettler

WESTERN CAPE PROVINCIAL TREASURY COMMENT ON THE LONG-TERM BORROWING PROPOSAL FOR THE STELLENBOSCH MUNICIPALITY

Provincial Treasury (PT) has considered the long-term borrowing proposal of Stellenbosch Municipality and herewith provides comments based on compliance with the legislative requirements in terms of the Local Government: Municipal Finance Management Act (Act No. 56 of 2003) (MFMA) as well as on the affordability of the proposed long-term borrowing proposal. It is expected that PT's comments are tabled in the Municipal Council.

Compliance Assessment

1. The Municipality made public an information statement setting out the particulars of the proposed external financing of its capital programme.
2. Provincial Treasury notes that the Municipality has submitted the required information as per MFMA Circulars 26 and 42.
3. The Municipality has set its objectives in accordance with section 152 of the Constitution of South Africa (Act No. 108 of 1996) and ensured full compliance with the MFMA and Municipal Supply Chain Management Regulations.
4. Table 1 indicates the relevant sections in relation to the National Treasury Circulars which provide the necessary legislative guidelines and mandatory information to provide comments as required in section 46(3)(a) of the MFMA as well as Circulars 26 and 42.



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OFFICE OF THE MUNICIPAL MANAGER

Enquiries: Mr Lindsay Syster
 Tel: 021 808 8734
 Email: Lindsay.syster@stellenbosch.gov.za
 Our reference: 5/13/3/11

15 June 2022

Steven Kenyon
 Chief Director: Local Government Public Finance
 Western Cape Provincial Treasury
 7 Wale Street
 Cape Town
 8000

Dear Sir

RESPONSE PERTAINING TO COMMENTS MADE BY THE WESTERN CAPE PROVINCIAL TREASURY ON THE RAISING OF THE EXTERNAL LOAN

This letter serves to provide a response on the areas highlighted in the letter dated 9 June 2022, reference PTR 16/1/11/1. Stellenbosch Municipality expresses its appreciation, to the office of the Provincial Treasury, for the positive commentary encapsulated in the letter received and endeavour to respond to all aspects raised.

In terms of Section 46(3)(b) of the Local Government: Municipal Finance Management Act, (No. 56 of 2003)

A municipality may incur long term debt only if the accounting officer of the municipality has, in accordance with section 21A of the Municipal Systems Act-

(i) at least 21 days prior to the meeting of the council at which approval for the debt is to be considered, made public an information statement setting out particulars of the proposed debt. Including the amount of the proposed debt, the purposes for which the debt is to be incurred and particulars of any security to be provided.

Stellenbosch Municipality has duly complied with S46(3)(b) of the Local Government: Municipal Finance Management Act (MFMA) as well as S21A of the Municipal Systems Act.

In terms of compliance the municipality has followed all due processes in terms of all the applicable legislation as alluded by the comments.

In terms of the affordability assessment, the municipality would like to share the following comments:

1. The current ratio decreasing below the National Treasury norm in the 2020/21 Audited Financial Statements, was as a direct result of the Covid-19 pandemic and the impact on the local economy. However, the municipality is recovering well as we can see that the short-term investments has increased in the interim financial statements by R35 835 019.00. The municipality is confident that this trend of increasing short-term assets will continue as the economy stabilizes.
2. The debtor's collection period is also as a direct result of the pandemic and its consequences. The municipality adheres to S64 and S65 of the MFMA and will continue to enforce stringent debt and credit control in alignment with its Credit Control and Debt Collection Policy.
3. The municipality believes that short-term investments should form part of the cash and cash equivalents calculation as they are not held for a long period of time. These items are liquid and readily convertible into cash and would substantially increase this ratio and take it above the National Treasury norm of 1:1. A recalculation taking the short-term investments in account, based on the Audited Financial Statements for 2020/2021 shows a ratio of 1.026:1.
4. The municipality note the increase in the Debt to Total Operating Revenue and will continue to monitor this to ensure that it remains well within the norm as prescribed by National Treasury.
5. The municipality would also like to comment on the additional analysis performed on the 2021/2022 In-year monitoring (IYM):
 - The collection rate for the end of May 2022, considering arrear debt was 101%. The municipality is confident that the current collection rate will adequately service the loan.
 - The liquidity ratio calculated as at the end of February 2022 with the Interim Financial Statements was 2.62:1.
 - The municipality need to highlight that reporting issues in terms of mSCOA data strings has remained an issue and will distort the current asset data due to the VAT input and outputs related aspects that do not net off. This is an aspect that the municipality is addressing with urgency.

In conclusion, the municipality believes it is in good financial health and strives to further look into aspects that is highlighted by your comments.

Lastly, the municipality would also like to thank you for the positive feedback and will strive to consistently improve in all the areas on financial management.

Yours faithfully;



GERALDINE METTLER
MUNICIPAL MANAGER

Table 1 Compliance with MFMA in relation to MFMA Treasury Circular 26 & 42 as issued by National & Provincial Treasury

MFMA/ Treasury Circulars	Details	Compliance Yes/No
S46(3)(a)(i) and (ii)	The information statement and media advertisement were made public on 19 May 2022 in the local newspaper (Eikestadnuus), radio, local libraries, on notice boards of the Municipality and the Municipal Website.	Yes
S46(3)(b)(i) and (ii)	The loan funding will be sourced from financial institutions accredited in terms of the Banks Act.	Yes
S46(6), S17(2), S19	The long-term loan is consistent with its capital budget as referred to in section 17(2) of the MFMA. The total loan amount is R144 million.	Yes
S46(5)	This section is not applicable, because the borrowing (debt) purpose is not for refinancing existing long-term borrowing (debt).	N/A
S19(1)(d)	The sources of the funding have been considered, are available and have not been committed for other purposes.	Yes
MFMA National Treasury Circular No.26/2005	A schedule of all long-term borrowing (debt) obligations in the format of the QBMR showing principal and interest payments for the life of all loans and any associated investments set up as sinking funds etc.	Yes
MFMA Provincial Treasury Circular No. 42/2010	The Long-Term Debt Certification to be dated and signed by the Municipal Manager (Accounting Officer) and the Executive Mayor/Chairperson of the Board.	Yes

Affordability Assessment

5. The affordability assessment that follows is based on the 2019/20 and 2020/21 Audited Annual Financial Statements (AFS); the In-year monitoring (IYM) operating and capital expenditure reports for the 2021/22 financial year as at 30 April 2022 and the Cash Flow Actual performance for the 2021/22 financial year as at 30 April 2022.
6. The purpose of the external loan is to enter into a 10-year borrowing agreement to fund the necessary infrastructure to improve service delivery to the community. The Municipality has identified capital projects that will be funded from the external loan with the aim to provide the necessary infrastructure to improve service delivery to the community.
7. The Municipality intends to raise the external loan of R144 million with Standard Bank (Pty) Ltd over a period of 10 years. The interest rate applicable for the loan amount is currently

fixed and set at 9.69 per cent, however it is subject to change on the day of the signing of the loan agreement as the quoted interest rates were only indicative. The interest rate is in line with current market trends for borrowings over a long term.

8. Repayments will be made semi-annually. The first payment is expected to commence on 30 June 2022 and the concluding payments for the 10-year loan will be made on 31 December 2031.
9. In considering the affordability of the proposed loan, a selected number of financial ratios (taken from the audited 2019/20 and 2020/21 AFS were considered and are depicted in Table 2 below.

Table 2 Ratio analysis

Ratio	National Treasury Norm or acceptable range	2019/20 (Audited)	2020/21 (Audited)
Current Ratio	1.5:1 to 2	1.74:1	1.49:1
Debtors' collection period	30 days	29 days	37 days
Capital Cost (Interest paid and redemption to total operating expenditure)	6 - 8%	3.44%	3.03%
Total Liabilities to Total Assets	<50%	15.06%	16.90%
Cash and cash equivalents to Current liabilities	1:1	0.28:1	0.26:1
Debt (Total Borrowings) to Total Operating Revenue	45%	18.38%	21.56%

10. The current ratio has decreased from 1.74:1:1 in 2019/20 to 1.49:1 in 2020/21. The ratio is below the National Treasury (NT) recommended norm of 1.5 to 2:1, indicating that the Municipality may encounter problems meeting its short-term obligations.
11. The collection period for net debtors has increased from 29 days in 2019/20 to 37 days in 2020/21 which is outside of the NT norm of 30 days. To increase cash flow from outstanding debt and to align the debtor collection duration to the NT norm, the Municipality should continue to strengthen its present credit management and debtor collection policies and processes.
12. The interest paid and redemption to total operating expenditure ratio decreased from 3.44 per cent in 2019/20 to 3.03 per cent in 2020/21 and remains favourably below the NT norm of 6-8 per cent.
13. The Total Liabilities to Total Assets ratio increased from 15.06 per cent in 2019/20 to 16.90 per cent in 2020/21 but remains well within the NT norm. The Municipality has sufficient assets to cover its liabilities and the net asset position appears to be sound. This implies that the Municipality has a healthy financial position.

14. The cash and cash equivalents to current liabilities ratio decreased from 0.28:1 in 2019/20 to 0.26:1 in 2020/21. This ratio is notably below the NT norm of 1:1, which implies that cash and cash equivalents are not sufficient to cover short term obligations when they become due for payment.
15. The debt to total operating revenue result has increased from 18.38 per cent in 2019/20 to 21.56 per cent in 2020/21 but is still well below the NT norm of 45 per cent. Although there is capacity to increase funding from borrowing, the Municipality is advised to effectively manage its debt levels.
16. In addition to the financial ratios calculated from the 2019/20 and 2020/21 audited AFS, further analyses based on the 2021/22 IYM has been performed.
 - a) The information statement indicated that the costs of servicing the loan will be funded from rates and services. Hence, the Municipality should be cognizant of the reduced debt collection rate of 94 per cent in April 2022 which is below the norm of 95 per cent.
 - b) An increase of 11 per cent in outstanding debt from R294.04 million in March 2022 to R325.32 million in April 2022 was noted. Debtors over 90 days increased by R19.27 million over this period.
 - c) In April 2022, the liquidity ratio decreased to 0.56 times from 0.61 times compared to March 2022. The ratio is below the NT recommended norm of 1:1, indicating that the Municipality may be unable to pay its short-term debt immediately when it's due. The credibility of the financial reporting does however remain a concern, as it distorts the ratio outcomes. Inconsistencies occurs due to incorrect reporting as per the mSCOA data strings.
 - d) The cost coverage ratio in April 2022 declined to 3.21 months from 3.36 months in March 2022. The ratio is above the NT recommended norm of between 1 – 3 months, indicating that the Municipality can meet its monthly fixed operating commitments from available cash and short-term investments without collecting any additional revenue.

Conclusion

17. After assessing the proposed long-term borrowing, PT draws the Municipality's attention to the following:
 - a) The Municipality complied with MFMA sections 17(2) and 19. The cash flow budget schedules does however not include a loan amount to be withdrawn in the 2021/22 financial year. The Municipality's council resolution of the 2021/22 draft and adopted budget did indicate the intention to take up loans and view the omission of the budget loan amount in the schedules as an error.
 - b) It should be noted that the Provincial Treasury is using the NT Local Government Database as the primary source for the data utilized. The quality of the report therefore depends on the credibility of the data strings submitted by the Municipality.

- c) The proposed borrowings are integral to the funding mix to finance the 2021/22 approved capital projects of the Municipality. However, the loan must be weighed against the current economic uncertainties, affordability criteria, and the Municipality's solvency.
- d) The Municipality should ensure that it sets an appropriate tariff structure which is affordable to ensure sufficient revenue is generated to sustain the intended long-term debt obligation.
- e) Provincial Treasury cautions the Municipality against the impact of any underperformance of collecting long outstanding debt in lieu of the prevailing economic outlook. The Municipality is advised to continue with implementing stringent credit control and debt collection measures to enable timeous collection.
- f) All factors considered, PT concludes that the Municipality has the potential to borrow and that the intended loan will contribute towards the development of new infrastructure and the expansion of existing, capital infrastructure that will contribute notably towards enhanced service delivery.
- g) This letter should be presented to Council for review

Kind regards,

MR S KENYON
CHIEF DIRECTOR: LOCAL GOVERNMENT PUBLIC FINANCE
WESTERN CAPE PROVINCIAL TREASURY

Council, therefore, as legally mandated, approved the 2021/22 Adjusted Capital budget with the loan amount of R152 861 625.00 (R144 000 000.00 + R 8 861 625.00) indicating as a funding source on 24 August 2021. The adjusted budget amount for borrowings has not changed since the August roll-over adjustment budget.

The reduced amount of R143 537 000.00, as indicated in your letter is unfounded and therefore not deemed to be unauthorized expenditure as it falls within the ambit of S15 of the MFMA;

A municipality may, except where otherwise provided in this Act, incur expenditure only

(a) in terms of an approved budget; and

(b) within the limits of the amounts appropriated for the different votes in an approved budget.

Unauthorized expenditure refers to any expenditure incurred by a municipality otherwise than in accordance with Section 15 or 11(3) of the MFMA, and includes—

- Overspending of the total amount appropriated in the municipality's approved budget;
- Overspending of the total amount appropriated for a vote in the approved budget.

After due consideration of the above the municipality is strongly of the opinion that it has adhered to the legislative prescripts of the MFMA and the MBRR and unauthorized expenditure is not prevalent if the municipal council approves the R144 000 000.00.

The projects listed in the Information Statement are revenue-generating assets, with specific reference to the Refuse projects, namely Transfer Station and Stellenbosch Planning and Design. It is important to note that the municipality is in the planning process for the establishment of a new cell at the Stellenbosch Landfill Site and the planned completion is in the 2023/24 financial year. Currently, our waste is diverted to the City of Cape Town Vissershok landfill site, and this has a direct impact on the solid waste tariff.

Furthermore, the municipality take note of the comments made in relation to the liquidity and the financial position of the municipality. The municipality is of the opinion that the liquidity will improve as increased investments are imminent with the current balance at R258m (2021: R222m).

The municipality will also continue to enforce strict working capital measures in relation to credit control and collection in order to optimize its cash flow and continue to grow its financial health.

Lastly, Stellenbosch Municipality express its appreciation, to the office of the National Treasury, for the commentary encapsulated in the letter received and has considered all concerns raised.

Yours faithfully;



GERALDINE METTLER
MUNICIPAL MANAGER

8.5	HUMAN SETTLEMENTS: (PC: CLLR J FASSER)
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NONE

8.6	INFRASTRUCTURE SERVICES : (PC : CLLR Z DALLING (MS))
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NONE

8.7	PARKS, OPEN SPACES AND ENVIRONMENT: (PC: J JOON)
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NONE

8.8	PLANNING :(PC: CLLR C VAN WYK (MS)
------------	---

NONE

8.9	LOCAL ECONOMIC DEVELOPMENT AND TOURISM:(PC: CLLR R DE TOIT (MS)
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NONE

8.10	RURAL MANAGEMENT: (PC: CLLR J WILLIAMS)
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NONE

8.11	MUNICIPAL MANAGER
8.11.1	CONSIDERATION ON APPLICATIONS RECEIVED: FUNDING OF EXTERNAL BODIES PERFORMING A MUNICIPAL FUNCTION AS PROVIDED BY THE POLICY FUNDING OF BODIES PERFORMING A MUNICIPAL FUNCTION, READ WITH SECTION 80(2) OF THE LOCAL GOVERNMENT SYSTEMS ACT, 32 OF 2000, FINANCIAL YEAR 2022 / 2023: (Provision of training to Small Micro Medium Enterprises (“SMME”))

Collaborator No:

IDP KPA Ref No:

Meeting Date: Grants: 2022-06-06 & Mayco: 2022-06-08 & Special Council: 22 June 2022

1. **SUBJECT: CONSIDERATION ON APPLICATIONS RECEIVED: FUNDING OF EXTERNAL BODIES PERFORMING A MUNICIPAL FUNCTION AS PROVIDED BY THE POLICY FUNDING OF BODIES PERFORMING A MUNICIPAL FUNCTION, READ WITH SECTION 80(2) OF THE LOCAL GOVERNMENT SYSTEMS ACT, 32 OF 2000, FINANCIAL YEAR 2022 / 2023: (Provision of training to Small Micro Medium Enterprises (“SMME”))**

2. **PURPOSE OF MEETING**

To discuss and consider the funding applications for the 2022 / 2023 financial year received from external bodies performing a Municipal function as provided by the Policy for the Funding of External Bodies Performing a Municipal Function, read with Section 80(2) of the Municipal Systems Act No. 32 of 2000.

3. **DELEGATED AUTHORITY**

Council

4. **EXECUTIVE SUMMARY**

In terms of Section 7(2) of the Policy relating to External Bodies Performing a Municipal Function of which budget allocation are delegated to the Grants Committee to make recommendations to Council, as approved by Council.

The notices of the applications for the funding of bodies performing a municipal function were advertised in the Eikestadnuus and the Paarl Post, dated 21 April 2022, attached as **APPENDIX 1** of which the closing date to submit such applications was at 12:00 midday on 13 May 2022.

The following bodies submitted applications by the closing date for funding to perform the SMME Training function for Council for the 2022 / 2023 financial year:

Applicant	2022 / 2023 Funding Requested in Rand Value
Stellenbosch Network	235 000.00
Ranyaka	253 000.00
Total Funding Requested	488 000.00

With due regard for the importance of the Development and Training of Small Micro and Medium Enterprises (“SMME’s) to the South African economy it is necessary to give thought to Municipal funding against the desired outcomes, the capabilities and capacity of the funded entities to deliver quantifiable outcomes and practice safe stewardship of the funds granted.

5. RECOMMENDATIONS

In the light of the above and the reasons submitted in this report the following is recommended to the Grants Committee for approval to Council for decision:

- (a) that the amount of R235 000.00 be allocated to Stellenbosch Network for the 2022 / 2023 financial year; and
- (b) that the amount of R253 000.00 be allocated to Ranyaka Community Transformation NPC for the 2022 / 2023 financial year.

6. DISCUSSION / CONTENTS

The following applications for the funding to provide SMME Training were received.

6.1 Stellenbosch Network (APPENDIX 2)

Stellenbosch Network		% of Funding
Training Programmes for SMME	185 000.00	79%
Database for SMME	50 000.00	21%
TOTAL		235 000.00

6.2 Compliance checks

Stellenbosch Network		Amount requested: R235 000.00
The following MUST accompany this application:		
1. A copy of the latest, audited financial statements.	✓	31 December 2020
2. A copy of the Organisation's Constitution or Memorandum of Incorporation as well as the resolutions/minutes adopting the Constitution or Memorandum of Incorporation.	✓	
3. A copy of a project/programme description and/or a business plan for the ensuing financial year. Including the following: <ul style="list-style-type: none"> • Full details of the proposal or project including its objectives, the number of people who will benefit and how the project will contribute or enhance the strategic objectives of Stellenbosch Municipality. • Commencement and completion dates of the project. • Information on the total cost of the project budget, including a breakdown of costs and an outline of any contribution by fundraising and/or own contribution. • A list of all other sources of funding together with the assessments. • A summary of past achievements. • References independent of the applicant and its executive. • Existing SMME Database 	✓	
4. An original copy of a correctly completed creditors control form of Stellenbosch Municipality.	✓	
5. If the Organisation received funding from Stellenbosch Municipality in the preceding financial year, you need to account for the expenditure of the funding received with your new application.	✓	
6. If the Organisation received funding from other bodies, please identify and list the amounts received.	✓	

7.	If the Organisation is a non-profit company as defined in the section 1 of the Companies Act, 2008, a certificate/letter issued by the Companies and Intellectual Property Commission (CIPC) confirming registration must be attached.	✓	
8.	If the Organisation has been registered as a "non-profit" organisation in terms of the Non-Profit Organisation Act, 1997, a certificate/letter issued by the Department of Social Development confirming registration as a non-profit organisation must be attached.	n/a	
9.	If the Organisation has been registered as a "Public Benefit Organisation" in terms of the Income Tax Act, 1962, a certificate/letter issued by SARS confirming the Organisation's tax exemption status must be attached.	n/a	
10.	Valid Tax Clearance Certificate issued by SARS.	✓	

The following performance indicators was submitted by Stellenbosch Network programmes description of the programmes; objective to be achieved; the deliverables; the potential outcomes; and the budget sought for the 2022 / 2023 financial year in the below table:

AIM / OBJECTIVES	DESCRIPTION	AMOUNT in Rand	Other Funding & Source	DEPARTMENTAL COMMENT	Recommended Funding
Improved Business Knowledge & Skills	USB Mentorship training during SBA programme	25 000.00		The Department <u>support and recommend the funding.</u>	Funding amount supported.
	Stellenbosch Network Mentorship (2022 Programme)	25 000.00	20 000.00 (Department of Science & Innovation)		
	Design and Creative Thinking Workshop	17 500.00			
Sub-total		67 500.00			67 500.00
Improved Operational Management & Efficiency	Legal Support (IP Registration)	17 500.00	No co-funding.	<u>It is recommended that this programme be funded.</u>	
	Digital Marketing	8 000.00			
	Google App Training (Technology)	50 000.00			
Sub-Total		75 500.00			75 500.00
Increased Customer Profile	Access to Market through Business Network Subscription	8 000.00	No co-funding	<u>It is recommended that this programme be funded.</u>	
	Optimise your business on Google (Marketing)	8 000.00			
	Google my Business Profile (Marketing)	26 000.00			
Sub-Total		42 000.00			42 000.00
SMME Database	Co-Funding of the platform that serve as a database of Stellenbosch Businesses	50 000.00	100 000.00 (Department of Science and Innovation)	Funding recommended.	
Sub-Total		50 000.00			50 000.00
TOTAL FUNDING		235 000.00			235 000.00

Stellenbosch Network included all the required documentation and information to be considered and therefore it is thus proposed that the programmes as noted in the above table be funded in terms of the said policy for the of the 2022 / 2023 financial year which amount to **R235 000.00**.

6.3 Ranyaka Community Transformation (APPENDIX 3)

Ranyaka		% of Funding
Training Programmes for SMME	253 000	100%
TOTAL		253 000.00

Compliance checks

Stellenbosch Network		Amount requested: R235 000.00
The following MUST accompany this application:		
1. A copy of the latest, audited financial statements.	✓	29 February 2020
2. A copy of the Organisation's Constitution or Memorandum of Incorporation as well as the resolutions/minutes adopting the Constitution or Memorandum of Incorporation.	✓	
3. A copy of a project/programme description and/or a business plan for the ensuing financial year. Including the following: <ul style="list-style-type: none"> • Full details of the proposal or project including its objectives, the number of people who will benefit and how the project will contribute or enhance the strategic objectives of Stellenbosch Municipality. • Commencement and completion dates of the project. • Information on the total cost of the project budget, including a breakdown of costs and an outline of any contribution by fundraising and/or own contribution. • A list of all other sources of funding together with the assessments. • A summary of past achievements. • References independent of the applicant and its executive. • Existing SMME Database 	✓	
4. An original copy of a correctly completed creditors control form of Stellenbosch Municipality.	✓	
5. If the Organisation received funding from Stellenbosch Municipality in the preceding financial year, you need to account for the expenditure of the funding received with your new application.	✓	
6. If the Organisation received funding from other bodies, please identify and list the amounts received.	✓	
7. If the Organisation is a non-profit company as defined in the section 1 of the Companies Act, 2008, a certificate/letter issued by the Companies and Intellectual Property Commission (CIPC) confirming registration must be attached.	✓	
8. If the Organisation has been registered as a "non-profit" organisation in terms of the Non-Profit Organisation Act, 1997, a certificate/letter issued by the Department of Social Development confirming registration as a non-profit organisation must be attached.	n/a	
9. If the Organisation has been registered as a "Public Benefit Organisation" in terms of the Income Tax Act, 1962, a certificate/letter issued by SARS confirming the Organisation's tax exemption status must be attached.	n/a	
10. Valid Tax Clearance Certificate issued by SARS.	✓	

The following performance indicators was submitted by Ranyaka Community Transformation NPC programmes description of the programmes; objective to be achieved; the deliverables; the potential outcomes; and the budget sought for the 2022 / 2023 financial year in the below table:

AIM / OBJECTIVES	DESCRIPTION	AMOUNT in Rand	Other Funding & Source	DEPARTMENTAL COMMENT	Recommended Funding
Product Showcase	Venue hire and catering (Identifying new businesses in Stellenbosch)	10 000.00	0.00	The Department <u>support and recommend the funding.</u>	Funding amount supported.
Sub-total		10 000.00	0.00		10 000.00
Need based training	SARS Training	85 000.00	No Co-funding	<u>It is recommended that this programme be funded.</u>	Funding amount support.
	Costing and Pricing				
	Retailing and wholesaling				
	Marketing training				
	Business Plan Training				
Sub-Total		85 000.00	0.00		85 000.00
Access to Market (Access to Business premises)	Subsidizing hot – desking for SMME's to rent hot desking space (10 pax per month R500pm / pp for one year)	60 000.00		<u>Programmes at no cost to the Municipality</u>	
Sub-Total		60 000.00	0.00		60 000.00
Facilitating Supply – Chain Inclusion	Business Compliance Support and CDS Registration support (Compliance Officer)	45 000.00		<u>It is recommended that this programme be funded.</u>	It is recommended that funding be supported.
Sub-Total		45 000.00	0.00		45 000.00
Monitoring and Evaluation Officer		30 000.00		It recommended that funding be supported.	
Ranyaka Management Fee		23 000.00			
Sub-Total		53 000.00			53 000.00
TOTAL FUNDING		253 000.00	0.00		253 000.00

Ranyaka included all the required documentation and information to be considered for funding.

6.4 Evaluation of funding requests

Based on the factors mentioned in point 5 & 6 of this report, it is clear that the two (2) organisations that have submitted applications, also qualify to be considered for funding, which is Stellenbosch Network and Ranyaka Community Transformation NPC.

6.5 Financial Implications

A current available budget approved for the allocation of external bodies performing a function of Council is R999 848.00 under LED direct support to SMME's. The proposed budget to be allocated to Stellenbosch Network and Ranyaka Community Transformation is R488 000.00. The Department therefore has sufficient budget for the 2022 / 2023 financial year to fund the proposals.

6.6 Legal Implications

The recommendations in this report comply with Council's policies and applicable legislation and the approved Policy for the Financing of External Bodies Performing a Municipal function.

The successful applicants are required to submit quarterly reports reflecting accurately the application of the funds allocated and using the reporting template which will be provided by Council to them as specified in the Memorandum of Agreement ("MOA") which they are required to enter into with the Municipality.

6.7 Staff Implications

None

6.8 Risk Implications

Stellenbosch Network and Ranyaka Community Transformation NPC are entities funded to undertake a function of Council and is therefore also subject to reporting to the Auditor-General in terms of their Annual Financial Statements ("AFS") in terms of

the Municipal Finance Management Act, Act 56 of 2000. Therefore, the Department will draft a reporting template to ensure that the financial reporting will be in accordance with the required financial reporting in terms of the relevant Generally Recognised Accounting Practices ("GRAP") and the MOA as signed with Council.

GRANTS-IN-AID COMMITTEE MEETING: 2022-06-06: ITEM 3.1

RECOMMENDATIONS

In the light of the above and the reasons submitted in this report the following is recommended to the Grants Committee for approval to Council for decision:

- (a) that the amount of R235 000.00 be allocated to Stellenbosch Network for the 2022 / 2023 financial year; and
- (b) that the amount of R253 000.00 be allocated to Ranyaka Community Transformation NPC for the 2022 / 2023 financial year.

RECOMMENDATIONS FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2022-06-08: ITEM 7.11.1

In the light of the above and the reasons submitted in this report the following is recommended to the Grants Committee for approval to Council for decision:

- (a) that the amount of R235 000.00 be allocated to Stellenbosch Network for the 2022 / 2023 financial year; and
- (b) that the amount of R253 000.00 be allocated to Ranyaka Community Transformation NPC for the 2022 / 2023 financial year.

APPENDICES

Appendix 1: Advertisement

Appendix 2: Stellenbosch Network Submission

Appendix 3: Ranyaka Community Transformation NPC Submission

FOR FURTHER DETAILS, CONTACT:

NAME	Lesley van Gensen
POSITION	Manager: Economic Development and Tourism
DIRECTORATE	PLANNING AND ECONOMIC DEVELOPMENT
CONTACT NUMBERS	021 808 8179
E-MAIL ADDRESS	Lesley.vangensen@stellenbosch.gov.za
REPORT DATE	17 May 2022

APPENDIX 1



STELLENBOSCH

STELLENBOSCH • PNIEL • FRANSCHHOEK
MUNISIPALITEIT • UMASIPALA • MUNICIPALITY

Municipal Notice 41 / 2022

NOTICE: APPLICATIONS FOR THE FUNDING OF EXTERNAL BODIES PERFORMING A MUNICIPAL FUNCTION PROVIDED BY THE POLICY FOR THE FUNDING OF BODIES PERFORMING A MUNICIPAL FUNCTION READ WITH SECTION 80(2) OF THE LOCAL GOVERNMENT SYSTEMS ACT, 32 OF 2000, FINANCIAL YEAR 2022 / 2023

Notice is hereby given to external bodies performing a Municipal Function as provided by the Policy for the Funding of Bodies Performing a Municipal Function read with Section 80(2) of the Local Government: Municipal Systems Act, Act 32 of 2000, and who qualify for financial assistance, to apply in line with the aforementioned policy of the Stellenbosch Municipality.

Only organisations within the Stellenbosch (WC024) Municipality's administrative boundaries that provide the respective Municipal Functions of:

- Local Tourism;
- Management and updating the Stellenbosch Municipal Heritage Inventory; and
- Training of Small Medium and Micro Enterprises ("SMME") with a minimum of six (6) training programmes, and the Updating of the SMME Database for the Stellenbosch (WC024) Municipal Area, respectively.

Only applications received on the prescribed application form and accompanied by the required information, documentation, financial statements, covering letter, and supporting documentation received by the Office of the Manager: Economic Development & Tourism by no later than 12:00 midday on 13 May 2022 will be considered.

Applicants may also be required to conduct a presentation, as noted in the application form, to the Evaluation Panel.

Copies of the said policy and application form is available during office hours from the Offices of the Section: Economic Development & Tourism located at:

- 127 Dorp Street, Stellenbosch, 7600
- Or by Email from:
- Sharon Pedro (Sharon.Pedro@stellenbosch.gov.za) / 021 808 8974

Downloadable copies of the documents are available on the Stellenbosch Municipal official website at: www.stellenbosch.gov.za

GARALDINE METTLER
MUNICIPAL MANAGER
Notice No: 41 / 2022

Munisipale Kennisgewing 41 / 2022

KENNISGWING: AANSOEK OM SKENKINGS VIR DIE BEFONDSING VAN ENTITEITE WAT 'N MUNISIPALE FUNKSIE VERRIG SOOS VERVAT IN DIE BELEID VIR DIE BEFONDSING VAN EKSTERNE ENTITEITE WAT 'N MUNISIPALE FUNKSIE VERRIG, SAAMGELEES MET ARTIKEL 80(2) VAN DIE WET OP PLAASLIKE REGERING: MUNISIPALE STELSWET, WET 32 VAN 2000 VIR DIE 2022 / 2023 FINANSIELE JAAR

Kennisname geskied Hiermee vir Eksterne Entiteite wat 'n munisipale funksie verrig soos vervat in die Beleid vir die Befondsing van Entiteite wat 'Munisipale Funksie Verrig, saamgelees met Artikel 80(2) van die Wet op Plaaslike Regering: Munisipale Stelswetswet, Wet 32 van 2000 en wat kwalifiseer vir finansiële hulp, om aansoek te doen ingevolge die bepalings vervat in die bostaande beleid van Stellenbosch Munisipaliteit.

Slegs organisasies binne die Stellenbosch (WC024) Munisipale administratiewe grense wat die volgende onderskeie funksies verrig:

- Plaaslike Toerisme;
- Bestuur en Opdatering van die Stellenbosch Munisipale Erfenis-Inventaris; en
- Verskaffing van ten minste ses (6) opleidingsprogramme vir Klein, Medium en Mikro Ondernemings ("SMME") en die opdatering van 'n SMME Databasis vir die Stellenbosch (WC024) Munisipale Area.

Slegs aansoeke wat op die voorgeskrewe aansoekvorm ingedien word en vergesel word van al die gevraagde inligting, dokumentasie, finansiële state, dekkingsbrief, en stuwende dokumentasie wat ontvang word by die Kantoor van die Bestuurder: Ekonomiese Ontwikkeling & Toerisme teen 12:00 middag op 13 Mei 2022 sal oorweeg word. Aansoekers sal ook verlang word om 'n voorlegging te doen, soos aangetoon op die aansoekvorm, aan die Evalueeringspaneel.

Afskrifte van die betrokke beleid en aansoekvorm is beskikbaar gedurende kantoorure by die Kantore van die Afdeling: Ekonomiese Ontwikkeling & Toerisme geleë te:

- Dorpstraat 127, Stellenbosch, 7600
- Of per epos by:
- Sharon Pedro (Sharon.Pedro@stellenbosch.gov.za) / 021 808 8974

Aflaaibare kopie is ook beskikbaar op die Stellenbosch Munisipale webwerf: www.stellenbosch.gov.za

GARALDINE METTLER
MUNISIPALE BESTUURDER
Kennisgewing Nr: 41 / 2022

APPENDIX 2



STELLENBOSCH
ST EL LEN BOSCH • P NIEL • FRA NSCH HOEK
Municipality • Umasipala • Munisipaliteit

APPENDIX A

**APPLICATION: FUNDING OF EXTERNAL BODIES PERFORMING A MUNICIPAL
 FUNCTION 2021/2022**

**NOTE: ONLY APPLICATIONS ON THIS PRESCRIBED FORM SHALL BE
 CONSIDERED**

PLEASE COMPLETE THE FOLLOWING:

A REGISTERED NAME OF ORGANISATION:

...Stellenbosch Network NPC.....

**B DATE AND YEAR IN WHICH THE ORGANISATION WAS FOUNDED OR
 INCORPORATED (INCLUDE BRIEF DESCRIPTION OF BUSINESS OR
 ACTIVITIES OF ORGANISATION):**

Stellenbosch Network NPC was registered as an entity in December 2019. **The Stellenbosch Network** is a cross sector and inter-disciplinary membership organisation that brings people together – from industry, government, society and academia. Our aim is to share ideas, meet each other, encourage collaboration and partnership in support of inclusive economic growth for the greater Stellenbosch area.
 The role-players in the Stellenbosch Network include innovators, entrepreneurs, SMMEs, investors, locally-based corporations, social entrepreneurship enterprises, knowledge institutions and government.

C ADDRESS:

(i) Street

(ii) Postal

... 15 De Beer St.....

..... 15 De Beer St.....

..... Stellenbosch.....

..... Stellenbosch.....

..... 7600.....

..... 7600.....

Contact details:

Name and Surname: Hanli Brink.....

Title/Position held: Operations Director.....

Tel: ...082 536 5847... E-mail: ...hanli@stellenboschnetwork.co.z.....

D LIST ALL THE BOARD / COMMITTEE MEMBERS OF THE ORGANIZATION:

Name and Surname: ... Hanli Brink.....

Position: ... Operations Director.....

Contact Address and tel. no: 082 536 5847 / 5 Drommedaris St, Stellenbosch,
 7600

Name and Surname: ...Dr Leslie van Rooi.....

Position: Director.....

Contact Address and tel. no: ...071 194 2324 Simonberg Residence, 79 Merriman Avenue, Stellenbosch, 7600

Name and Surname: ...Roux de Villiers.....

Position: Director.....

Contact Address and tel. no: ...082 302 4942... Wildepaardejacht Farm, Paarl

Name and Surname:

Position:

Contact Address and tel. no:

Name and Surname:

Position:

Contact Address and tel. no:

D INDICATE IN WHICH WARD THE ORGANISATION IS ACTIVE:

Ward: All Stellenbosch wards

Is the organisation a non-profit company? Yes No

If yes, provide company registration number: 2019/609161/08

Is the organisation a non-profit organisation as contemplated in section 13 of the Non-Profit Organisation Act, 1997? Yes No

If yes, provide registration number: _____

Is the organisation a public benefit organisation as contemplated in terms of the Income Tax Act, 1962? Yes No

If yes, provide registration number: _____

Is funding required for a specific project / programme? Yes No

If yes, attach details separately.

Budget amount of projects / programmes: ...R185 000 + R50 000 = R235 000.00

Duration of project / programme: ... 1 year.....

Is funding required for general support? Yes No

If yes, attach a copy of the organisation's overall budget and business plan.

E CATEGORY

Please categorise your application (mark with x):

Training Programmes for SMME ination Marketing n

Database for SMME's

Note: For more detail, see attached Funding of External Bodies Performing a Municipal Function Policy. (general guidelines and categories)

Please indicate the specific type of project / programme, as per the Funding of External Bodies Performing a Municipal Function Policy.

.....

..... See supporting documents attached.....

.....

.....

.....

.....

.....

F THE FOLLOWING MUST ACCOMPANY THIS APPLICATION:

1. A copy of the latest, audited financial statements.
2. A copy of the Organisation's Constitution or Memorandum of Incorporation as well as the resolutions/minutes adopting the Constitution or Memorandum of Incorporation.
3. A copy of a project / programme description and / or a business plan for the ensuing financial year. Including the following:
 - Full details of the proposal or project / programme including its objectives, the number of people who will benefit and how the project will contribute or enhance the strategic objectives of Stellenbosch Municipality.
 - Commencement and completion dates of the project / programme.
 - Information on the total cost of the project / programme budget, including a breakdown of costs and an outline of any contribution by fundraising and / or own contribution.
 - A list of all other sources of funding together with the assessments.
 - A summary of past achievements.
 - References independent of the applicant and its executive.
4. An original copy of a correctly completed creditors control form of Stellenbosch Municipality.
5. If the Organisation received funding from Stellenbosch Municipality in the preceding financial year, you need to account for the expenditure of the funding received with your new application.
6. If the Organisation received funding from other bodies, please identify and list the amounts received.

7. If the Organisation is a non-profit company as defined in the Section 1 of the Companies Act, 2008, a certificate / letter issued by the Companies and Intellectual Property Commission (CIPC) confirming registration must be attached.
8. If the Organisation has been registered as a "non-profit" organisation in terms of the Non-Profit Organisation Act, 1997, a certificate / letter issued by the Department of Social Development confirming registration as a non-profit organisation must be attached.
9. If the Organisation has been registered as a "Public Benefit Organisation" in terms of the Income Tax Act, 1962, a certificate/letter issued by SARS confirming the Organisation's tax exemption status must be attached.
10. A valid Tax Clearance Certificate issued by SARS.
- 11. List and contact details of existing SMME's within the database.**
- 12. Proof of hosting or facilitating SMME training sessions (e.g. Photographs, attendance register, etc.)**

G THE FOLLOWING SHALL APPLY:

1. The allocation of funds will only be considered if the application document has been fully completed and signed and is accompanied by the required and supporting documentation referred to therein.
Applicants must in their submission clearly indicate / specify and motivate what the funding where and for which purpose the funding will be allocated.
2. The funding must be exclusively used for the purpose defined and motivated, and the successful applicant must submit the necessary undertaking to this effect.
3. Applicants must in their submission satisfy the Council of their ability to execute the project successfully.
4. Organisations who have already received financial or other assistance from the Council during the previous financial year must specify same in their application.
5. No funding will be considered for political groupings, church / sectarian bodies or ratepayers organisations.
6. No funding will be considered where only an individual will benefit or where a member of Council or an official of Stellenbosch Municipality will receive any financial or other gain.
7. Projects outside the boundaries of the Council will not be considered.
8. Subsequent requests from applicants to cover overspending on projects will not be considered.
9. Council will not pay any funds to anyone who has already procured against the perception that they will receive any municipal funds.
10. Successful applicants must at all times comply with the provisions of Section 67(1) of the Municipal Finance Management Act No. 56 of 2003 which *inter alia* stipulates that the organisation or body has to:-
 - Enter into and comply with a Memorandum of Agreement with the Municipality as well as with all reporting, financial management and auditing requirements as may be contained in such agreement. This memorandum of agreement will bind the successful applicant to deliver on what the application speaks to, but also to commit to become involved with municipal programmes of the community where it functions. The Memorandum of Agreement will be made available to successful applicants for completion.

11. The Council reserves the right not to give funding to any or all organisations applying.
12. Having been awarded funding previously does not give an applicant the right to receive a grant/funding again.
13. Funding will not be considered where a project or organisation is already receiving funds from Council in terms of Council's functions. Applicants are required to disclose other sources of funding, failing which such applicant will be disqualified.
14. Funding will not be considered where in Council's opinion, an organisation received sufficient funds from other sources to sustain its activities or the project / programme applied for. For this purpose, organisations must submit financial statements and budget for the ensuing financial year.
15. Organisations who received funding from Stellenbosch Municipality during the previous financial year, are required to attach such proof to the new application, a copy of the financial statements relating to the year in which the funding was received from Council, as required in terms of section 67(1) of the Municipal Finance Management Act, 2003 (MFMA).
16. SMME Training' funding applicants must be able to demonstrate that the following may be achieved within their 2021 / 2022:
 - Minimum of five (5) training opportunities must be held
 - The applicants must possess an existing database of SMME's within the Stellenbosch Municipal Area

(The Funding of External Bodies Performing a Municipal Function Policy must be consulted for the sake of completeness)

H UNDERTAKING:

I/We hereby verify that the information provided in this application is true and correct and that the conditions applicable to the allocation of funds as set out above have been read, understood and will be complied with.

I/We also declare that the organisation implements effective, efficient and transparent financial management and internal control mechanisms to guard against fraud, theft and financial mismanagement and has in the past complied with requirements for similar transfer(s) of funds.

This completed and signed at Stellenbosch on this 13 day of May 2022



Chairperson / Authorised Representative

Secretary / Duly Authorised Signatory

I PLEASE TAKE NOTE:

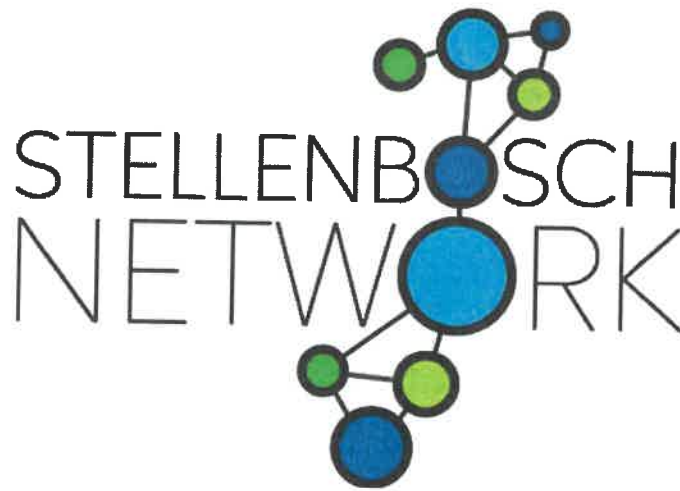
- (i) That completed application forms together with all the required documentation must be delivered to:

**Director: Planning and Economic Development (Attention: Ms L van Gensen)
P O Box 17
Stellenbosch
7599**

Or delivered to:

**127 Dorp Street
Stellenbosch
7600**

- (ii) That the closing date for the submission of applications is: at
- (iii) That **neither late nor incomplete applications** shall be considered.



Director: Planning and Economic Development
 Ms Lesley van Gensen
 PO Box 17
 Stellenbosch, 7588

11 May 2022

Dear Ms van Gensen,

RE: Municipal Notice 117/2021

Stellenbosch Network funding application for external bodies performing a municipal function
Training programmes for SMME's
Database management of SMME's

The Stellenbosch Network is a cross-sector interdisciplinary networking organisation that brings together people from local industry, academia and government to scope and implement innovative programmes, platforms, and events in order to encourage, support and further develop the levels of local innovation and entrepreneurship while also encouraging collaboration and partnership between local innovation actors. Key stakeholders in the network include Stellenbosch University, Wesgro, local industry and Stellenbosch Municipality.

Stellenbosch Network is now in our third year of operation and the network has grown tremendously during the past years. We have in excess of 195 Stellenbosch Network members. Since establishment the network, through its various events, the mentorship programme, innovation competitions, social media, newsletters and day-to-day introductions and recommendations, has helped a large number of SME's based in Stellenbosch and surrounds, including innovators from under-served areas in Stellenbosch.

Stellenbosch Network would like to apply for funding as follow:

Training programmes for SME's = R185 000.00 (see budget with application)

Database for SME's = R50 000.00 (see budget with application)

Total = R235 000.00

15 De Beer Street, Stellenbosch, 7600
 Private Bag XI, Matieland, 7602
 NPC no 2019/609161/08
 Tel: +27 21 808 9067 | www.stellenboschnetwork.co.za



Training Programmes for SMME's:

Mentorship Programme:

Stellenbosch Network has successfully run and managed our Entrepreneurial Mentorship programme for three years. The programme could accommodate up to 20 small entrepreneurs. The outcomes of the mentorship programme include business growth (through revenue growth or number of employees) or else survival during poor economic climates. The funding is used for facilitation sessions that will be held, marketing of the programme and specific training courses for mentees on the programme, tailored to the needs of the mentees. The key facilitator for the programme will be JP Cronje, who has extensive experience in ensuring successful and sustainable mentorship matchmaking and facilitation. JP Cronje is also the lead mentorship facilitation for the University of Stellenbosch Business School and manages the mentorship programme for Allan Gray Orbis Foundation. This is a 8 month programme. R25 000.00 budget.

USB Mentorship during SBA Programme:

With the assistance of Distell and Stellenbosch University the Small Business Academy programme have been hosted in Stellenbosch in 2021 and 2022. We ask for funding of the mentorship programme that forms part of the SBA programme during 2023. Budget R25 000.00

Design & Creative Thinking workshop:

A workshop to stimulate creative thinking and business ideas for small business owners = R17 500.00 budget

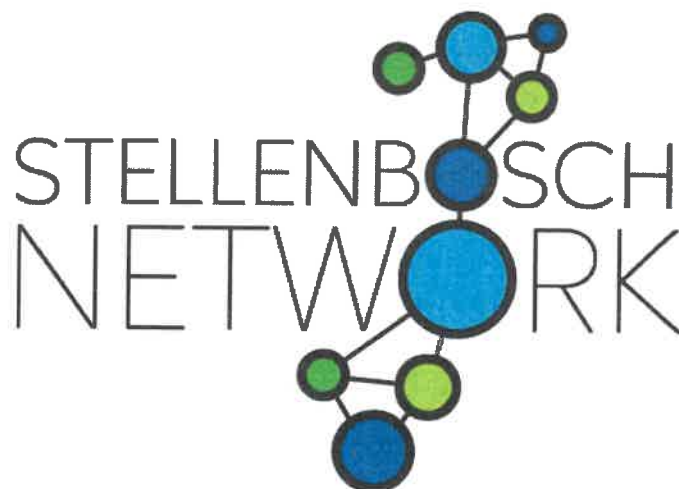
Basic Intro to Intellectual Property (IP):

This will be presented in person during a morning session and the presenter will be a patent lawyer. Budget R17 500.00

Digital Marketing Tools & Design Training:

An online workshop focussing on social media design marketing training. Budget R8 000.00

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Google Training: 5 x morning sessions workshops:

This will consist of 5 separate morning sessions hosted by Mido Technologies covering Google Level training: Chrome books, Gmail, Sheets, Calendar, Drive, Docs, Slides and forms. Budget R50 000.00

Business Network Subscription Stellenbosch Network:

Training to list your business on the Stellenbosch Network procurement platform. This will consist of 1 sessions to train you to list and to manage your profile. R8 000.00 Budget

Optimise your business on Google training:

An online session showing you how to ensure your business is optimised in Google Searches. Presented by Adbot. Budget R8 000.00

Google my Business Ads sponsored:

Sponsoring advertisements on Google for a few SME's and teaching them how to optimise their marketing via Google. This will be done through Adbot. Budget R25 000.00

SME's Database / Procurement Platform:

Stellenbosch Network with funding assistance from Dept of Science and Innovation has established a Procurement Platform build via blockchain technology.

The scoped platform features of phase 1 of the platform, which is now live on our website www.stellenboschnetwork.co.za, are listed as follows:

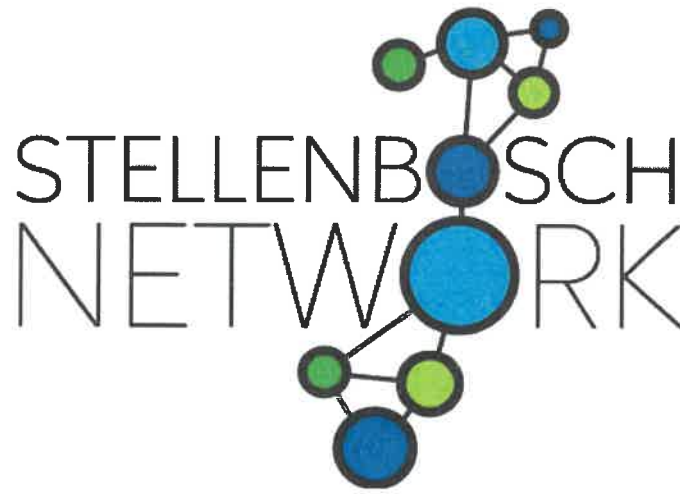
1. Map local suppliers and their capabilities and match these suppliers to the needs of larger local medium-large procurers (such as locally-based multinationals, Stellenbosch University, Stellenbosch Municipality etc.). The solution under development incorporates blockchain and automated technology allows for automated verification and compliance, competitive bidding. It is noted that the database required for successful LED supplier matchmaking needs to be of

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a critical and substantial size and various stakeholders are being engaged continually to determine the variables and selection criteria for appropriate matchmaking and for future updates to the platform such that it meets useability requirements.

2. Directory of local events related to innovation and entrepreneurship.
3. Continued listing of current local upskilling and capacity building programmes for supplier development. SN will as a value-added service as part of its matchmaking programme, match non-compliant suppliers to a suitable supplier development programme to ensure future capacity building to enable future compliance.

Stellenbosch Network is asking for funding for R50 000.00 as co-funding of the platform that will serve as a database of Stellenbosch businesses. The businesses will all be vetted by the platform and Stellenbosch Network would allocate a portion of this funding towards the vetting and management fees.

Do not hesitate to contact me should you need any further information.

Yours sincerely

Hanli Brink

A handwritten signature in black ink, appearing to read 'Hanli Brink', written over a light blue horizontal line.

Operations Director, Stellenbosch Network
hanli@stellenboschnetwork.co.za

Stellenbosch Network Training Sessions							
OUTCOME	Category	Intervention / Programme		Service Provider	Stellenbosch Municipality Budget	Other Funding	Co-Funder
IMPROVED BUSINESS KNOWLEDGE & SKILLS	Mentorship	USB Mentorship during SBA programme	Mentorship included in training	Stellenbosch Network	R25 000		
IMPROVED BUSINESS KNOWLEDGE & SKILLS	Mentorship	Stellenbosch Network Mentorship	2022 Mentorship Programme	Stellenbosch Network	R25 000	R20 000	DSI
IMPROVED BUSINESS KNOWLEDGE & SKILLS	Marketing	Design & Creative Thinking Workshop	Morning session, event	Stellenbosch Network	R17 500		
IMPROVED OPERATIONAL MANAGEMENT & EFFICIENCY	Legal support	Basic intro to Intellectual Property	Morning session, event	Stellenbosch Network	R17 500		
IMPROVED OPERATIONAL MANAGEMENT & EFFICIENCY	Marketing	Digital Marketing Tools and Design	Social Media design marketing training, online event	Stellenbosch Network	R8 000		
IMPROVED OPERATIONAL MANAGEMENT & EFFICIENCY	Technology	Google training: 5 morning Sessions	Google App Training (Gmail, Docs, Sheets, Slides) over 5 sessions	Stellenbosch Network	R50 000		
INCREASED CUSTOMER PROFILE	Access to Market	Business Network subscription: Stellenbosch Network	Training to register/manage profile	Stellenbosch Network	R8 000		
INCREASED CUSTOMER PROFILE	Marketing	Optimise your business on Google	Presented by Adbot	Stellenbosch Network	R8 000		
INCREASED CUSTOMER PROFILE	Marketing	Google my Business Profile	Sponsoring 5 SME's Google profile for 6 months	Stellenbosch Network	R26 000		
Total Budget required by Stellenbosch Network for training Sessions					R185 000		

Stellenbosch Network SME's Database management

Intervention / Programme	Service Provider	Stellenbosch Mu	Other Funding	Co-Funder
.t Business Network subscription: Stellenbosch Network procurement platforn	Stellenbosch Network	R50 000	R100 000	DSI
		R50 000		



12 May 2022

History of events and training workshops hosted:

The following events were hosted by Stellenbosch Network during the past months:

Entrepreneurial Mentorship Programme / April 2022 – November 2022

The SN Entrepreneurial Mentorship Programme is an eight-month mentorship programme providing a matchmaking framework for prospective entrepreneurship mentors and mentees. Through the Year 3 programme, fifteen micro-enterprise entrepreneurs from under-served areas around Stellenbosch (**See Table** below for a detailed breakdown of the mentees currently on the programme) are currently being mentored by mentors sourced by the mentorship programme facilitator of the University of Stellenbosch Business School's Small Business Academy. The programme provides black-owned microenterprise and entrepreneurs with extensive and in-depth mentorship on how to manage and grow their businesses, how to apply new innovations and/or survive difficult times. The SN has received very positive feedback from the innovators currently enrolled in this programme on the value of the programme for their businesses.

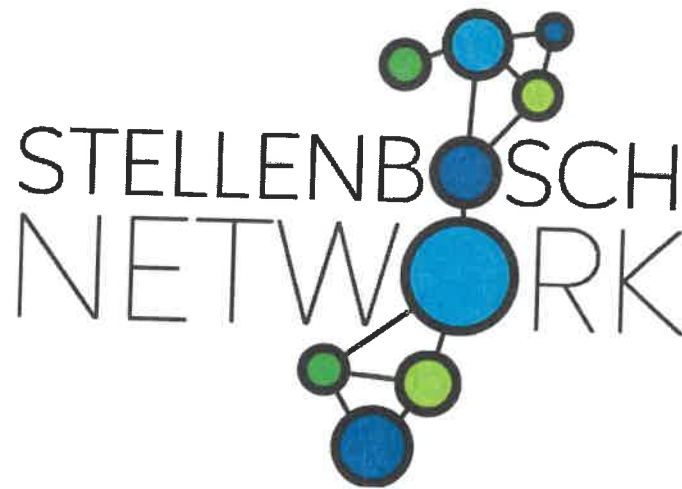
<u>Name</u>	<u>Gender</u>	<u>Area</u>	<u>Business</u>
Basil Williams	M	Kylemore	Hydroponic farming
Antoinette Mralasi	F	Stellenbosch	Vertical Farming
Leigh Desai	F	Klapmuts	Digital design & marketing
Lunga Momoza	M	Stellenbosch	App development: Food distribution
Bevin Mazevenza	M	Stellenbosch	Online marketplace
Vusi Makoena	M	Kayamandi	Rooibos farming & technology
Mhlengi Ngcobo	M	Stellenbosch	Coffee roasting technology
Ashipe Cosa	F	Kayamandi	Plumbing
Anga Bobongo	M	Kayamandi	Distribution
Micky Sticks (vd Hoven)	M	Stellenbosch	Leather products
Phelisa Bekwa	F	Kayamandi	Beauty industry
Wanga Ncise	M	Stellenbosch	Fastfood
Wardah Cassiem	F	Idas Valley	Fastfood
Zintle Nomavuko	F	Kayamandi	Restaurant & entertainment
Rinae Musekene & Ibrahim Sururu	M	Stellenbosch	Maintenance software

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Technology Training Workshop, Webinar, 28th July 2021

Presenters: Aphindile Govuza, Senior Associate at [Cliffe Dekker Hofmeyr](#) & Tiaan van Zyl, Digital Analytics Lead at [Traffic Brand](#).

Topic: POPI Act – What now?

On 1 July, the Protection of Personal Information Act (POPIA) came into full effect and introduced new regulations to protect one's personal information and constitutional rights to privacy and access to information. Businesses began sending out POPIA-related mailers, reminding users of their ability to 'opt-out' – but many were left wondering 'what now?'. Silicon Cape and Stellenbosch Network hosted *POPI Act: What Now?* - a practical webinar for business owners unpacking next steps and the resources needed to take to properly manage your digital channels, marketing, and customer data. Attendees: 180 Registrations

Technology Training Workshop, Event 22nd September 2021 hosted at SU Launchlab

Presenters: Panel discussion with Aisha Pandor ([SweepSouth](#)), Kobus Ehlers ([Radar](#); previously SnapScan), Leánne Viviers ([Mintor](#)) and Mike-Alec Kearney ([CubeSpace](#)). Led by Kabous Meiring

Topic: Technology Entrepreneurs and their solutions to South African Challenges.

Stellenbosch Network, in partnership with Stellenbosch University LaunchLab and the SA Innovation Summit, hosted an in-person event for university students and young entrepreneurs to learn from some of the best business builders in the country. The audience joined us as the panelists discussed what it takes to be an entrepreneur in South Africa and learn how South African technology solutions are playing a key role in addressing some of the world's most pressing challenges, today. The event was followed by networking opportunity which was welcomed by all attendees. Attendees: 60 Registrations

We have launched a **Stellenbosch Network YouTube Channel** where we aim to share recordings of some of our events. This will allow people who could not attend the event to view it afterwards but we believe that we could also further the reach of Stellenbosch Network with this channel. The link to the recording of the event can be found here:

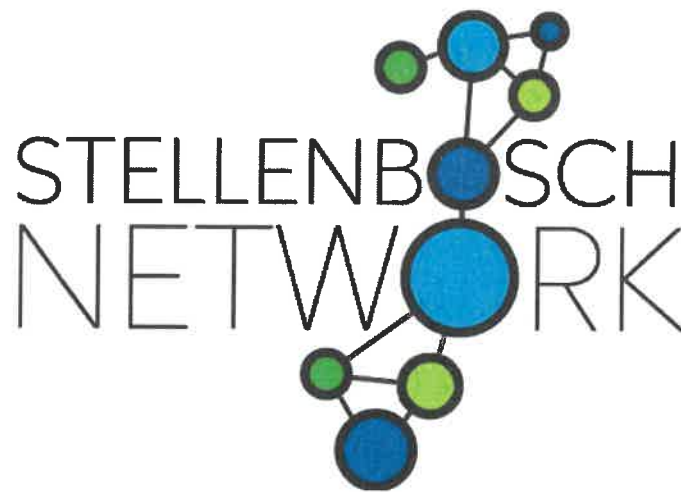
<https://youtu.be/OOZPRK6jX8I>

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Technology Training Workshop, Online workshop, 28th July 2021

Presenters: Anton Pretorius, Sologix, 25th October 2021

Topic: A business and Innovative thinking coaching session for all entries for this years #Ideasforchange entries. Focussing on the GrowthWheel online toolkit to evaluate your idea and how to develop this into a business model.

Presenter: Anton Pretorius, CEO Sologix

Attendees: 8 Ideasforchange challenge participants

Technology Training Workshop, Individual 30 – 60 minute Value Proposition Masterclass Feedback sessions for the Top 3 Ideasforchange Challenge, November 2021

Topic: Based on the Value Proposition Masterclass session hosted by Sologix on the 25th October, they offered a further individual session with each participant to discuss the potential of turning their ideas into a business

Presenter: Anton Pretorius, CEO Sologix

Technology Training Workshop, Adbot – Artificial Intelligence Google campaign manager training, November 2021.

Topic: Google marketing & search engine optimisation. Adbot assists SMEs to advertise online, functioning as an AI campaign manager and saving SME owners up to 75 hours a week to focus on growing their businesses. This workshop's purpose was to show entrepreneurs how they can optimise Google marketing and search engine optimisation.

Presenter: Michelle Greere, CEO Adbot

Attendees: Mentees and some mentors

Smart City Lecture Series Webinar, 4th August 2021, Webinar

Presenter: Geoff McDonald & Chrizelda Walters (FAB Consulting)

Topic: Mental Health Awareness in the Workplace. During these trying COVID times SN decided to host an event for our member companies' wellbeing. They learned about the power of being able to speak up and ask for support, and how to break the stigma of mental ill-health. Moreover, they explored the steps needed to elevate the wellbeing of those around you, and how a healthy working environment can unlock competitive advantages for your business. Led by Geoff McDonald, an internationally renowned mental wellness expert.

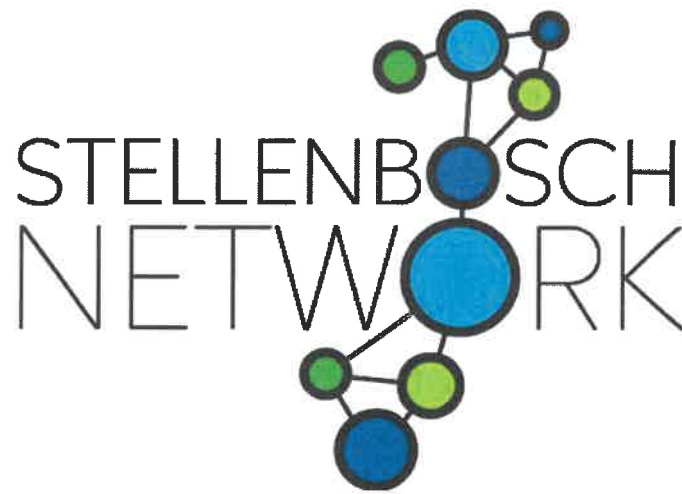
Attendees: 274 Registrations

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Technology Training Event, April 2022, Venue: SU Launchlab
Exploring Data Science & Entrepreneurship. Panel discussion with Neil Rankin, Tiffany Woodley and Berno Greyling. Attendees: 150 entrepreneurs and students

Networking Event, April 2022, Venue: STIAS
Cape Town / Stockholm Connect Stellenbosch Event

A networking event hosted by Stellenbosch Network and Business Sweden where 50 Swedish companies attended and networked with Stellenbosch business owners and entrepreneurs.

Technology Training Event (5 sessions), May & June 2022, Venue: CoCreate HUB
Google training event for SMME's

A digital google training event over 5 sessions focussing on how to digitise your business. Session will focus on training of Google Level 1: Chrome, Gmail, Calendar, Drive, Docs, Slides, Forms, Sheets

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SN Funding received from Stellenbosch Municipality for 2021/2 (previous year)

Category	Intervention / Programme		Date presented	Budget
Mentorship	USB Mentorship during SBA programme	Mentorship included in training	Apr - Nov 2022	R20 000
Mentorship	Stellenbosch Network Mentorship	2022 Mentorship Programme	Apr - Nov 2022	R20 000
Marketing	CANVA design Digital design	Morning session, online event	May-22	R7 500
Legal support	IP Registrations	Morning session, event	Jun-22	R15 000
Technology	Google training: 5 morning Sessions	Google App Training (Gmail, Docs, Sheets, Slides) over 5 sessions	May - Jun 2022	R50 000
Access to Market	Business Network subscription: Stellenbosch Network	Training to register/manage profile	Jun-22	R15 000
Marketing	Google my Business Profile	Presented by Adbot and monthly marketing sponsored	Jun-22	R7 500
Marketing	Google my Business Profile	Sponsoring 5 SME's Google profile for 10 months	Start June 2022	R35 000
				R170 000

Category	Intervention / Programme		Date presented	Budget
Marketing	Digital Marketing	Website Social Media marketing Digital design, online event	Jul-22	R7 500
Business training	Website /App design and/or update	Website designing and/or App design training	Jul-22	R7 500

08/05/2020

MEMORANDUM OF INCORPORATION

of

STELLENBOSCH NETWORK (NPC)

A NON-PROFIT COMPANY

(Registration Number: 2019/609161/08)

The Company is a Non-Profit Company with Members and, in support of entrepreneurs and innovators in Stellenbosch and surrounding communities, the main objectives of the Company are to:

- (1) catalyse purposeful local partnerships;
- (2) create opportunities for interdisciplinary interaction;
- (3) enable knowledge sharing; and
- (4) promote inclusive economic growth.

section 24(4) and section 50(1) of the Act and referred to in item 4 of Schedule A of this Memorandum of Incorporation;

1.1.10 "Voting Member" means a Member with voting rights as further described in item 1 of Schedule A.

1.2 Words and expressions defined in the Act and which are not defined herein shall have the meanings given to them in the Act.

1.3 A reference to a section by number refers to the corresponding section of the Act notwithstanding the renumbering of such section after the date on which the Memorandum of Incorporation is adopted.

2 ADOPTION OF MEMORANDUM OF INCORPORATION

2.1 This Memorandum of Incorporation is adopted by the Company as its founding document.

2.2 The Company is incorporated in accordance with and governed by –

2.2.1 the unalterable provisions of the Act that are applicable to Non-Profit Companies; and

2.2.2 the alterable provisions of the Act that are applicable to Non-Profit Companies, subject to the limitations, extensions, variations or substitutions set out in this Memorandum of Incorporation.

3 INCORPORATION AND NATURE OF THE COMPANY

3.1 The Company is a Non-Profit Company as defined in the Act, and accordingly –

3.1.1 it has been incorporated for a public benefit, or an object relating to one or more cultural or social activities, or communal or group interests as required by item 1 (1) of Schedule 1 to the Act; and,

3.1.2 its income and property are not distributable to its incorporators, Members, Directors, officers or persons related to any of them, except to the extent permitted by item 1(3) of Schedule 1 to the Act.

4 OBJECTS OF THE COMPANY

4.1 The Company's main objectives are:

- 5.3.4 the Company shall not, in accordance with item 2(1) of Schedule 1 of the Act, amalgamate or merge with, or convert to a profit company, or dispose any part of its assets, undertaking or business to a profit company, other than for fair value, except to the extent that such disposition of an asset occurs in the ordinary course of the activities of the Company; and
- 5.3.5 the Company may not provide a loan to, secure a debt or obligations of, or otherwise provide direct or indirect financial assistance to, a Director of the Company or of a related or inter-related company, or to any person related to such Director unless such action is in accordance with item 5 of Schedule 1 of the Act .
- 5.4 However, nothing contained in clause 5.3 shall prevent:
- 5.4.1 The Company paying any portion of its income, or transfer any of its assets, directly or indirectly, regardless of how the income or asset was derived, to any person who is, or was an incorporator of the Company, or who is a Member or Director, or any person appointing a Director of the Company, for the following reasons:
- 5.4.1.1 the payment of reasonable remuneration to any employee, office bearer or other person for goods delivered or services delivered to, or at the direction of the Company;
- 5.4.1.2 the reasonable payment of, or reimbursement for expenses incurred to advance the stated object of the Company;
- 5.4.1.3 the payment of an amount due and payable by the Company in terms of a *bona fide* agreement between the Company and that person or another;
- 5.4.1.4 the payment in respect of any rights of that person, to the extent that such rights are administered by the Company in order to advance a stated object of the Company; and
- 5.4.1.5 payment in respect of any legal obligation that is binding on the Company;
- 5.4.2 the Company from acquiring and holding securities issued by a profit company;

- 9.1.2 The Board shall not be required to call any meeting of Voting Members other than those specifically required by the Act and
 - 9.1.2.1 whenever required in terms of the Act to fill a vacancy on the Board; or
 - 9.1.2.2 if 1 (one), or more written and signed demands calling for such a meeting are delivered to the Company and:
 - 9.1.2.2.1 each such demand describes the specific purpose for which the meeting is proposed; and,
 - 9.1.2.2.2 such demand is made and signed by Voting Members holding at least 10% (ten percent) of the voting power all the Voting Members of the Company.

9.2 **Location of members meetings**

The Board may determine the location of any Voting Members' meeting, and the Company may hold any such meeting in the Republic, or in any foreign country, and the authority of the Board and the Company in this regard is not limited or restricted by this Memorandum of Incorporation.

9.3 **Notice of members meetings**

- 9.3.1 The minimum number of days for the Company to deliver a notice in writing of a Voting Members' meeting is 15 (fifteen) business days before the meeting is to begin, as provided for in section 62 (1) of the Act.
- 9.3.2 The notice must set out the date, time and place for the meeting, the general purpose of the meeting, as well as, any specific purpose for which the meeting has been called if requisitioned by the Voting Members; a copy of the proposed resolution which is to be considered at the meeting and the percentage of voting rights that would be required for that resolution to be adopted.
- 9.3.3 Where there is a material defect in giving notice of any meeting to any particular Voting Member, the meeting may proceed only if every person entitled to exercise voting rights in respect of any item at the meeting is present at the meeting and approves the ratification of the defective notice.

10 MEMBERS ACTING OTHER THAN AT A MEETING

Any resolution which could be voted on at a Voting Members' meeting may instead be submitted for consideration by the Voting Members and be voted on in writing in terms of section 60 of the Act.

11 REPRESENTATION BY PROXY

11.1 Any Voting Member may at any time appoint any natural person, including a natural person who is not a Voting Member, as a proxy to:

11.1.1 participate in, and speak at a Voting Members' meeting on behalf of that Voting Member, and vote on behalf of a Voting Member; or

11.1.2 give or withhold written consent on behalf of that Voting Member to a decision contemplated in clause 9.

11.2 A proxy appointment must be in writing, dated and signed by the Voting Member and remains valid for 1 (one) year after the date on which it was signed, or any longer, or shorter period expressly set out in the appointment, unless it is revoked in a manner contemplated in the Act or expires earlier as contemplated in the Act.

11.3 The remaining provisions of the Act relating to the appointment and revocation of proxies and the rights of proxies shall apply, subject to the limitations, restrictions and/or variations set out below:

11.3.1 a Voting Member shall only be entitled to appoint 1 (one) person as proxy at any given time to act on his, or her behalf;

11.3.2 a Voting Member's proxy may not delegate his, or her authority to act on behalf of a Voting Member to another person;

11.3.3 a proxy is only entitled to exercise, or abstain from exercising any voting rights of a Voting Member, or give or withhold written consent on behalf of that Voting Member to a decision contemplated in clause 9, in accordance with the instruction of that Voting Member and is not entitled to make such decision of his or her own volition.

11.4 A Voting Member, or his proxy, must deliver to the Company a copy of the instrument appointing a proxy before the commencement of the meeting at which the proxy intends to exercise that Voting Member's rights.

the chairperson is not present or willing to act as chairperson thereof within 15 (fifteen) minutes of the time appointed for holding the meeting, the Board present shall choose one of their number to be chairperson of such meeting.

- 12.9 The Board has the power to:
- 12.9.1 consider any matter and/or adopt any resolution other than at a meeting as set out in section 74 of the Act and, accordingly, any decision that could be voted on at a meeting of the Board may instead be adopted by the written consent of a majority of the Directors, given in person or by Electronic Communication, provided that each Director has received notice of the matter to be decided;
 - 12.9.2 conduct a meeting entirely by Electronic Communication, or to provide for participation in a meeting by Electronic Communication, as set out in section 73 (3) of the Act; and
 - 12.9.3 determine the manner and form of providing notice of its meetings as set out in section 73(4) of the Act, provided that:
 - 12.9.3.1 the notice period for the convening of any meeting of the Board will be at least 7 (seven) business days;
 - 12.9.3.2 an agenda of the matters to be discussed at the meeting shall be given to each Director;
 - 12.9.3.3 the Board has the power to proceed with a meeting despite a failure or defect in giving notice of the meeting, as provided in section 73(5) of the Act and allowed for below,

and the powers of the Board in respect of the above matters are not limited or restricted by this Memorandum of Incorporation.
- 12.10 At a Directors' meeting: the quorum requirement for the meeting to begin (including an adjourned meeting), the voting rights to be exercised at such meeting, and the requirements for approval of a resolution at such meeting are in accordance with section 73(5) of the Act and so accordingly:
- 12.10.1 if all of the Directors of the Company acknowledge actual receipt of the notice convening a meeting, are present at a meeting, or waive notice of a meeting, the meeting may proceed even if the Company failed to give

any such committee persons who are not Directors and the power of the Board in this regard is not limited or restricted by this Memorandum of Incorporation.

14.2 The committee appointed by the Board may consult with or receive advice from any person and have the full authority of the Board in respect of a matter referred to it.

14.3 The committee appointed by the Board must report to the Board on a bi-annual basis and whenever requested by the Board.

15 AMENDMENT OF MEMORANDUM OF INCORPORATION

This Memorandum of Incorporation may only be altered or amended accordance with the Act and the Company will submit a copy of any amendment(s) to this Memorandum of Incorporation to the Commissioner for the South African Revenue Service (if applicable).

16 COMPANY RULES

The Board is authorised to make, amend or repeal any necessary or incidental rules relating to the governance of the Company in respect of matters that are not addressed in the Act or in this Memorandum of Incorporation.

17 NOTICES

17.1 All notices intended or required to be given by the Company to any Member of the Company shall be given in writing in any manner authorised by the Regulations and particularly Table CR 3 annexed to the Regulations.

17.2 Each Member of the Company:

17.2.1 shall notify in writing to the Company an address, which address shall be his registered address for the purposes of receiving written notices from the Company by post and if he has not named such an address he shall be deemed to have waived his right to be so served with notices; and

17.2.2 may notify in writing to the Company an email address and/or facsimile number, which address shall be his address for the purposes of receiving notices by way of electronic communication.

17.3 Any Members whose address in the Register is an address not within the Republic of South Africa, and who shall from time to time furnish the Company with an address within the Republic of South Africa at which notices can be

- 18.2 By the chairperson of the Bar Council provided that the person so nominated shall be an advocate or attorney of not less than 15 (fifteen) years standing as such.
- 18.3 The decision by the arbitrator at conclusion of the arbitration proceedings shall be final and binding without appeal.
- 18.4 Nothing herein contained shall be deemed to prevent or prohibit a party to the arbitration from applying to the appropriate court for urgent relief or for judgment in relation to a liquidated claim.
- 18.5 Any party to arbitration in terms of this clause 18 shall treat the details of the dispute or difference submitted to arbitration, the conduct of the arbitration proceedings and the outcome of the arbitration as confidential.
- 18.6 This clause 18 will continue to be binding notwithstanding any liquidation of the Company, the commencement of any business rescue proceedings in respect of the Company to the extent that the implementation of the provisions of this clause will not give rise to any contravention of any provision of the Act or of any other applicable legislation.
- 18.7 The written demand by a party to the dispute in terms of this clause 18 that the dispute or difference be submitted to arbitration shall be deemed to be a legal process for the purpose of interrupting extinctive prescription in terms of the Prescription Act, 1969.
-

2.4 Membership fees for Non-Voting Members as at the Signature Date are set out below. These fees may be adjusted by the Board from time to time.

2.4.1

Entrepreneurs / Organisations with 1 – 5 Employees / Natural Persons	R500 / yr
Organisations with 6 – 20 Employees	R1000 / yr
Organisations with 21 – 30 Employees	R3000 / yr
Organisations with 31 – 50 Employees	R5000 / yr
Organisations with >50 Staff	R10000 / yr

2.5 Rights and obligations

- 2.5.1 Non-Voting Members shall be entitled to receive notice of and attend and participate in functions held by the Company free of charge or else at a discounted charge; request advertisement of their own events on the Stellenbosch Network website provided such events are aligned with the company's objectives.
- 2.5.2 Non-Voting Members shall not be entitled to attend meetings of the Company where any matters including but not limited to the appointment of directors are to be voted on.
- 2.5.3 Non-Voting Members may from time to time be invited by the Board to become a Voting Member provided payment of the voting membership contribution per annum is paid and any other criteria required by the Board is met.

3. TERMINATION OF MEMBERSHIP

Membership of the Company shall be terminated if:

- 3.1 a Member submits written notice of his/her resignation to the Board. In the case of a Non-Voting Member immediately upon resignation and in case of a Voting Member on 3 (three) months written notice;
- 3.2 a Member fails to pay his/her/its membership fee due in any given year;
- 3.3 the Member is removed by the Board by majority vote;
- 3.4 a Member ceases to comply with any criteria for membership in the sole discretion of the Board;

SCHEDULE B**DIRECTORS****1. Appointment of Directors**

- 1.1 The Board of the Company shall consist of a minimum of 3 (three) and a maximum of 7 (seven) directors appointed in the following manner:
 - 1.1.1 Three (3) directors shall be elected by Voting Members of the Company of which at least 1 (one) must be an employee of Stellenbosch University and at least 1(one) must be appointed as the Chief Executive Officer of the Company;
 - 1.1.2 Additional directors may be co-opted by the Board. It is important that diversity of the necessary expertise be obtained, by co-opting persons with a proven expertise or relevant background, in order to achieve the defined aims of the Company.
- 1.2 In the event of the directors elected by the Voting Members, the Voting Members should vote for each person nominated as a director separately until all vacancies have been filled;
- 1.3 The persons elected as directors by Voting Members will be decided by a simple majority of votes by the Voting Members;
- 1.4 If, at any time, a vacancy arises on the board of directors, the Voting Members should call a meeting and appoint a new director;
- 1.5 All founding directors will serve as directors for an initial period of 2 (two) years, after which they may be re-appointed for 1 (one) year periods;
- 1.6 All directors elected by Voting Members should be re-appointed annually at a meeting of the Voting Members;
- 1.7 A maximum of 1/3 (one third) of elected and co-opted directors may end their duty and vacate their office in any given year.



**COMPANIES AND INTELLECTUAL PROPERTY COMMISSION
REPUBLIC OF SOUTH AFRICA**

FORM COR 14.3 - REGISTRATION CERTIFICATE

Issue date: 04/12/2019
Print date: 04/12/2019
Customer code: SPOTAS
Tracking number: 9216018912

Concerning

STELLENBOSCH NETWORK NPC 2019/609161/08

The above company has been registered in terms of section 14 of the Companies Act, 2008.

In accordance with the Notice of Incorporation, the registration of the company takes effect on 04/12/2019.

In conjunction with this certificate, the Commission has not issued another notice contemplated in section 12 (3).

Commissioner: CIPC

About this Notice

This Notice is issued in terms of section 14 of the Companies Act, 2008, and Regulation 14 of the Companies Regulations, 2011. If the Commission has altered the name of the company, in terms of section 14 (2) (b), the company may file an amended Notice of Incorporation to change the name.

If the Commission has issued a Notice of a Potentially Contested Name in conjunction with the Certificate, the company must serve that Notice on each person identified in the Notice, and any such person has the right to challenge the use of the name, by the company.

The Companies and Intellectual Property Commission of South Africa
P.O. Box 429, Pretoria, 0001, Republic of South Africa
Docex 256, Pretoria
Contact centre 086 100 2472
www.cipc.co.za



**Certificate issued by the Companies and Intellectual Property Commission
on Wednesday, December 04, 2019
Registration Certificate**



Registration number 2019/609161/08
Enterprise name STELLENBOSCH NETWORK NPC

Auditors

Directors

Surname and first names	Status	ID number or date of birth	Director type	Appointment date	Addresses
VAN ROOI, LESLIE BERNARD	ACTIVE	8210105137084	DIRECTOR	04/12/2019	<p>Postal ADMIN A STELLENBOSCH UNIVERSITY, RYNEVELD STREET, STELLENBOSCH, WESTERN CAPE, 7600</p> <p>Residential SIMONSBERG RESIDENCE, 79 MERRIMAN AVENUE, STELLENBOSCH, WESTERN CAPE, 7600</p>
DE VILLIERS, ROUX	ACTIVE	6803095115086	DIRECTOR	04/12/2019	<p>Postal PO BOX 1423, SOUTHERN PAARL, SOUTHERN PAARL, WESTERN CAPE, 7624</p> <p>Residential WILDEPAARDEJACHT FARM, PAARL, PAARL, WESTERN CAPE, 7630</p>
BRINK, HANLI	ACTIVE	7505150125087	DIRECTOR	04/12/2019	<p>Postal 5 DROMMEDARIS AVENUE, SIMONSWYK, STELLENBOSCH, WESTERN CAPE, 7600</p> <p>Residential 5 DROMMEDARIS AVENUE, SIMONSWYK, STELLENBOSCH, WESTERN CAPE, 7600</p>

The Companies and Intellectual Property Commission of South Africa
P.O. Box 429, Pretoria, 0001, Republic of South Africa
Docex 256, Pretoria
Contact centre 086 100 2472
www.cipc.co.za



Stellenbosch Network NPC
(Registration number 2019/609161/08)
Financial statements
for the year ended 31 December 2020

Stellenbosch Network NPC

(Registration number: 2019/609161/08)

Financial Statements for the year ended 31 December 2020

Index

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

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Statement of Comprehensive Income	7
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Independent Reviewer's Report

To the directors of Stellenbosch Network NPC

We have reviewed the financial statements of Stellenbosch Network NPC, set out on pages 6 to 11, which comprise the statement of financial position as at 31 December 2020 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes, comprising a summary of significant accounting policies.

Directors' Responsibility for the Financial Statements

The company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Independent Reviewer's Responsibility

Our responsibility is to express a conclusion on these financial statements. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2400 (Revised), Engagements to Review Historical Financial Statements (ISRE 2400 (Revised)). ISRE 2400 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This Standard also requires us to comply with relevant ethical requirements.

A review of financial statements in accordance with ISRE 2400 (Revised) is a limited assurance engagement. The independent reviewer performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these financial statements.

Unqualified Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects the financial position of Stellenbosch Network NPC as at 31 December 2020, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008.

Other reports required by the Companies Act

The financial statements include the Directors' Report as required by the Companies Act 71 of 2008. The directors are responsible for the Directors' Report. Our conclusion on the financial statements does not cover the Directors' Report and we do not express any form of assurance conclusion thereon.

In connection with our independent review of the financial statements, we have read the Directors' Report and, in doing so, considered whether the Directors' Report is materially inconsistent with the financial statements or our knowledge obtained in the independent review, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the Directors' Report, we will report that fact. We have nothing to report in this regard.

HC Truter CA(S.A.)
Finleys Outsourced Business Services (Pty) Ltd

15 December 2021

Stellenbosch Network NPC

(Registration number: 2019/609161/08)

Financial Statements for the year ended 31 December 2020

Statement of Financial Position as at 31 December 2020

	Notes	2020 R
Assets		
Current Assets		
Trade and other receivables	2	27 600
Cash and cash equivalents	3	110 438
		138 038
Total Assets		138 038
Equity and Liabilities		
Equity		
Accumulated Surplus		57 270
Liabilities		
Current Liabilities		
Trade and other payables	4	74 455
Current tax payable		6 313
		80 768
Total Equity and Liabilities		138 038

Stellenbosch Network NPC

(Registration number: 2019/609161/08)

Financial Statements for the year ended 31 December 2020

Statement of Changes in Equity

	Accumulated Surplus R	Total equity R
Profit for the year	57 270	57 270
Other comprehensive income	-	-
Total comprehensive income for the year	57 270	57 270
Balance at 31 December 2020	57 270	57 270

Stellenbosch Network NPC

(Registration number: 2019/609161/08)

Financial Statements for the year ended 31 December 2020

Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The financial statements have been prepared on a going concern basis in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act 71 of 2008. The financial statements have been prepared on the historical cost basis and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 Significant judgements and sources of estimation uncertainty

Critical judgements in applying accounting policies

Management did not make critical judgements in the application of accounting policies, apart from those involving estimations, which would significantly affect the financial statements.

1.2 Financial instruments

Initial measurement

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through profit or loss) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial instruments at amortised cost

These include loans, trade receivables and trade payables. Those debt instruments which meet the criteria in section 11.8(b) of the standard, are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

Financial instruments at cost

Equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably without undue cost or effort are measured at cost less impairment.

1.3 Tax

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

The tax liability reflects the effect of the possible outcomes of a review by the tax authorities.

Tax expenses

Tax expense is recognised in the same component of total comprehensive income or equity as the transaction or other event that resulted in the tax expense.

1.4 Revenue

Revenue from sponsorships and fundraising is recorded when received.

Stellenbosch Network NPC

(Taxpayer reference number 9855328176)

(Registration number 2019/609161/08)

Financial Statements for the year ended 31 December 2020

Tax Computation

	2020 R
Net profit per income statement	79 542
Taxable income for 2020	79 542
Tax thereon @ 28% in the Rand	22 272
Reconciliation of tax balance	
Tax owing/(prepaid) for the current year:	
Normal tax	
Per calculation	22 272
1st provisional payment	-
2nd provisional payment	(15 959)
Other payments	-
	6 313
Amount owing/(prepaid) at the end of year	6 313

Management Report

Stellenbosch Network NPC

31 December 2021

Prepared by Finleys Outsourced Business Services (Pty) Ltd

Executive Summary

Stellenbosch Network NPC For the month of December 2021

	Dec 2021	Nov 2021	Variance
Cash			
Cash received	3,000	-	0.0%
Cash spent	119,998	67,123	78.8%
Cash surplus (deficit)	(116,998)	(67,123)	-74.3%
Closing bank balance	102,526	219,524	-53.3%
Profitability			
Income	3,000	-	0.0%
Direct costs	-	-	0.0%
Gross profit (loss)	3,000	-	0.0%
Other Income	-	-	0.0%
Expenses	153,644	76,177	101.7%
Profit (loss)	(150,644)	(76,177)	-97.8%
Balance Sheet			
Debtors	-	-	0.0%
Creditors	(13,800)	50,600	-127.3%
Net assets	11,966	162,610	-92.6%
Income			
Number of invoices issued	2.0	0.0	0.0%
Average value of invoices	1,500	-	0.0%
Performance			
Gross profit margin	100.0%		0.0%
Net profit margin	-5021.5%		0.0%
Return on investment (p.a.)	-15106.8%	-562.2%	-2587.3%
Position			
Average debtors days	0.0	0.0	0.0%
Average creditors days	-2.8	19.9	-114.0%
Short term cash forecast	13,800	(50,600)	127.3%
Current assets to liabilities	1.1	3.9	-70.6%
Term assets to liabilities			0.0%

Profit and Loss

	Dec-21	Nov-21	Oct-21	Sep-21	Aug-21	Jul-21	Jun-21	May-21	Apr-21	Mar-21	Feb-21	Jan-21	YTD
Salaries : Employer Contributions	177	177	177	177	177	177	177	149	149	149	-	-	1,686
SARS Interest	-	-	1	-	-	-	-	-	-	-	-	-	1
SARS Penalties	-	-	705	-	-	-	-	-	-	-	-	-	705
Subscriptions	1,056	999	954	950	970	957	909	922	938	922	259	1,001	10,836
Total Operating Expenses	153,644	76,177	89,962	66,029	44,907	40,815	40,863	55,506	41,007	40,756	4,928	5,690	660,285
Net Profit	(150,644)	(76,177)	(89,962)	(56,029)	(44,907)	(40,815)	(40,863)	(53,526)	(41,007)	559,244	(4,928)	(5,690)	(45,305)

Aged Payables

Stellenbosch Network NPC December 2021

	Current	November	October	September	Older	Total
Payables						
Finleys Outsourced Business Services	(13,800)	-	-	-	-	(13,800)
Total Payables	(13,800)	-	-	-	-	(13,800)
	Current	November	October	September	Older	Total
Total Expense Claims	-	-	-	-	-	-
Total	(13,800)	-	-	-	-	(13,800)
	100.0%	0.0%	0.0%	0.0%	0.0%	



TAX COMPLIANCE STATUS

PIN Issued

STELLENBOSCH NETWORK NPC
PO BOX 7417
STELLENBOSCH
7599

Enquiries should be addressed to SARS:

Contact Detail

SARS
Alberton
1528

Contact Centre Tel: 0800 00 SARS (7277)
SARS online: www.sars.gov.za

Details

Taxpayer Reference Number: 9855328176

Always quote this reference
number when contacting SARS

Issue Date: 2022/05/13

Dear Taxpayer

TAX COMPLIANCE STATUS PIN ISSUED

The South African Revenue Service (SARS) has issued your tax compliance status (TCS) PIN as indicated below:

TCS Details:	
Taxpayer Name	Stellenbosch Network Npc
Trading Name	STELLENBOSCH NETWORK NPC
Tax Reference Number(s)	IT - 9855328176 PAYE - 7590809879
Purpose of Request	Good Standing
Request Reference Number	0045606938GS1305220837277
PIN	GD6343C23E
PIN Expiry Date	13/05/2023

You may authorise a third party to view your TCS by providing them the PIN. The PIN only allows the third party access to your TCS. All other tax information remains secure.

Your TCS displayed is based on your compliance as at the date and time the PIN is used.

You may cancel this PIN at any time before the expiry date reflected above. Once cancelled, a third party will not be able to verify your TCS.

SARS reserves the right to cancel this PIN in the event that it was fraudulently issued or obtained.

Should you have any other queries please call the SARS Contact Centre on 0800 00 SARS (7277). Remember to have your taxpayer reference number at hand when you call to enable us to assist you promptly.

Sincerely

ISSUED ON BEHALF OF THE SOUTH AFRICAN REVENUE SERVICE



CREDITOR CONTROL FORM / KREDITEUR KONTROLE VORM

COMPANY DETAILS	CREDITOR CONTACT DETAIL / KREDITEUR KONTAK BESONDERHEDE (Supplier / Verskaffer, Organization / Organisasie)				
	REGISTERED NAME / GEREGISTREERDE NAAM	STELLENBOSCH NETWORK NPC			
	PHYSICAL STREET ADDRESS / FISIESE STRAAT ADRES:	POSTAL ADDRESS / POS ADRES: (If different to physical address)			
	STREET NAME: 15 DE BEER ST SUBURB: STELLENBOSCH TOWN:	PO BOX TOWN: 4	POSTAL CODE:		
	POSTAL CODE: 7600	POSTAL CODE:			
	TEL: 021 - 808 3826	FAX / FAKS:			
PERSON	CREDITOR CONTACT PERSON DETAIL / KREDITEUR KONTAK PERSOON BESONDERHEDE				
	NAME AND SURNAME / NAAM EN VAN	HANLI BRINK			
	TEL: 021 808 3826	FAX / FAKS:	CELL / SEL: 0825365847		
	EMAIL / EPOS: hanli@stellenboschnetwork.co.za				
BANK DETAILS	CREDITOR BANKING DETAIL / KREDITEUR BANK BESONDERHEDE:				
	NAME OF BANK / NAAM VAN BANK	NEDBANK			
	BANK ACCOUNT NAME / BANK REKENING NAAM	STELLENBOSCH NETWORK NPC			
	BANK ACCOUNT NUMBER / BANK REKENING NOMMER	1201705703	BANK STAMP BANK STEMPEL		
	BRANCH NUMBER / TAKKODE:	198765			
	ACCOUNT TYPE / TIPE REKENING	CHEQUE / TIEK			<input checked="" type="checkbox"/>
		SAVING / SPAAR			<input type="checkbox"/>
		TRANSM	<input type="checkbox"/>		
	VAT REGISTERED / BTW GEREGISTREER	YES / JA	<input type="checkbox"/>	VAT /	
		NO / NEE	<input checked="" type="checkbox"/>	BTW NO:	

SIGNATURE / HANDTEKENING:

OFFICE USE / KANTOOR GEBRUIK		
CREDITOR NO / KREDITEUR NO:		
Create a new creditor / Skap van nuwe Krediteur		<input type="checkbox"/>
Changing of creditors details / Verandering op Krediteur inligting		<input type="checkbox"/>
Deleting of creditor / Uitwls van Krediteur		<input type="checkbox"/>
REQUESTED BY: AANGEVRA DEUR:	DATE: DATUM:	DEPARTMENT: DEPARTEMENT
MOTIVATION: MOTIVERING:		
ENTERED BY: INGEVOER DEUR:	DATE: DATUM:	



25/04/2022



STELLENBOSCH NETWORK NPC
PO BOX 3135
MATIELAND
STELLENBOSCH
SOUTH AFRICA
07602

Nedbank Limited
135 Rivonia Road, Sandown, 2196
PO Box 1144, Johannesburg, 2000
Retail & Business Banking Contact Centre: 0860 116 400
Nedbank VAT registration number: 4320116074
25/04/2022

To STELLENBOSCH NETWORK NPC

Confirmation of account details

Account number		1201705703	
Account holder	STELLENBOSCH NETWORK NPC	Account name	STELLENBOSCH NETWORK NPC
Registration number	201960916108	Branch code	198765
Account type	Current Account	Branch name	STELLENBOSCH
Account opened	25/02/2020	SWIFT code	NEDSZAJJ

Important information

If you have any questions regarding the content of this letter, please feel free to call us on 0860 116 400.

Yours sincerely

Nedbank

see money differently

NEDBANK

Directors: PM Makwana (Chairperson) MWT Brown (Chief Executive) HR Brody (Lead Independent Director) BA Dames NP Dongwana EM Kruger P Lange ni RAG Leith Prof T Marwala L Makalima
Dr MA Matookane MH Davis (Chief Financial Officer) MC Nkuhlu (Chief Operating Officer) S Subramoney
Company Secretary: J Katzin 22.03.2022

Nedbank Ltd Reg No 1951/000009/06. Authorised financial services and registered credit provider (NCRCP16).

Stellenbosch Network Members		
Business Name	Name	Surname
Herbal View Nursery	Basil	Williams
Wrap it up PR & Communications	Lynne	Rippenaar-Moses
Grandeur Giftery	Maambela	Khosa
Eagle Towers SA	Avril	van Rheede
Amazink	Odwa	Nomavuka
Pretti Sweet Treats	Faeeza	Arnolds
Kaymandi Recycling	Lwando	Bottomane
Letz	Thabo	Dube
Davene Pool Beauty Studio	Davene	Pool
Zenobia Thys Couture	Zenobia	Thys
NBW Consulting	Natasha	Boks
Ateljee Will Hammers	Will	Hammers
iTorho	Njabulo	Khulu
Mido Technologies	Dale	Simons
Lierolac	Raymond	Brinkhuis
Eco Africa Digital	Lizanne	du Plessis
Teambix	Remmone	
EJC Consulting	Enrico	Cupido
Ubungcweti Technologies	Sabelwesihle	Ngcobo
training4changeS	Daniel	Thomae
Acu-Temp	Garnet	Christian
Meraki Cleaning & Training	Tenisee	Henkeman
Rinaibra	Rinae	Musekene
Pathways outa Poverty	Guy	Harris
Plumb Line Organisation Development	Wickus	Guelpa
Polymorph Systems	Richard	Barry
Silverstone Financial Solutions	Cecil	Jordaan
Van der Merwe Robertson	Roelf	van der Merwe
Cliffe Dekker	Christoff	Pienaar
Xuviate	Matthias	Tölken
Ergopak	Nico	Treurnicht
Blue Equity Holdings	Hans	de Nysschen
Action Coach	Harry	Welby-Cooke
African Data Technologies	Wihan	Bekker
Atter	Mike	Atter
African Sun Media	Walter	Barnes
Innovation 4 Life	Pieter	
RLActive	Richard	
HB Interiors	Jean-Marie	Smith
Eikestad Mall	Andre	
HeniZ	Heni	
JD Creations	Joyce	
Premium Solar Energy	Pieter	Fourie
Upstyle Events	Luciano	

Hello Work - Coworking Stellenbosch	Hilda	Joubert
DPK	Megan	Gannon
Uys Accounting & Consulting	Uys	
Teliospace	Fairchance	Ncube
Green X Engineering	Mario	Roos
Osmond Lange Architects And Planners	Francois	Nortje
RSG Service	Ronald	
GiGTECH GLOBAL SOLUTIONS	Zee	Gwebu
New Door Property Group	Hannes	Basson
Jwalang Development	Lucky	Nkhoma
Workshop 17	Antonette	Benting
Supply Block	Werner	Coetzee
The Kindbrush	Chrismare	Barnardt
LakayMedya	Carol	Lakay
Elo House	Sharl	
EJC Consulting	Enrico	Cupido
FAB Consulting	Chrizelda	Walters
Tendai ICT	Andrew	Maringa
Biocode Technologies	Resia	Pretorius
Immobazyme	Ethan	Hunter
SWART	Derick	Swart
Agrigistics	Cilliers	Geldenhuis
Amplifind Service Technologies	Andries	Bekker
Bonsolo Trading	Anga	Bobongo
Vertical Farming	Antoinette	Mralasi
JSM Plumbing & Projects	Asiphe	Cosa
Innativ Studio	Leigh	Desai
Basket App	Lunga	Momoza
Coffe MM	Mhlengi	Ngcobo
Savoia	Micky	van der Hoven
Phel's Hair	Phelisa	Bekwa
Mavusana	Vusi	Makoena
Waga's Fries	Wanga	Ncise
Rasheda's pastries	Wardah	Cassiem
Homehelper	Bevin	Mazevenza
Amazink	Zintle	Nomavuka
Neville's Carwash	Neville	Gaculla

ST

LETTER OF

TO: STELLEN

RE: STELLENB

FROM: JEANNE

9 May 2022

To whom it may c

This letter serves t
in the developmen
contribution and im

We work collaborati
complimentary and v
Stellenbosch. We the
for funding.

We value the opportun
funding attached herew

Regards



Jeanneret Momberg
CEO Visit Stellenbosch

APPENDIX 2



STELLENBOSCH
ST EL LEN BOSCH • P NIEL • FRA NSCHHOEK
Municipality • Umasipala • Munisipaliteit

APPENDIX A

**APPLICATION: FUNDING OF EXTERNAL BODIES PERFORMING A MUNICIPAL
 FUNCTION 2021/2022**

**NOTE: ONLY APPLICATIONS ON THIS PRESCRIBED FORM SHALL BE
 CONSIDERED**

PLEASE COMPLETE THE FOLLOWING:

A REGISTERED NAME OF ORGANISATION:

...Stellenbosch Network NPC.....

**B DATE AND YEAR IN WHICH THE ORGANISATION WAS FOUNDED OR
 INCORPORATED (INCLUDE BRIEF DESCRIPTION OF BUSINESS OR
 ACTIVITIES OF ORGANISATION):**

Stellenbosch Network NPC was registered as an entity in December 2019. **The Stellenbosch Network** is a cross sector and inter-disciplinary membership organisation that brings people together – from industry, government, society and academia. Our aim is to share ideas, meet each other, encourage collaboration and partnership in support of inclusive economic growth for the greater Stellenbosch area.

The role-players in the Stellenbosch Network include innovators, entrepreneurs, SMMEs, investors, locally-based corporations, social entrepreneurship enterprises, knowledge institutions and government.

C ADDRESS:

(i) Street

(ii) Postal

... 15 De Beer St.....

..... 15 De Beer St.....

..... Stellenbosch.....

..... Stellenbosch.....

..... 7600.....

..... 7600.....

Contact details:

Name and Surname: Hanli Brink.....

Title/Position held: Operations Director.....

Tel: ... 082 536 5847... E-mail: ... hanli@stellenboschnetwork.co.z.....

D LIST ALL THE BOARD / COMMITTEE MEMBERS OF THE ORGANIZATION:

Name and Surname: ... Hanli Brink.....

Position: ... Operations Director.....

Contact Address and tel. no: 082 536 5847 / 5 Drommedaris St, Stellenbosch,
 7600

Name and Surname: ...Dr Leslie van Rooi.....

Position:Director.....

Contact Address and tel. no: ...071 194 2324 Simonberg Residence, 79 Merriman Avenue, Stellenbosch, 7600

Name and Surname: ...Roux de Villiers.....

Position:Director.....

Contact Address and tel. no: ...082 302 4942...Wildepaardejacht Farm, Paarl

Name and Surname:

Position:

Contact Address and tel. no:

Name and Surname:

Position:

Contact Address and tel. no:

D INDICATE IN WHICH WARD THE ORGANISATION IS ACTIVE:

Ward: All Stellenbosch wards

Is the organisation a non-profit company? Yes No

If yes, provide company registration number: 2019/609161/08 -

Is the organisation a non-profit organisation as contemplated in section 13 of the Non-Profit Organisation Act, 1997? Yes No

If yes, provide registration number: _____ -

Is the organisation a public benefit organisation as contemplated in terms of the Income Tax Act, 1962? Yes No

If yes, provide registration number: _____ -

Is funding required for a specific project / programme? Yes No

If yes, attach details separately.

Budget amount of projects / programmes: ...R185 000 + R50 000 = R235 000.00

Duration of project / programme: ... 1 year.....

Is funding required for general support? Yes No

If yes, attach a copy of the organisation's overall budget and business plan.

E CATEGORY

Please categorise your application (mark with x):

Training Programmes for SMME ination Marketing n

Database for SMME's

Note: For more detail, see attached Funding of External Bodies Performing a Municipal Function Policy. (general guidelines and categories)

Please indicate the specific type of project / programme, as per the Funding of External Bodies Performing a Municipal Function Policy.

.....

.....See supporting documents attached.....

.....

.....

.....

.....

.....

F THE FOLLOWING MUST ACCOMPANY THIS APPLICATION:

1. A copy of the latest, audited financial statements.
2. A copy of the Organisation's Constitution or Memorandum of Incorporation as well as the resolutions/minutes adopting the Constitution or Memorandum of Incorporation.
3. A copy of a project / programme description and / or a business plan for the ensuing financial year. Including the following:
 - Full details of the proposal or project / programme including its objectives, the number of people who will benefit and how the project will contribute or enhance the strategic objectives of Stellenbosch Municipality.
 - Commencement and completion dates of the project / programme.
 - Information on the total cost of the project / programme budget, including a breakdown of costs and an outline of any contribution by fundraising and / or own contribution.
 - A list of all other sources of funding together with the assessments.
 - A summary of past achievements.
 - References independent of the applicant and its executive.
4. An original copy of a correctly completed creditors control form of Stellenbosch Municipality.
5. If the Organisation received funding from Stellenbosch Municipality in the preceding financial year, you need to account for the expenditure of the funding received with your new application.
6. If the Organisation received funding from other bodies, please identify and list the amounts received.

7. If the Organisation is a non-profit company as defined in the Section 1 of the Companies Act, 2008, a certificate / letter issued by the Companies and Intellectual Property Commission (CIPC) confirming registration must be attached.
8. If the Organisation has been registered as a "non-profit" organisation in terms of the Non-Profit Organisation Act, 1997, a certificate / letter issued by the Department of Social Development confirming registration as a non-profit organisation must be attached.
9. If the Organisation has been registered as a "Public Benefit Organisation" in terms of the Income Tax Act, 1962, a certificate/letter issued by SARS confirming the Organisation's tax exemption status must be attached.
10. A valid Tax Clearance Certificate issued by SARS.
- 11. List and contact details of existing SMME's within the database.**
- 12. Proof of hosting or facilitating SMME training sessions (e.g. Photographs, attendance register, etc.)**

G THE FOLLOWING SHALL APPLY:

1. The allocation of funds will only be considered if the application document has been fully completed and signed and is accompanied by the required and supporting documentation referred to therein.
Applicants must in their submission clearly indicate / specify and motivate what the funding where and for which purpose the funding will be allocated.
2. The funding must be exclusively used for the purpose defined and motivated, and the successful applicant must submit the necessary undertaking to this effect.
3. Applicants must in their submission satisfy the Council of their ability to execute the project successfully.
4. Organisations who have already received financial or other assistance from the Council during the previous financial year must specify same in their application.
5. No funding will be considered for political groupings, church / sectarian bodies or ratepayers organisations.
6. No funding will be considered where only an individual will benefit or where a member of Council or an official of Stellenbosch Municipality will receive any financial or other gain.
7. Projects outside the boundaries of the Council will not be considered.
8. Subsequent requests from applicants to cover overspending on projects will not be considered.
9. Council will not pay any funds to anyone who has already procured against the perception that they will receive any municipal funds.
10. Successful applicants must at all times comply with the provisions of Section 67(1) of the Municipal Finance Management Act No. 56 of 2003 which *inter alia* stipulates that the organisation or body has to:-
 - Enter into and comply with a Memorandum of Agreement with the Municipality as well as with all reporting, financial management and auditing requirements as may be contained in such agreement. This memorandum of agreement will bind the successful applicant to deliver on what the application speaks to, but also to commit to become involved with municipal programmes of the community where it functions. The Memorandum of Agreement will be made available to successful applicants for completion.

11. The Council reserves the right not to give funding to any or all organisations applying.
12. Having been awarded funding previously does not give an applicant the right to receive a grant/funding again.
13. Funding will not be considered where a project or organisation is already receiving funds from Council in terms of Council's functions. Applicants are required to disclose other sources of funding, failing which such applicant will be disqualified.
14. Funding will not be considered where in Council's opinion, an organisation received sufficient funds from other sources to sustain its activities or the project / programme applied for. For this purpose, organisations must submit financial statements and budget for the ensuing financial year.
15. Organisations who received funding from Stellenbosch Municipality during the previous financial year, are required to attach such proof to the new application, a copy of the financial statements relating to the year in which the funding was received from Council, as required in terms of section 67(1) of the Municipal Finance Management Act, 2003 (MFMA).
16. SMME Training' funding applicants must be able to demonstrate that the following may be achieved within their 2021 / 2022:
 - Minimum of five (5) training opportunities must be held
 - The applicants must possess an existing database of SMME's within the Stellenbosch Municipal Area

(The Funding of External Bodies Performing a Municipal Function Policy must be consulted for the sake of completeness)

H UNDERTAKING:

I/We hereby verify that the information provided in this application is true and correct and that the conditions applicable to the allocation of funds as set out above have been read, understood and will be complied with.

I/We also declare that the organisation implements effective, efficient and transparent financial management and internal control mechanisms to guard against fraud, theft and financial mismanagement and has in the past complied with requirements for similar transfer(s) of funds.

This completed and signed at Stellenbosch on this 13 day of May 2022



Chairperson / Authorised Representative

Secretary / Duly Authorised Signatory

I PLEASE TAKE NOTE:

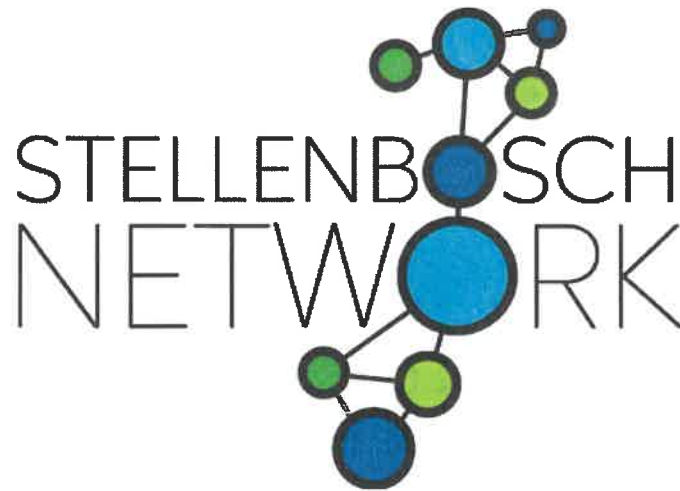
- (i) That completed application forms together with all the required documentation must be delivered to:

**Director: Planning and Economic Development (Attention: Ms L van Gensen)
P O Box 17
Stellenbosch
7599**

Or delivered to:

**127 Dorp Street
Stellenbosch
7600**

- (ii) That the closing date for the submission of applications is: at
- (iii) That **neither late nor incomplete applications** shall be considered.



Director: Planning and Economic Development
Ms Lesley van Gensen
PO Box 17
Stellenbosch, 7588

11 May 2022

Dear Ms van Gensen,

RE: Municipal Notice 117/2021
Stellenbosch Network funding application for external bodies performing a municipal function
Training programmes for SMME's
Database management of SMME's

The Stellenbosch Network is a cross-sector interdisciplinary networking organisation that brings together people from local industry, academia and government to scope and implement innovative programmes, platforms, and events in order to encourage, support and further develop the levels of local innovation and entrepreneurship while also encouraging collaboration and partnership between local innovation actors. Key stakeholders in the network include Stellenbosch University, Wesgro, local industry and Stellenbosch Municipality.

Stellenbosch Network is now in our third year of operation and the network has grown tremendously during the past years. We have in excess of 195 Stellenbosch Network members. Since establishment the network, through its various events, the mentorship programme, innovation competitions, social media, newsletters and day-to-day introductions and recommendations, has helped a large number of SME's based in Stellenbosch and surrounds, including innovators from under-served areas in Stellenbosch.

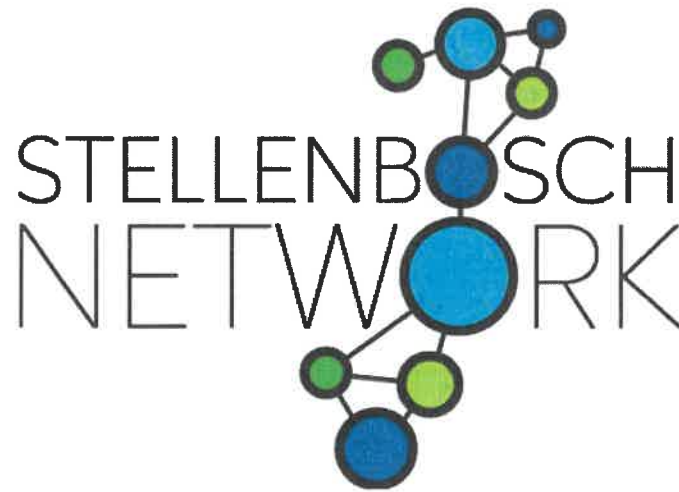
Stellenbosch Network would like to apply for funding as follow:

Training programmes for SME's = R185 000.00 (see budget with application)

Database for SME's = R50 000.00 (see budget with application)

Total = R235 000.00

15 De Beer Street, Stellenbosch, 7600
Private Bag XI, Matieland, 7602
NPC no 2019/609161/08
Tel: +27 21 808 9067 | www.stellenboschnetwork.co.za



Training Programmes for SMME's:

Mentorship Programme:

Stellenbosch Network has successfully run and managed our Entrepreneurial Mentorship programme for three years. The programme could accommodate up to 20 small entrepreneurs. The outcomes of the mentorship programme include business growth (through revenue growth or number of employees) or else survival during poor economic climates. The funding is used for facilitation sessions that will be held, marketing of the programme and specific training courses for mentees on the programme, tailored to the needs of the mentees. The key facilitator for the programme will be JP Cronje, who has extensive experience in ensuring successful and sustainable mentorship matchmaking and facilitation. JP Cronje is also the lead mentorship facilitation for the University of Stellenbosch Business School and manages the mentorship programme for Allan Gray Orbis Foundation. This is a 8 month programme. R25 000.00 budget.

USB Mentorship during SBA Programme:

With the assistance of Distell and Stellenbosch University the Small Business Academy programme have been hosted in Stellenbosch in 2021 and 2022. We ask for funding of the mentorship programme that forms part of the SBA programme during 2023. Budget R25 000.00

Design & Creative Thinking workshop:

A workshop to stimulate creative thinking and business ideas for small business owners = R17 500.00 budget

Basic Intro to Intellectual Property (IP):

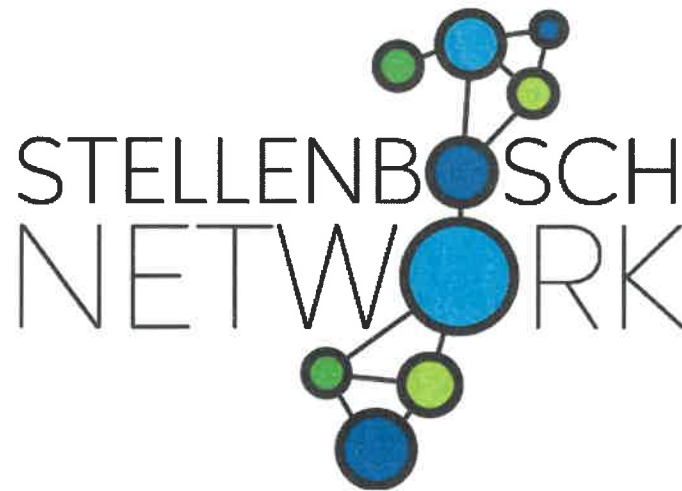
This will be presented in person during a morning session and the presenter will be a patent lawyer. Budget R17 500.00

Digital Marketing Tools & Design Training:

An online workshop focussing on social media design marketing training. Budget R8 000.00

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Google Training: 5 x morning sessions workshops:

This will consist of 5 separate morning sessions hosted by Mido Technologies covering Google Level training: Chrome books, Gmail, Sheets, Calendar, Drive, Docs, Slides and forms. Budget R50 000.00

Business Network Subscription Stellenbosch Network:

Training to list your business on the Stellenbosch Network procurement platform. This will consist of 1 sessions to train you to list and to manage your profile. R8 000.00 Budget

Optimise your business on Google training:

An online session showing you how to ensure your business is optimised in Google Searches. Presented by Adbot. Budget R8 000.00

Google my Business Ads sponsored:

Sponsoring advertisements on Google for a few SME's and teaching them how to optimise their marketing via Google. This will be done through Adbot. Budget R25 000.00

SME's Database / Procurement Platform:

Stellenbosch Network with funding assistance from Dept of Science and Innovation has established a Procurement Platform build via blockchain technology.

The scoped platform features of phase 1 of the platform, which is now live on our website www.stellenboschnetwork.co.za, are listed as follows:

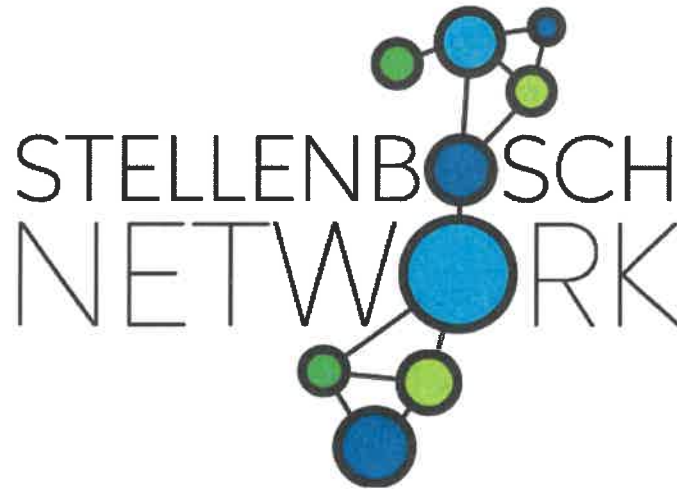
1. Map local suppliers and their capabilities and match these suppliers to the needs of larger local medium-large procurers (such as locally-based multinationals, Stellenbosch University, Stellenbosch Municipality etc.). The solution under development incorporates blockchain and automated technology allows for automated verification and compliance, competitive bidding. It is noted that the database required for successful LED supplier matchmaking needs to be of

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a critical and substantial size and various stakeholders are being engaged continually to determine the variables and selection criteria for appropriate matchmaking and for future updates to the platform such that it meets useability requirements.

2. Directory of local events related to innovation and entrepreneurship.
3. Continued listing of current local upskilling and capacity building programmes for supplier development. SN will as a value-added service as part of its matchmaking programme, match non-compliant suppliers to a suitable supplier development programme to ensure future capacity building to enable future compliance.

Stellenbosch Network is asking for funding for R50 000.00 as co-funding of the platform that will serve as a database of Stellenbosch businesses. The businesses will all be vetted by the platform and Stellenbosch Network would allocate a portion of this funding towards the vetting and management fees.

Do not hesitate to contact me should you need any further information.

Yours sincerely

Hanli Brink

A handwritten signature in black ink, appearing to read 'Hanli Brink', written over a light blue horizontal line.

Operations Director, Stellenbosch Network
hanli@stellenboschnetwork.co.za

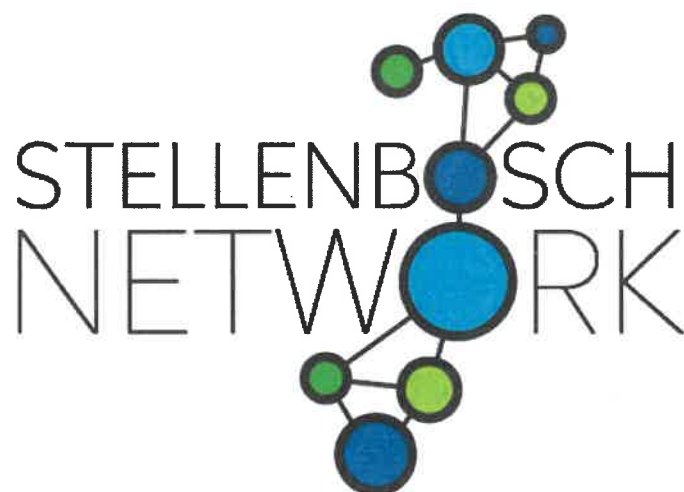
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Stellenbosch Network Training Sessions							
OUTCOME	Category	Intervention / Programme		Service Provider	Stellenbosch Municipality Budget	Other Funding	Co-Funder
IMPROVED BUSINESS KNOWLEDGE & SKILLS	Mentorship	USB Mentorship during SBA programme	Mentorship included in training	Stellenbosch Network	R25 000		
IMPROVED BUSINESS KNOWLEDGE & SKILLS	Mentorship	Stellenbosch Network Mentorship	2022 Mentorship Programme	Stellenbosch Network	R25 000	R20 000	DSI
IMPROVED BUSINESS KNOWLEDGE & SKILLS	Marketing	Design & Creative Thinking Workshop	Morning session, event	Stellenbosch Network	R17 500		
IMPROVED OPERATIONAL MANAGEMENT & EFFICIENCY	Legal support	Basic intro to Intellectual Property	Morning session, event	Stellenbosch Network	R17 500		
IMPROVED OPERATIONAL MANAGEMENT & EFFICIENCY	Marketing	Digital Marketing Tools and Design	Social Media design marketing training, online event	Stellenbosch Network	R8 000		
IMPROVED OPERATIONAL MANAGEMENT & EFFICIENCY	Technology	Google training: 5 morning Sessions	Google App Training (Gmail, Docs, Sheets, Slides) over 5 sessions	Stellenbosch Network	R50 000		
INCREASED CUSTOMER PROFILE	Access to Market	Business Network subscription: Stellenbosch Network	Training to register/manage profile	Stellenbosch Network	R8 000		
INCREASED CUSTOMER PROFILE	Marketing	Optimise your business on Google	Presented by Adbot	Stellenbosch Network	R8 000		
INCREASED CUSTOMER PROFILE	Marketing	Google my Business Profile	Sponsoring 5 SME's Google profile for 6 months	Stellenbosch Network	R26 000		
Total Budget required by Stellenbosch Network for training Sessions					R185 000		

Stellenbosch Network SME's Database management

OUTCOME	Category	Intervention / Programme	Service Provider	Stellenbosch Mu	Other Funding	Co-Funder
INCREASED CUSTOMER PROFILE	Access to Market	Business Network subscription: Stellenbosch Network procurement platform	Stellenbosch Network	R50 000	R100 000	DSI
Total Budget for Database management				R50 000		



12 May 2022

History of events and training workshops hosted:

The following events were hosted by Stellenbosch Network during the past months:

Entrepreneurial Mentorship Programme / April 2022 – November 2022

The SN Entrepreneurial Mentorship Programme is an eight-month mentorship programme providing a matchmaking framework for prospective entrepreneurship mentors and mentees. Through the Year 3 programme, fifteen micro-enterprise entrepreneurs from under-served areas around Stellenbosch (**See Table** below for a detailed breakdown of the mentees currently on the programme) are currently being mentored by mentors sourced by the mentorship programme facilitator of the University of Stellenbosch Business School's Small Business Academy. The programme provides black-owned microenterprise and entrepreneurs with extensive and in-depth mentorship on how to manage and grow their businesses, how to apply new innovations and/or survive difficult times. The SN has received very positive feedback from the innovators currently enrolled in this programme on the value of the programme for their businesses.

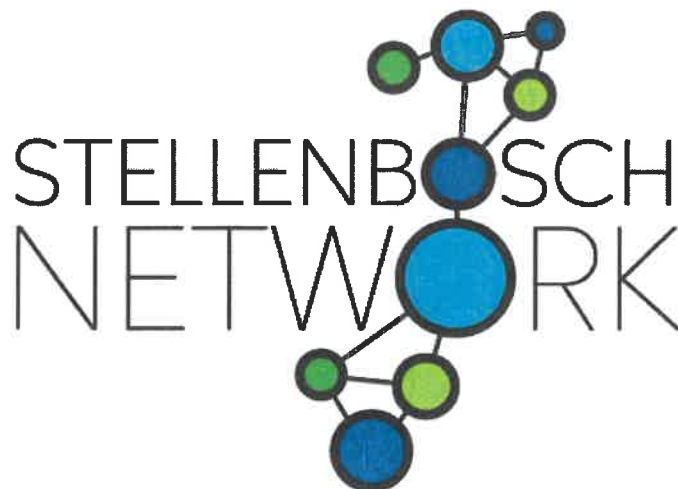
<u>Name</u>	<u>Gender</u>	<u>Area</u>	<u>Business</u>
Basil Williams	M	Kylemore	Hydroponic farming
Antoinette Mralasi	F	Stellenbosch	Vertical Farming
Leigh Desai	F	Klapmuts	Digital design & marketing
Lunga Momoza	M	Stellenbosch	App development: Food distribution
Bevin Mazevenza	M	Stellenbosch	Online marketplace
Vusi Makoena	M	Kayamandi	Rooibos farming & technology
Mhlengi Ngcobo	M	Stellenbosch	Coffee roasting technology
Ashipe Cosa	F	Kayamandi	Plumbing
Anga Bobongo	M	Kayamandi	Distribution
Micky Sticks (vd Hoven)	M	Stellenbosch	Leather products
Phelisa Bekwa	F	Kayamandi	Beauty industry
Wanga Ncise	M	Stellenbosch	Fastfood
Wardah Cassiem	F	Idas Valley	Fastfood
Zintle Nomavuko	F	Kayamandi	Restaurant & entertainment
Rinae Musekene & Ibrahim Sururu	M	Stellenbosch	Maintenance software

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Technology Training Workshop, Webinar, 28th July 2021

Presenters: Aphindile Govuza, Senior Associate at [Cliffe Dekker Hofmeyr](#) & Tiaan van Zyl, Digital Analytics Lead at [Traffic Brand](#).

Topic: POPI Act – What now?

On 1 July, the Protection of Personal Information Act (POPIA) came into full effect and introduced new regulations to protect one's personal information and constitutional rights to privacy and access to information. Businesses began sending out POPIA-related mailers, reminding users of their ability to 'opt-out' – but many were left wondering 'what now?'. Silicon Cape and Stellenbosch Network hosted *POPI Act: What Now?* - a practical webinar for business owners unpacking next steps and the resources needed to take to properly manage your digital channels, marketing, and customer data. Attendees: 180 Registrations

Technology Training Workshop, Event 22nd September 2021 hosted at SU Launchlab

Presenters: Panel discussion with Aisha Pandor ([SweepSouth](#)), Kobus Ehlers ([Radar](#); previously SnapScan), Leánne Viviers ([Mintor](#)) and Mike-Alec Kearney ([CubeSpace](#)). Led by Kabous Meiring

Topic: Technology Entrepreneurs and their solutions to South African Challenges.

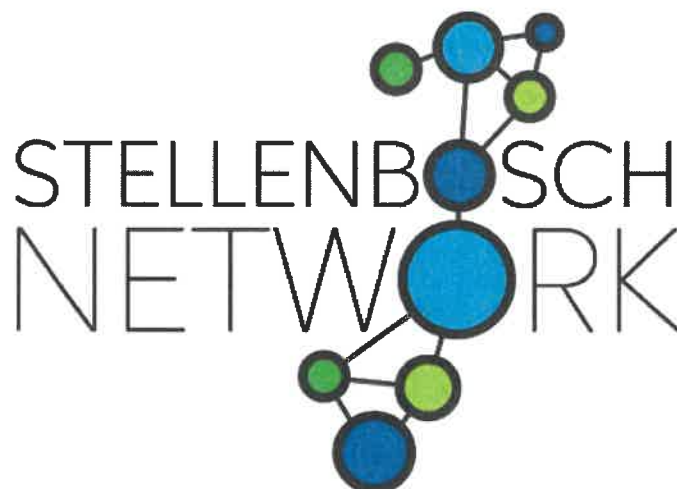
Stellenbosch Network, in partnership with Stellenbosch University LaunchLab and the SA Innovation Summit, hosted an in-person event for university students and young entrepreneurs to learn from some of the best business builders in the country. The audience joined us as the panelists discussed what it takes to be an entrepreneur in South Africa and learn how South African technology solutions are playing a key role in addressing some of the world's most pressing challenges, today. The event was followed by networking opportunity which was welcomed by all attendees. Attendees: 60 Registrations

We have launched a **Stellenbosch Network YouTube Channel** where we aim to share recordings of some of our events. This will allow people who could not attend the event to view it afterwards but we believe that we could also further the reach of Stellenbosch Network with this channel. The link to the recording of the event can be found here:

<https://youtu.be/OOZPRK6jX8I>

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Technology Training Workshop, Online workshop, 28th July 2021

Presenters: Anton Pretorius, Sologix, 25th October 2021

Topic: A business and innovative thinking coaching session for all entries for this years #Ideasforchange entries. Focussing on the GrowthWheel online toolkit to evaluate your idea and how to develop this into a business model.

Presenter: Anton Pretorius, CEO Sologix

Attendees: 8 Ideasforchange challenge participants

Technology Training Workshop, Individual 30 – 60 minute Value Proposition

Masterclass Feedback sessions for the Top 3 Ideasforchange Challenge, November 2021

Topic: Based on the Value Proposition Masterclass session hosted by Sologix on the 25th October, they offered a further individual session with each participant to discuss the potential of turning their ideas into a business

Presenter: Anton Pretorius, CEO Sologix

Technology Training Workshop, Adbot – Artificial Intelligence Google campaign manager training, November 2021.

Topic: Google marketing & search engine optimisation. Adbot assists SMEs to advertise online, functioning as an AI campaign manager and saving SME owners up to 75 hours a week to focus on growing their businesses. This workshop's purpose was to show entrepreneurs how they can optimise Google marketing and search engine optimisation.

Presenter: Michelle Greere, CEO Adbot

Attendees: Mentees and some mentors

Smart City Lecture Series Webinar, 4th August 2021, Webinar

Presenter: Geoff McDonald & Chrizelda Walters (FAB Consulting)

Topic: Mental Health Awareness in the Workplace. During these trying COVID times SN decided to host an event for our member companies' wellbeing. They learned about the power of being able to speak up and ask for support, and how to break the stigma of mental ill-health. Moreover, they explored the steps needed to elevate the wellbeing of those around you, and how a healthy working environment can unlock competitive advantages for your business. Led by Geoff McDonald, an internationally renowned mental wellness expert.

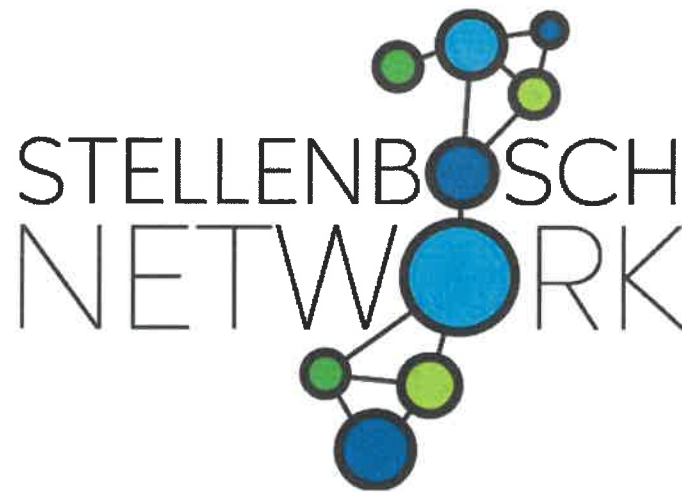
Attendees: 274 Registrations

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Technology Training Event, April 2022, Venue: SU Launchlab
Exploring Data Science & Entrepreneurship. Panel discussion with Neil Rankin, Tiffany Woodley and Berno Greyling. Attendees: 150 entrepreneurs and students

Networking Event, April 2022, Venue: STIAS
Cape Town / Stockholm Connect Stellenbosch Event

A networking event hosted by Stellenbosch Network and Business Sweden where 50 Swedish companies attended and networked with Stellenbosch business owners and entrepreneurs.

Technology Training Event (5 sessions), May & June 2022, Venue: CoCreate HUB
Google training event for SMME's

A digital google training event over 5 sessions focussing on how to digitise your business. Session will focus on training of Google Level 1: Chrome, Gmail, Calendar, Drive, Docs, Slides, Forms, Sheets

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SN Funding received from Stellenbosch Municipality for 2021/2 (previous year)

Category	Intervention / Programme		Date presented	Budget
Mentorship	USB Mentorship during SBA programme	Mentorship included in training	Apr - Nov 2022	R20 000
Mentorship	Stellenbosch Network Mentorship	2022 Mentorship Programme	Apr - Nov 2022	R20 000
Marketing	CANVA design Digital design	Morning session, online event	May-22	R7 500
Legal support	IP Registrations	Morning session, event	Jun-22	R15 000
Technology	Google training: 5 morning Sessions	Google App Training (Gmail, Docs, Sheets, Slides) over 5 sessions	May - Jun 2022	R50 000
Access to Market	Business Network subscription: Stellenbosch Network	Training to register/manage profile	Jun-22	R15 000
Marketing	Google my Business Profile	Presented by Adbot and monthly marketing sponsored	Jun-22	R7 500
Marketing	Google my Business Profile	Sponsoring 5 SME's Google profile for 10 months	Start June 2022	R35 000
				R170 000

Category	Intervention / Programme		Date presented	Budget
Marketing	Digital Marketing	Website Social Media marketing Digital design, online event	Jul-22	R7 500
Business training	Website /App design and/or update	Website designing and/or App design training	Jul-22	R7 500

08/05/2020

MEMORANDUM OF INCORPORATION

of

STELLENBOSCH NETWORK (NPC)

A NON-PROFIT COMPANY

(Registration Number: 2019/609161/08)

The Company is a Non-Profit Company with Members and, in support of entrepreneurs and innovators in Stellenbosch and surrounding communities, the main objectives of the Company are to:

- (1) catalyse purposeful local partnerships;
- (2) create opportunities for interdisciplinary interaction;
- (3) enable knowledge sharing; and
- (4) promote inclusive economic growth.

section 24(4) and section 50(1) of the Act and referred to in item 4 of Schedule A of this Memorandum of Incorporation;

1.1.10 "Voting Member" means a Member with voting rights as further described in item 1 of Schedule A.

1.2 Words and expressions defined in the Act and which are not defined herein shall have the meanings given to them in the Act.

1.3 A reference to a section by number refers to the corresponding section of the Act notwithstanding the renumbering of such section after the date on which the Memorandum of Incorporation is adopted.

2 ADOPTION OF MEMORANDUM OF INCORPORATION

2.1 This Memorandum of Incorporation is adopted by the Company as its founding document.

2.2 The Company is incorporated in accordance with and governed by –

2.2.1 the unalterable provisions of the Act that are applicable to Non-Profit Companies; and

2.2.2 the alterable provisions of the Act that are applicable to Non-Profit Companies, subject to the limitations, extensions, variations or substitutions set out in this Memorandum of Incorporation.

3 INCORPORATION AND NATURE OF THE COMPANY

3.1 The Company is a Non-Profit Company as defined in the Act, and accordingly –

3.1.1 it has been incorporated for a public benefit, or an object relating to one or more cultural or social activities, or communal or group interests as required by item 1 (1) of Schedule 1 to the Act; and,

3.1.2 its income and property are not distributable to its incorporators, Members, Directors, officers or persons related to any of them, except to the extent permitted by item 1(3) of Schedule 1 to the Act.

4 OBJECTS OF THE COMPANY

4.1 The Company's main objectives are:

- 5.3.4 the Company shall not, in accordance with item 2(1) of Schedule 1 of the Act, amalgamate or merge with, or convert to a profit company, or dispose any part of its assets, undertaking or business to a profit company, other than for fair value, except to the extent that such disposition of an asset occurs in the ordinary course of the activities of the Company; and
- 5.3.5 the Company may not provide a loan to, secure a debt or obligations of, or otherwise provide direct or indirect financial assistance to, a Director of the Company or of a related or inter-related company, or to any person related to such Director unless such action is in accordance with item 5 of Schedule 1 of the Act .
- 5.4 However, nothing contained in clause 5.3 shall prevent:
- 5.4.1 The Company paying any portion of its income, or transfer any of its assets, directly or indirectly, regardless of how the income or asset was derived, to any person who is, or was an incorporator of the Company, or who is a Member or Director, or any person appointing a Director of the Company, for the following reasons:
- 5.4.1.1 the payment of reasonable remuneration to any employee, office bearer or other person for goods delivered or services delivered to, or at the direction of the Company;
- 5.4.1.2 the reasonable payment of, or reimbursement for expenses incurred to advance the stated object of the Company;
- 5.4.1.3 the payment of an amount due and payable by the Company in terms of a *bona fide* agreement between the Company and that person or another;
- 5.4.1.4 the payment in respect of any rights of that person, to the extent that such rights are administered by the Company in order to advance a stated object of the Company; and
- 5.4.1.5 payment in respect of any legal obligation that is binding on the Company;
- 5.4.2 the Company from acquiring and holding securities issued by a profit company;

- 9.1.2 The Board shall not be required to call any meeting of Voting Members other than those specifically required by the Act and
- 9.1.2.1 whenever required in terms of the Act to fill a vacancy on the Board;
or
- 9.1.2.2 if 1 (one), or more written and signed demands calling for such a meeting are delivered to the Company and:
- 9.1.2.2.1 each such demand describes the specific purpose for which the meeting is proposed; and,
- 9.1.2.2.2 such demand is made and signed by Voting Members holding at least 10% (ten percent) of the voting power all the Voting Members of the Company.

9.2 **Location of members meetings**

The Board may determine the location of any Voting Members' meeting, and the Company may hold any such meeting in the Republic, or in any foreign country, and the authority of the Board and the Company in this regard is not limited or restricted by this Memorandum of Incorporation.

9.3 **Notice of members meetings**

- 9.3.1 The minimum number of days for the Company to deliver a notice in writing of a Voting Members' meeting is 15 (fifteen) business days before the meeting is to begin, as provided for in section 62 (1) of the Act.
- 9.3.2 The notice must set out the date, time and place for the meeting, the general purpose of the meeting, as well as, any specific purpose for which the meeting has been called if requisitioned by the Voting Members; a copy of the proposed resolution which is to be considered at the meeting and the percentage of voting rights that would be required for that resolution to be adopted.
- 9.3.3 Where there is a material defect in giving notice of any meeting to any particular Voting Member, the meeting may proceed only if every person entitled to exercise voting rights in respect of any item at the meeting is present at the meeting and approves the ratification of the defective notice.

10 MEMBERS ACTING OTHER THAN AT A MEETING

Any resolution which could be voted on at a Voting Members' meeting may instead be submitted for consideration by the Voting Members and be voted on in writing in terms of section 60 of the Act.

11 REPRESENTATION BY PROXY

11.1 Any Voting Member may at any time appoint any natural person, including a natural person who is not a Voting Member, as a proxy to:

11.1.1 participate in, and speak at a Voting Members' meeting on behalf of that Voting Member, and vote on behalf of a Voting Member; or

11.1.2 give or withhold written consent on behalf of that Voting Member to a decision contemplated in clause 9.

11.2 A proxy appointment must be in writing, dated and signed by the Voting Member and remains valid for 1 (one) year after the date on which it was signed, or any longer, or shorter period expressly set out in the appointment, unless it is revoked in a manner contemplated in the Act or expires earlier as contemplated in the Act.

11.3 The remaining provisions of the Act relating to the appointment and revocation of proxies and the rights of proxies shall apply, subject to the limitations, restrictions and/or variations set out below:

11.3.1 a Voting Member shall only be entitled to appoint 1 (one) person as proxy at any given time to act on his, or her behalf;

11.3.2 a Voting Member's proxy may not delegate his, or her authority to act on behalf of a Voting Member to another person;

11.3.3 a proxy is only entitled to exercise, or abstain from exercising any voting rights of a Voting Member, or give or withhold written consent on behalf of that Voting Member to a decision contemplated in clause 9, in accordance with the instruction of that Voting Member and is not entitled to make such decision of his or her own volition.

11.4 A Voting Member, or his proxy, must deliver to the Company a copy of the instrument appointing a proxy before the commencement of the meeting at which the proxy intends to exercise that Voting Member's rights.

the chairperson is not present or willing to act as chairperson thereof within 15 (fifteen) minutes of the time appointed for holding the meeting, the Board present shall choose one of their number to be chairperson of such meeting.

12.9 The Board has the power to:

12.9.1 consider any matter and/or adopt any resolution other than at a meeting as set out in section 74 of the Act and, accordingly, any decision that could be voted on at a meeting of the Board may instead be adopted by the written consent of a majority of the Directors, given in person or by Electronic Communication, provided that each Director has received notice of the matter to be decided;

12.9.2 conduct a meeting entirely by Electronic Communication, or to provide for participation in a meeting by Electronic Communication, as set out in section 73 (3) of the Act; and

12.9.3 determine the manner and form of providing notice of its meetings as set out in section 73(4) of the Act, provided that:

12.9.3.1 the notice period for the convening of any meeting of the Board will be at least 7 (seven) business days;

12.9.3.2 an agenda of the matters to be discussed at the meeting shall be given to each Director;

12.9.3.3 the Board has the power to proceed with a meeting despite a failure or defect in giving notice of the meeting, as provided in section 73(5) of the Act and allowed for below,

and the powers of the Board in respect of the above matters are not limited or restricted by this Memorandum of Incorporation.

12.10 At a Directors' meeting: the quorum requirement for the meeting to begin (including an adjourned meeting), the voting rights to be exercised at such meeting, and the requirements for approval of a resolution at such meeting are in accordance with section 73(5) of the Act and so accordingly:

12.10.1 if all of the Directors of the Company acknowledge actual receipt of the notice convening a meeting, are present at a meeting, or waive notice of a meeting, the meeting may proceed even if the Company failed to give

any such committee persons who are not Directors and the power of the Board in this regard is not limited or restricted by this Memorandum of Incorporation.

14.2 The committee appointed by the Board may consult with or receive advice from any person and have the full authority of the Board in respect of a matter referred to it.

14.3 The committee appointed by the Board must report to the Board on a bi-annual basis and whenever requested by the Board.

15 AMENDMENT OF MEMORANDUM OF INCORPORATION

This Memorandum of Incorporation may only be altered or amended accordance with the Act and the Company will submit a copy of any amendment(s) to this Memorandum of Incorporation to the Commissioner for the South African Revenue Service (if applicable).

16 COMPANY RULES

The Board is authorised to make, amend or repeal any necessary or incidental rules relating to the governance of the Company in respect of matters that are not addressed in the Act or in this Memorandum of Incorporation.

17 NOTICES

17.1 All notices intended or required to be given by the Company to any Member of the Company shall be given in writing in any manner authorised by the Regulations and particularly Table CR 3 annexed to the Regulations.

17.2 Each Member of the Company:

17.2.1 shall notify in writing to the Company an address, which address shall be his registered address for the purposes of receiving written notices from the Company by post and if he has not named such an address he shall be deemed to have waived his right to be so served with notices; and

17.2.2 may notify in writing to the Company an email address and/or facsimile number, which address shall be his address for the purposes of receiving notices by way of electronic communication.

17.3 Any Members whose address in the Register is an address not within the Republic of South Africa, and who shall from time to time furnish the Company with an address within the Republic of South Africa at which notices can be

- 18.2 By the chairperson of the Bar Council provided that the person so nominated shall be an advocate or attorney of not less than 15 (fifteen) years standing as such.
- 18.3 The decision by the arbitrator at conclusion of the arbitration proceedings shall be final and binding without appeal.
- 18.4 Nothing herein contained shall be deemed to prevent or prohibit a party to the arbitration from applying to the appropriate court for urgent relief or for judgment in relation to a liquidated claim.
- 18.5 Any party to arbitration in terms of this clause 18 shall treat the details of the dispute or difference submitted to arbitration, the conduct of the arbitration proceedings and the outcome of the arbitration as confidential.
- 18.6 This clause 18 will continue to be binding notwithstanding any liquidation of the Company, the commencement of any business rescue proceedings in respect of the Company to the extent that the implementation of the provisions of this clause will not give rise to any contravention of any provision of the Act or of any other applicable legislation.
- 18.7 The written demand by a party to the dispute in terms of this clause 18 that the dispute or difference be submitted to arbitration shall be deemed to be a legal process for the purpose of interrupting extinctive prescription in terms of the Prescription Act, 1969.
-

2.4 Membership fees for Non-Voting Members as at the Signature Date are set out below. These fees may be adjusted by the Board from time to time.

2.4.1

Entrepreneurs / Organisations with 1 – 5 Employees / Natural Persons	R500 / yr
Organisations with 6 – 20 Employees	R1000 / yr
Organisations with 21 – 30 Employees	R3000 / yr
Organisations with 31 – 50 Employees	R5000 / yr
Organisations with >50 Staff	R10000 / yr

2.5 Rights and obligations

- 2.5.1 Non-Voting Members shall be entitled to receive notice of and attend and participate in functions held by the Company free of charge or else at a discounted charge; request advertisement of their own events on the Stellenbosch Network website provided such events are aligned with the company's objectives.
- 2.5.2 Non-Voting Members shall not be entitled to attend meetings of the Company where any matters including but not limited to the appointment of directors are to be voted on.
- 2.5.3 Non-Voting Members may from time to time be invited by the Board to become a Voting Member provided payment of the voting membership contribution per annum is paid and any other criteria required by the Board is met.

3. TERMINATION OF MEMBERSHIP

Membership of the Company shall be terminated if:

- 3.1 a Member submits written notice of his/her resignation to the Board. In the case of a Non-Voting Member immediately upon resignation and in case of a Voting Member on 3 (three) months written notice;
- 3.2 a Member fails to pay his/her/its membership fee due in any given year;
- 3.3 the Member is removed by the Board by majority vote;
- 3.4 a Member ceases to comply with any criteria for membership in the sole discretion of the Board;

SCHEDULE B**DIRECTORS****1. Appointment of Directors**

- 1.1 The Board of the Company shall consist of a minimum of 3 (three) and a maximum of 7 (seven) directors appointed in the following manner:
 - 1.1.1 Three (3) directors shall be elected by Voting Members of the Company of which at least 1 (one) must be an employee of Stellenbosch University and at least 1(one) must be appointed as the Chief Executive Officer of the Company;
 - 1.1.2 Additional directors may be co-opted by the Board. It is important that diversity of the necessary expertise be obtained, by co-opting persons with a proven expertise or relevant background, in order to achieve the defined aims of the Company.
- 1.2 In the event of the directors elected by the Voting Members, the Voting Members should vote for each person nominated as a director separately until all vacancies have been filled;
- 1.3 The persons elected as directors by Voting Members will be decided by a simple majority of votes by the Voting Members;
- 1.4 If, at any time, a vacancy arises on the board of directors, the Voting Members should call a meeting and appoint a new director;
- 1.5 All founding directors will serve as directors for an initial period of 2 (two) years, after which they may be re-appointed for 1 (one) year periods;
- 1.6 All directors elected by Voting Members should be re-appointed annually at a meeting of the Voting Members;
- 1.7 A maximum of 1/3 (one third) of elected and co-opted directors may end their duty and vacate their office in any given year.



**COMPANIES AND INTELLECTUAL PROPERTY COMMISSION
REPUBLIC OF SOUTH AFRICA**

FORM COR 14.3 - REGISTRATION CERTIFICATE

Issue date: 04/12/2019
 Print date: 04/12/2019
 Customer code: SPOTAS
 Tracking number: 9216018912

Concerning

STELLENBOSCH NETWORK NPC 2019/609161/08

The above company has been registered in terms of section 14 of the Companies Act, 2008.

In accordance with the Notice of Incorporation, the registration of the company takes effect on 04/12/2019.

In conjunction with this certificate, the Commission has not issued another notice contemplated in section 12 (3).

Commissioner: CIPC

About this Notice

This Notice is issued in terms of section 14 of the Companies Act, 2008, and Regulation 14 of the Companies Regulations, 2011.

If the Commission has altered the name of the company, in terms of section 14 (2) (b), the company may file an amended Notice of Incorporation to change the name.

If the Commission has issued a Notice of a Potentially Contested Name in conjunction with the Certificate, the company must serve that Notice on each person identified in the Notice, and any such person has the right to challenge the use of the name, by the company.

The Companies and Intellectual Property Commission of South Africa
 P.O. Box 429, Pretoria, 0001, Republic of South Africa
 Docex 256, Pretoria
 Contact centre 086 100 2472
www.cipc.co.za



Certificate issued by the Companies and Intellectual Property Commission
on Wednesday, December 04, 2019

Registration Certificate



Registration number **2019/609161/08**
Enterprise name **STELLENBOSCH NETWORK NPC**

Auditors

Directors

Surname and first names	Status	ID number or date of birth	Director type	Appointment date	Addresses
VAN ROOI, LESLIE BERNARD	ACTIVE	8210105137084	DIRECTOR	04/12/2019	Postal ADMIN A STELLENBOSCH UNIVERSITY, RYNEVELD STREET, STELLENBOSCH, WESTERN CAPE, 7600 Residential SIMONSBERG RESIDENCE, 79 MERRIMAN AVENUE, STELLENBOSCH, WESTERN CAPE, 7600
DE VILLIERS, ROUX	ACTIVE	6803095115086	DIRECTOR	04/12/2019	Postal PO BOX 1423, SOUTHERN PAARL, SOUTHERN PAARL, WESTERN CAPE, 7624 Residential WILDEPAARDEJACHT FARM, PAARL, PAARL, WESTERN CAPE, 7630
BRINK, HANLI	ACTIVE	7505150125087	DIRECTOR	04/12/2019	Postal 5 DROMMEDARIS AVENUE, SIMONSWYK, STELLENBOSCH, WESTERN CAPE, 7600 Residential 5 DROMMEDARIS AVENUE, SIMONSWYK, STELLENBOSCH, WESTERN CAPE, 7600

The Companies and Intellectual Property Commission of South Africa

P.O. Box 429, Pretoria, 0001, Republic of South Africa

Docex 256, Pretoria

Contact centre 086 100 2472

www.cipc.co.za



Stellenbosch Network NPC
(Registration number 2019/609161/08)
Financial statements
for the year ended 31 December 2020

Stellenbosch Network NPC

(Registration number: 2019/609161/08)

Financial Statements for the year ended 31 December 2020

Index

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

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Independent Reviewer's Report	4
Directors' Report	5
Statement of Financial Position	6
Statement of Comprehensive Income	7
Statement of Changes in Equity	8
Statement of Cash Flows	9
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Independent Reviewer's Report

To the directors of Stellenbosch Network NPC

We have reviewed the financial statements of Stellenbosch Network NPC, set out on pages 6 to 11, which comprise the statement of financial position as at 31 December 2020 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes, comprising a summary of significant accounting policies.

Directors' Responsibility for the Financial Statements

The company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Independent Reviewer's Responsibility

Our responsibility is to express a conclusion on these financial statements. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2400 (Revised), Engagements to Review Historical Financial Statements (ISRE 2400 (Revised)). ISRE 2400 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This Standard also requires us to comply with relevant ethical requirements.

A review of financial statements in accordance with ISRE 2400 (Revised) is a limited assurance engagement. The independent reviewer performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these financial statements.

Unqualified Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects the financial position of Stellenbosch Network NPC as at 31 December 2020, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008.

Other reports required by the Companies Act

The financial statements include the Directors' Report as required by the Companies Act 71 of 2008. The directors are responsible for the Directors' Report. Our conclusion on the financial statements does not cover the Directors' Report and we do not express any form of assurance conclusion thereon.

In connection with our independent review of the financial statements, we have read the Directors' Report and, in doing so, considered whether the Directors' Report is materially inconsistent with the financial statements or our knowledge obtained in the independent review, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the Directors' Report, we will report that fact. We have nothing to report in this regard.

HC Truter CA(S.A.)
Finleys Outsourced Business Services (Pty) Ltd

15 December 2021

Stellenbosch Network NPC

(Registration number: 2019/609161/08)

Financial Statements for the year ended 31 December 2020

Statement of Financial Position as at 31 December 2020

	Notes	2020 R
Assets		
Current Assets		
Trade and other receivables	2	27 600
Cash and cash equivalents	3	110 438
		<u>138 038</u>
Total Assets		<u>138 038</u>
Equity and Liabilities		
Equity		
Accumulated Surplus		<u>57 270</u>
Liabilities		
Current Liabilities		
Trade and other payables	4	74 455
Current tax payable		6 313
		<u>80 768</u>
Total Equity and Liabilities		<u>138 038</u>

Stellenbosch Network NPC

(Registration number: 2019/609161/08)

Financial Statements for the year ended 31 December 2020

Statement of Changes in Equity

	Accumulated Surplus R	Total equity R
Profit for the year	57 270	57 270
Other comprehensive income	-	-
Total comprehensive income for the year	57 270	57 270
Balance at 31 December 2020	57 270	57 270

Stellenbosch Network NPC

(Registration number: 2019/609161/08)

Financial Statements for the year ended 31 December 2020

Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The financial statements have been prepared on a going concern basis in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act 71 of 2008. The financial statements have been prepared on the historical cost basis and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 Significant judgements and sources of estimation uncertainty

Critical judgements in applying accounting policies

Management did not make critical judgements in the application of accounting policies, apart from those involving estimations, which would significantly affect the financial statements.

1.2 Financial instruments

Initial measurement

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through profit or loss) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial instruments at amortised cost

These include loans, trade receivables and trade payables. Those debt instruments which meet the criteria in section 11.8(b) of the standard, are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

Financial instruments at cost

Equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably without undue cost or effort are measured at cost less impairment.

1.3 Tax

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

The tax liability reflects the effect of the possible outcomes of a review by the tax authorities.

Tax expenses

Tax expense is recognised in the same component of total comprehensive income or equity as the transaction or other event that resulted in the tax expense.

1.4 Revenue

Revenue from sponsorships and fundraising is recorded when received.

Stellenbosch Network NPC

(Taxpayer reference number 9855328176)

(Registration number 2019/609161/08)

Financial Statements for the year ended 31 December 2020

Tax Computation

	2020 R
Net profit per income statement	79 542
Taxable income for 2020	79 542
Tax thereon @ 28% in the Rand	22 272
Reconciliation of tax balance	
Tax owing/(prepaid) for the current year:	
Normal tax	
Per calculation	22 272
1st provisional payment	-
2nd provisional payment	(15 959)
Other payments	-
	6 313
Amount owing/(prepaid) at the end of year	6 313

Management Report

Stellenbosch Network NPC

31 December 2021

Prepared by Finleys Outsourced Business Services (Pty) Ltd

Executive Summary

Stellenbosch Network NPC For the month of December 2021

	Dec 2021	Nov 2021	Variance
Cash			
Cash received	3,000	-	0.0%
Cash spent	119,998	67,123	78.8%
Cash surplus (deficit)	(116,998)	(67,123)	-74.3%
Closing bank balance	102,526	219,524	-53.3%
Profitability			
Income	3,000	-	0.0%
Direct costs	-	-	0.0%
Gross profit (loss)	3,000	-	0.0%
Other Income	-	-	0.0%
Expenses	153,644	76,177	101.7%
Profit (loss)	(150,644)	(76,177)	-97.8%
Balance Sheet			
Debtors	-	-	0.0%
Creditors	(13,800)	50,600	-127.3%
Net assets	11,966	162,610	-92.6%
Income			
Number of invoices issued	2.0	0.0	0.0%
Average value of invoices	1,500	-	0.0%
Performance			
Gross profit margin	100.0%		0.0%
Net profit margin	-5021.5%		0.0%
Return on investment (p.a.)	-15106.8%	-562.2%	-2587.3%
Position			
Average debtors days	0.0	0.0	0.0%
Average creditors days	-2.8	19.9	-114.0%
Short term cash forecast	13,800	(50,600)	127.3%
Current assets to liabilities	1.1	3.9	-70.6%
Term assets to liabilities			0.0%

Profit and Loss

	Dec-21	Nov-21	Oct-21	Sep-21	Aug-21	Jul-21	Jun-21	May-21	Apr-21	Mar-21	Feb-21	Jan-21	YTD
Salaries : Employer Contributions	177	177	177	177	177	177	177	149	149	149	-	-	1,686
SARS Interest	-	-	1	-	-	-	-	-	-	-	-	-	-
SARS Penalties	-	-	705	-	-	-	-	-	-	-	-	-	1
Subscriptions	1,056	999	954	950	970	957	909	922	938	922	259	1,001	10,836
Total Operating Expenses	153,644	76,177	89,962	66,029	44,907	40,815	40,863	55,506	41,007	40,756	4,928	5,690	660,285
Net Profit	(150,644)	(76,177)	(89,962)	(56,029)	(44,907)	(40,815)	(40,863)	(53,526)	(41,007)	559,244	(4,928)	(5,690)	(45,305)

Aged Payables

Stellenbosch Network NPC December 2021

	Current	November	October	September	Older	Total
Payables						
Finleys Outsourced Business Services	(13,800)	-	-	-	-	(13,800)
Total Payables	(13,800)	-	-	-	-	(13,800)
	Current	November	October	September	Older	Total
Total Expense Claims	-	-	-	-	-	-
Total	(13,800)	-	-	-	-	(13,800)
	100.0%	0.0%	0.0%	0.0%	0.0%	



TAX COMPLIANCE STATUS

PIN Issued

STELLENBOSCH NETWORK NPC
PO BOX 7417
STELLENBOSCH
7599

Enquiries should be addressed to SARS:

Contact Detail

SARS
Alberton
1528

Contact Centre Tel: 0800 00 SARS (7277)
SARS online: www.sars.gov.za

Details

Taxpayer Reference Number: 9855328176

Always quote this reference number when contacting SARS

Issue Date: 2022/05/13

Dear Taxpayer

TAX COMPLIANCE STATUS PIN ISSUED

The South African Revenue Service (SARS) has issued your tax compliance status (TCS) PIN as indicated below:

TCS Details:	
Taxpayer Name	Stellenbosch Network Npc
Trading Name	STELLENBOSCH NETWORK NPC
Tax Reference Number(s)	IT - 9855328176 PAYE - 7590809879
Purpose of Request	Good Standing
Request Reference Number	0045606938GS1305220837277
PIN	GD6343C23E
PIN Expiry Date	13/05/2023

You may authorise a third party to view your TCS by providing them the PIN. The PIN only allows the third party access to your TCS. All other tax information remains secure.

Your TCS displayed is based on your compliance as at the date and time the PIN is used.

You may cancel this PIN at any time before the expiry date reflected above. Once cancelled, a third party will not be able to verify your TCS.

SARS reserves the right to cancel this PIN in the event that it was fraudulently issued or obtained.

Should you have any other queries please call the SARS Contact Centre on 0800 00 SARS (7277). Remember to have your taxpayer reference number at hand when you call to enable us to assist you promptly.

Sincerely

ISSUED ON BEHALF OF THE SOUTH AFRICAN REVENUE SERVICE



STELLENBOSCH

STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNISIPALITEIT • UMASIPALA • MUNICIPALITY

CREDITOR CONTROL FORM / KREDITEUR KONTROLE VORM

COMPANY DETAILS	CREDITOR CONTACT DETAIL / KREDITEUR KONTAK BESONDERHEDE (Supplier / Verskaffer, Organization / Organisasie)				
	REGISTERED NAME / GEREISTREERDE NAAM	STELLENBOSCH NETWORK NPC			
	PHYSICAL STREET ADDRESS / FISIESE STRAAT ADRES:	POSTAL ADDRESS / POS ADRES: (If different to physical address)			
	STREET NAME: 15 DE BEER ST SUBURB: STELLENBOSCH TOWN:	PO BOX TOWN: <i>4</i>	POSTAL CODE:		
	TEL: 021 - 808 3826	POSTAL CODE: 7600	FAX / FAKS:		
PERSON	CREDITOR CONTACT PERSON DETAIL / KREDITEUR KONTAK PERSOON BESONDERHEDE				
	NAME AND SURNAME / NAAM EN VAN	HANLI BRINK			
	TEL: 021 808 3826	FAX / FAKS:	CELL / SEL: 0825365847		
	EMAIL / EPOS: hanli@stellenboschnetwork.co.za				
BANK DETAILS	CREDITOR BANKING DETAIL / KREDITEUR BANK BESONDERHEDE:				
	NAME OF BANK / NAAM VAN BANK	NEDBANK			
	BANK ACCOUNT NAME / BANK REKENING NAAM	STELLENBOSCH NETWORK NPC			
	BANK ACCOUNT NUMBER / BANK REKENING NOMMER	1201705703	BANK STAMP BANK STEMPEL		
	BRANCH NUMBER / TAKKODE:	198765			
	ACCOUNT TYPE / TIPE REKENING	CHEQUE / TJEK			<input checked="" type="checkbox"/>
		SAVING / SPAAR			<input type="checkbox"/>
		TRANSM	<input type="checkbox"/>		
VAT REGISTERED / BTW GEREISTREER	YES / JA	<input type="checkbox"/>	VAT /		
	NO / NEE	<input checked="" type="checkbox"/>	BTW NO:		

SIGNATURE / HANDTEKENING: *H. Brink*

OFFICE USE / KANTOOR GEBRUIK			
CREDITOR NO / KREDITEUR NO:			
Create a new creditor / Skep van nuwe Krediteur			<input type="checkbox"/>
Changing of creditors details / Verandering op Krediteur Inligting			<input type="checkbox"/>
Deleting of creditor / Uitwis van Krediteur			<input type="checkbox"/>
REQUESTED BY: AANGEVRA DEUR:	DATE: DATUM:	DEPARTMENT: DEPARTEMENT	
MOTIVATION: MOTVERING:			
ENTERED BY: INGEVOER DEUR:	DATE: DATUM:		



25/04/2022



STELLENBOSCH NETWORK NPC
PO BOX 3135
MATIELAND
STELLENBOSCH
SOUTH AFRICA
07602

Nedbank Limited
135 Rivonia Road, Sandown, 2196
PO Box 1144, Johannesburg, 2000
Retail & Business Banking Contact Centre: 0860 116 400
Nedbank VAT registration number: 4320116074

25/04/2022

To STELLENBOSCH NETWORK NPC

Confirmation of account details

Account number		1201705703	
Account holder	STELLENBOSCH NETWORK NPC	Account name	STELLENBOSCH NETWORK NPC
Registration number	201960916108	Branch code	198765
Account type	Current Account	Branch name	STELLENBOSCH
Account opened	25/02/2020	SWIFT code	NEDSZAJJ

Important information

If you have any questions regarding the content of this letter, please feel free to call us on 0860 116 400.

Yours sincerely

Nedbank

see money differently

NEDBANK

Directors: PM Makwana (Chairperson) MWT Brown (Chief Executive) HR Brody (Lead Independent Director) BA Dames NP Dongwana EM Kruger P Lange ni RAG Leith Prof T Marwala L Makalima
Dr MA Matoane MH Davis (Chief Financial Officer) MC Nkulu (Chief Operating Officer) S Subramoney
Company Secretary: J Katzin 22.03.2022

Nedbank Ltd Reg No 1951/000009/06. Authorised financial services and registered credit provider (NCRCP16).

Stellenbosch Network Members		
Business Name	Name	Surname
Herbal View Nursery	Basil	Williams
Wrap it up PR & Communications	Lynne	Rippenaar-Moses
Grandeur Giftery	Maambela	Khosa
Eagle Towers SA	Avril	van Rheede
Amazink	Odwa	Nomavuka
Pretti Sweet Treats	Faeza	Arnolds
Kaymandi Recycling	Lwando	Bottomane
Letz	Thabo	Dube
Davene Pool Beauty Studio	Davene	Pool
Zenobia Thys Couture	Zenobia	Thys
NBW Consulting	Natasha	Boks
Ateljee Will Hammers	Will	Hammers
iTorho	Njabulo	Khulu
Mido Technologies	Dale	Simons
Lierolac	Raymond	Brinkhuis
Eco Africa Digital	Lizanne	du Plessis
Teambix	Remmone	
EJC Consulting	Enrico	Cupido
Ubungcweti Technologies	Sabelwesihle	Ngcobo
training4changeS	Daniel	Thomae
Acu-Temp	Garnet	Christian
Meraki Cleaning & Training	Tenisee	Henkeman
Rinaibra	Rinae	Musekene
Pathways outa Poverty	Guy	Harris
Plumb Line Organisation Development	Wickus	Guelpa
Polymorph Systems	Richard	Barry
Silverstone Financial Solutions	Cecil	Jordaan
Van der Merwe Robertson	Roelf	van der Merwe
Cliffe Dekker	Christoff	Pienaar
Xuviate	Matthias	Tölken
Ergopak	Nico	Treurnicht
Blue Equity Holdings	Hans	de Nysschen
Action Coach	Harry	Welby-Cooke
African Data Technologies	Wihan	Bekker
Atter	Mike	Atter
African Sun Media	Walter	Barnes
Innovation 4 Life	Pieter	
RLActive	Richard	
HB Interiors	Jean-Marie	Smith
Eikestad Mall	Andre	
HeniZ	Heni	
JD Creations	Joyce	
Premium Solar Energy	Pieter	Fourie
Upstyle Events	Luciano	

Hello Work - Coworking Stellenbosch	Hilda	Joubert
DPK	Megan	Gannon
Uys Accounting & Consulting	Uys	
Teliospace	Fairchance	Ncube
Green X Engineering	Mario	Roos
Osmond Lange Architects And Planners	Francois	Nortje
RSG Service	Ronald	
GiGTECH GLOBAL SOLUTIONS	Zee	Gwebu
New Door Property Group	Hannes	Basson
Jwalang Development	Lucky	Nkhoma
Workshop 17	Antonette	Benting
Supply Block	Werner	Coetzee
The Kindbrush	Chrimare	Barnardt
LakayMedya	Carol	Lakay
Elo House	Sharl	
EJC Consulting	Enrico	Cupido
FAB Consulting	Chrizelda	Walters
Tendai ICT	Andrew	Maringa
Biocode Technologies	Resia	Pretorius
Immobazyme	Ethan	Hunter
SWART	Derick	Swart
Agrigistics	Cilliers	Geldenhuys
Amplifind Service Technologies	Andries	Bekker
Bonsolo Trading	Anga	Bobongo
Vertical Farming	Antoinette	Mralasi
JSM Plumbing & Projects	Asiphe	Cosa
Innativ Studio	Leigh	Desai
Basket App	Lunga	Momoza
Coffe MM	Mhlengi	Ngcobo
Savoia	Micky	van der Hoven
Phel's Hair	Phelisa	Bekwa
Mavusana	Vusi	Makoena
Waga's Fries	Wanga	Ncise
Rasheda's pastries	Wardah	Cassiem
Homehelper	Bevin	Mazevenza
Amazink	Zintle	Nomavuka
Neville's Carwash	Neville	Gaculla

Cabernet House East
Brandwacht Office Park
Trumali Street
Stellenbosch
7600
Email: admin@ranyaka.co.za



ATTENTION
Director: Planning and Economic Development
Ms Lesley van Gensen
PO Box 17
Stellenbosch
7588

12 May 2022

Dear Ms van Gensen

RE: Reference letter for Stellenbosch Network

It is with great pleasure that I write this reference letter for Stellenbosch Network.

From Ranyaka Community Transformation's perspective, we are incredibly grateful for the work done by the Network during the last two years, investing in growing a much-needed business network in Stellenbosch. We believe it is the most inclusive business network in town, representing businesses from all Stellenbosch communities.

Their effort to bring the Stellenbosch University Small Business Academy programme to Stellenbosch has resulted in several local businesses receiving much needed formal business training. In 2022 a number of our entrepreneurs are enrolled in this programme.

Their mentorship programme this is again is supporting the Ranyaka entrepreneurs, therefore once again, there was no need for us to run our own mentorship programme.

Ranyaka and Stellenbosch Network's funding proposals complement each other, and our collaborative approach means there are no duplication of services.

We have enjoyed collaborating with Stellenbosch Network and will continue this collaboration into 2022/2023.

Warm regards

Marli Goossard
Enterprise Development Manager
Ranyaka Community Transformation



LETTER OF REFERENCE

TO: STELLENBOSCH NETWORK

RE: STELLENBOSCH NETWORK

FROM: JEANNERET MOMBERG

9 May 2022

To whom it may concern

This letter serves to state that Visit Stellenbosch is working cooperatively with Stellenbosch Network in the development of SMME's in Stellenbosch. We recognise and value Stellenbosch Network's contribution and impact in this field and have partnered with them in various ways.

We work collaboratively with Stellenbosch Network, as our services to beneficiaries are complimentary and we share the same goal of a unified solution for enterprise development in Stellenbosch. We therefore support Stellenbosch Network's application to Stellenbosch Municipality for funding.

We value the opportunity to work with Stellenbosch Network and support their application for funding attached herewith.

Regards

Jeanneret Momberg
CEO Visit Stellenbosch

APPENDIX 3



STELLENBOSCH
ST EL LEN BOSCH • P NIEL • FRA NSCHHOEK
Municipality • Umasipala • Munisipaliteit

**APPLICATION: FUNDING OF EXTERNAL BODIES PERFORMING A MUNICIPAL
 FUNCTION 2021/2022**

**NOTE: ONLY APPLICATIONS ON THIS PRESCRIBED FORM SHALL BE
 CONSIDERED**

PLEASE COMPLETE THE FOLLOWING:

A REGISTERED NAME OF ORGANISATION:

RANYAKA COMMUNITY TRANSFORMATION NPC

**B DATE AND YEAR IN WHICH THE ORGANISATION WAS FOUNDED OR
 INCORPORATED (INCLUDE BRIEF DESCRIPTION OF BUSINESS OR
 ACTIVITIES OF ORGANISATION):**

21/02/2013

Ranyaka develops and implements transformation strategies for towns and neighbourhoods across South Africa. Our approach is place-based, collaborative and geared towards restoring the eco-system within which socio-economic challenges affect community well-being.

C ADDRESS:

(i) Street

(ii)

Postal

1st Floor, Cabernet House West
 Brandwacht Office Park
 Trumali Street
 Stellenbosch
 7600

21 Rokewood Avenue
 Stellenbosch
 7600

Contact details:

Name and Surname: Marli Goussard

Title/Position held: Social Impact / Enterprise Development Advisor

Tel: 084 212 2000

E-mail: marli@ranyaka.co.za

D LIST ALL THE BOARD / COMMITTEE MEMBERS OF THE ORGANIZATION:

Name and Surname: ...Johan Olivier

Position:Executive Director

Contact Address and tel. no:082 787 7713.....

Name and Surname: ...William Bila.....
Position:Director.....
Contact Address and tel. no: ...0732175828.....

Name and Surname: ...Matjale Matsuang.....
Position:Director.....
Contact Address and tel. no: ...0727473640.....

D INDICATE IN WHICH WARD THE ORGANISATION IS ACTIVE:

Ward: All

Is the organisation a non-profit company? Yes No

If yes, provide company registration number: 2013/029973/08 -

Is the organisation a non-profit organisation as contemplated in section 13 of the Non-Profit Organisation Act, 1997? Yes No

If yes, provide registration number: 133-223 -

Is the organisation a public benefit organisation as contemplated in terms of the Income Tax Act, 1962? Yes No

If yes, provide registration number: 930064087 -

Is funding required for a specific project / programme? Yes No

If yes, attach details separately.

Budget amount of projects / programmes:R253 000

Duration of project / programme: July 2022 – June 2023

Is funding required for general support? Yes No

If yes, attach a copy of the organisation's overall budget and business plan.

E CATEGORY

Please categorise your application (mark with x):

Database for SMME's

Training Programmes for SMME

Note: For more detail, see attached Funding of External Bodies Performing a Municipal Function Policy. (general guidelines and categories)

Please indicate the specific type of project / programme, as per the Funding of External Bodies Performing a Municipal Function Policy.

.....

..... Training of SMMEs

.....

.....

.....

F THE FOLLOWING MUST ACCOMPANY THIS APPLICATION:

1. A copy of the latest, audited financial statements.
2. A copy of the Organisation's Constitution or Memorandum of Incorporation as well as the resolutions/minutes adopting the Constitution or Memorandum of Incorporation.
3. A copy of a project / programme description and / or a business plan for the ensuing financial year. Including the following:
 - Full details of the proposal or project / programme including its objectives, the number of people who will benefit and how the project will contribute or enhance the strategic objectives of Stellenbosch Municipality.
 - Commencement and completion dates of the project / programme.
 - Information on the total cost of the project / programme budget, including a breakdown of costs and an outline of any contribution by fundraising and / or own contribution.
 - A list of all other sources of funding together with the assessments.
 - A summary of past achievements.
 - References independent of the applicant and its executive.
4. An original copy of a correctly completed creditors control form of Stellenbosch Municipality.
5. If the Organisation received funding from Stellenbosch Municipality in the preceding financial year, you need to account for the expenditure of the funding received with your new application.
6. If the Organisation received funding from other bodies, please identify and list the amounts received.

7. If the Organisation is a non-profit company as defined in the Section 1 of the Companies Act, 2008, a certificate / letter issued by the Companies and Intellectual Property Commission (CIPC) confirming registration must be attached.
8. If the Organisation has been registered as a "non-profit" organisation in terms of the Non-Profit Organisation Act, 1997, a certificate / letter issued by the Department of Social Development confirming registration as a non-profit organisation must be attached.
9. If the Organisation has been registered as a "Public Benefit Organisation" in terms of the Income Tax Act, 1962, a certificate/letter issued by SARS confirming the Organisation's tax exemption status must be attached.
10. A valid Tax Clearance Certificate issued by SARS.
- 11. List and contact details of existing SMME's within the database.**
- 12. Proof of hosting or facilitating SMME training sessions (e.g. Photographs, attendance register, etc.)**

G THE FOLLOWING SHALL APPLY:

1. The allocation of funds will only be considered if the application document has been fully completed and signed and is accompanied by the required and supporting documentation referred to therein.
Applicants must in their submission clearly indicate / specify and motivate what the funding where and for which purpose the funding will be allocated.
2. The funding must be exclusively used for the purpose defined and motivated, and the successful applicant must submit the necessary undertaking to this effect.
3. Applicants must in their submission satisfy the Council of their ability to execute the project successfully.
4. Organisations who have already received financial or other assistance from the Council during the previous financial year must specify same in their application.
5. No funding will be considered for political groupings, church / sectarian bodies or ratepayers organisations.
6. No funding will be considered where only an individual will benefit or where a member of Council or an official of Stellenbosch Municipality will receive any financial or other gain.
7. Projects outside the boundaries of the Council will not be considered.
8. Subsequent requests from applicants to cover overspending on projects will not be considered.
9. Council will not pay any funds to anyone who has already procured against the perception that they will receive any municipal funds.
10. Successful applicants must at all times comply with the provisions of Section 67(1) of the Municipal Finance Management Act No. 56 of 2003 which *inter alia* stipulates that the organisation or body has to:-
 - Enter into and comply with a Memorandum of Agreement with the Municipality as well as with all reporting, financial management and auditing requirements as may be contained in such agreement. This memorandum of agreement will bind the successful applicant to deliver on what the application speaks to, but also to commit to become involved with municipal programmes of the community where it functions. The Memorandum of Agreement will be made available to successful applicants for completion.

11. The Council reserves the right not to give funding to any or all organisations applying.
12. Having been awarded funding previously does not give an applicant the right to receive a grant/funding again.
13. Funding will not be considered where a project or organisation is already receiving funds from Council in terms of Council's functions. Applicants are required to disclose other sources of funding, failing which such applicant will be disqualified.
14. Funding will not be considered where in Council's opinion, an organisation received sufficient funds from other sources to sustain its activities or the project / programme applied for. For this purpose, organisations must submit financial statements and budget for the ensuing financial year.
15. Organisations who received funding from Stellenbosch Municipality during the previous financial year, are required to attach such proof to the new application, a copy of the financial statements relating to the year in which the funding was received from Council, as required in terms of section 67(1) of the Municipal Finance Management Act, 2003 (MFMA).
16. SMME Training' funding applicants must be able to demonstrate that the following may be achieved within their 2021 / 2022:
 - Minimum of five (5) training opportunities must be held
 - The applicants must possess an existing database of SMME's within the Stellenbosch Municipal Area

(The Funding of External Bodies Performing a Municipal Function Policy must be consulted for the sake of completeness)

H UNDERTAKING:

I/We hereby verify that the information provided in this application is true and correct and that the conditions applicable to the allocation of funds as set out above have been read, understood and will be complied with.

I/We also declare that the organisation implements effective, efficient and transparent financial management and internal control mechanisms to guard against fraud, theft and financial mismanagement and has in the past complied with requirements for similar transfer(s) of funds.

This completed and signed at Stellenbosch on this...12th...day of ...May..... 20.22



Chairperson / Authorised Representative



Secretary / Duly Authorised Signatory

I PLEASE TAKE NOTE:

- (i) That completed application forms together with all the required documentation must be delivered to:

**Director: Planning and Economic Development (Attention: Ms L van Gensen)
P O Box 17
Stellenbosch
7599**

Or delivered to:

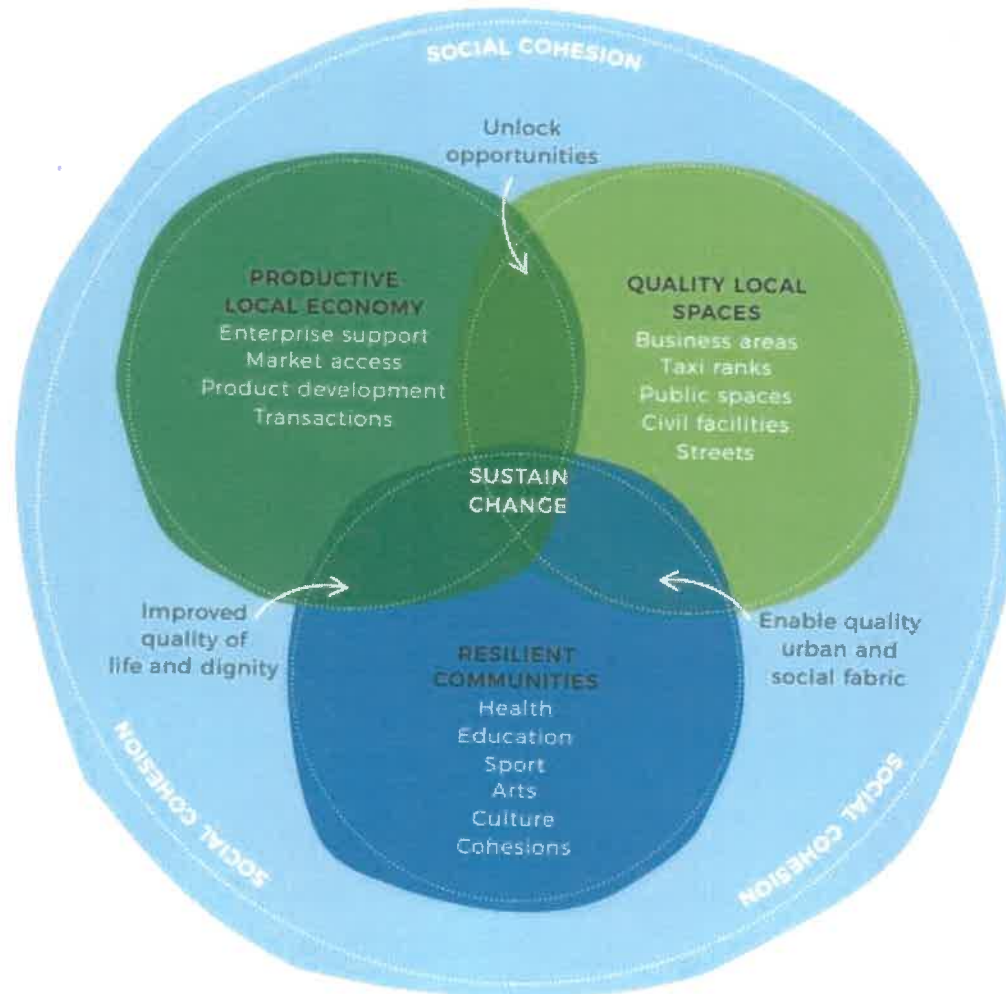
**127 Dorp Street
Stellenbosch
7600**

- (ii) That the closing date for the submission of applications is: at
- (iii) That **neither late nor incomplete applications** shall be considered.

Ranyaka follows an urban planning and whole-systems development approach. The approach is firstly built on relationships, and secondly combines the power of three fundamental elements that have been found to form the foundation of successful and thriving communities and towns. The three fundamental elements include:

- Productive local economies
- Quality local spaces
- Resilient communities

Thriving Communities



Ranyaka Building Business (RBB) Programme

The Ranyaka Building Business Programme aims to enable localized economic inclusion for small and growing businesses (SGBs) from under-resourced areas by increasing accessibility to affordable market-centered trading spaces, needs-based training and business support services, local mentors, local supply chain inclusion support and local investors.

A good example of such economic inclusion is the 10-year lease that was secured through the Stellenbosch Municipality to turn one of its vacant and dilapidated centrally located properties into an entrepreneurial development trading and training hub in 2021.

Through this venture and Ranyaka's Building Business Programme, approximately 40 - 50 SGBs from the area received access to previously untapped markets through trading spaces, improved their client profile, received training and practical business and digital support, matched with local mentors and most importantly received support with business compliance and local supply-chain registration.

Ranyaka follows a specific *economic inclusion* process illustrated here.

Our Building Business Programme facilitates collaboration amongst multi sector stakeholder groups during this process, taking a needs-based approach to the development of local enterprises, using local resources.



Enterprise Development Beneficiaries

TRADES PER INDUSTRY EXAMPLES

LIFESTYLE

- Barber
- Beauty
- Hair styling
- Fashion design
- Furniture design
- Pet shop
- CMT

PROFESSIONAL SERVICES

- Graphic design
- Cleaning services
- Gardening and tree felling
- Film-making
- Photography
- Events Management

AGRICULTURE

- Small scale farming
- Agro processing

TOURISM

- Shuttle services
- Accommodation
- Crafts
- Artists
- Performing Arts

HOSPITALITY

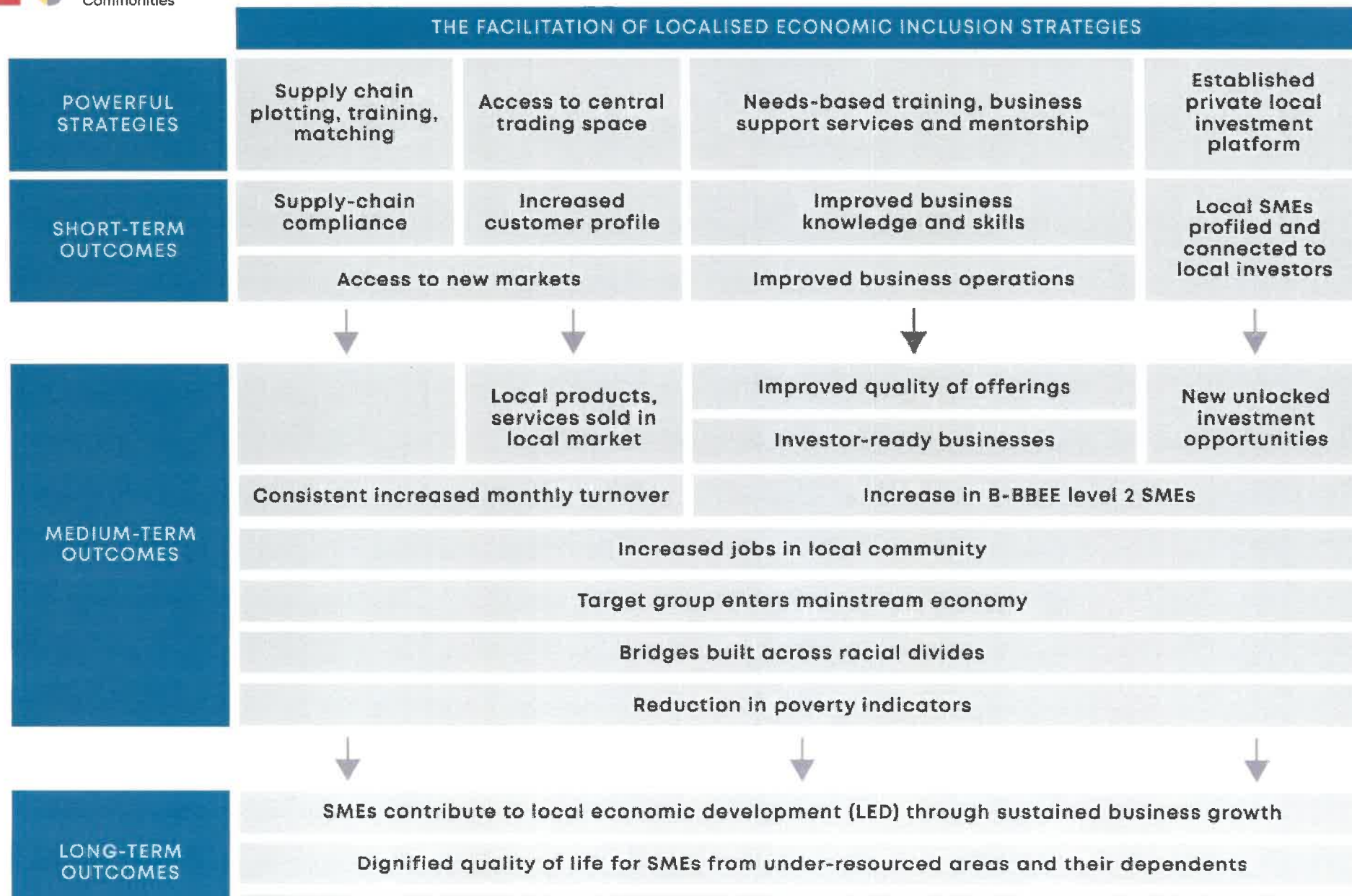
- Catering
- Fast foods
- Baking and confectionary
- Hiring and decor
- Restaurants

CONSTRUCTION

- Building
- Carpentry
- Plumbing



RBB Programme Theory of Change



HISTORY of SMME DEVELOPMENT

2018 - 2019

Enterprise Development Programme funded by Distell
10 Businesses

2018 - 2020

Establishment of the CoCREATE Hub, 7 Victoria Street, Stellenbosch
43 Businesses

2020 - 2021

Enterprise Development Programme funded by Nedbank
23 Businesses

2021 - 2022

Enterprise Development Programme funded by Stellenbosch Municipality & Nedbank
20 Businesses direct
50 plus training attendees

Total database:

100 plus Stellenbosch-based businesses from all Stellenbosch communities





RBB Programme: 2021 Impact Achieved

of Participants at the start
25

of Participants at the end
23

% Participants whose monthly
turn-over increased
75%

% of Businesses assets increased since inception
95%

Total full time jobs created
3

Total part-time jobs created
5

Total jobs created
10

% Participants with increased customer profile
100%

% Participants with improved business skills
100%

% Participants with improved financial
recordkeeping
92%

% Participants with tax clearance at the end of
programme
63%

Costing models improved
87%

Improved access to credit
50%

RBB Programme: 2021/2022 Activities

funded by Stellenbosch Municipality

Beneficiaries: 20 - 50 per session

Training Programmes hosted

- SARS Compliance training
 - Financial Recordkeeping training
 - Costing, Pricing, Breakeven training
 - Retailing & Wholesaling session 1
 - Marketing Plan Development training for CoCREATE Hub Vendors
-
- Marketing Plan Development training - general (July 22)
 - Retailing & Wholesaling session 2,3,4 training (July – Aug22)
 - Business Plan development training (July 22)
 - Business Compliance support (June – Aug 22)
 - CSD Registration support (Aug 22)





2022/2023 RBB Programme Overview

July 2022 - June 2023

VENDOR CRITERIA

- Micro Enterprises or Small Enterprises with a B-BBEE status level 1 or 2 (majority black ownership)
- Business or residential address within the Municipal boundary of Stellenbosch.
- Minimum 1 year trade experience
- Registered businesses or sole proprietors
- 0-5 employees
- Active business
- Existing product / service with existing customer base, regardless of its size

OBJECTIVES

- Improved access to market
- Improved business skills & operations
- Improved Business compliance
- Supply-chain inclusion

BENEFICIARIES

- 15 to receive business support
- 30 - 40 to be trained

ACTIVITIES

- Database development
- Business training: 5 sessions
- Compliance support
- Supply-chain registration
- Access to business premises

2022/2023 PROPOSAL

Proposal element (see diagram on page 3)	Costs	Budget
Step 1: Product Showcase Identifying new businesses in Stellenbosch	Venue hire & Catering	R10 000
Step 2 & 3: Need-based training SARS Training Costing & Pricing Retailing & Wholesaling Marketing training Business plan training (R17 000 per session)	Training Facilitator Venue hire Catering	R85 000
Step 4: Access to Market Subsidizing hot-desking for SMMEs to rent ho-desking space (10 pax per month R500 pm / pp for one year)	Access to workspace at CoCREATE Hub	R60 000
Step 5: Facilitating Supply-Chain Inclusion Business Compliance support CDS Registration support	Compliance Officer	R45 000
Monitoring & Evaluation fees		R30 000
Management fee	15%	R23 000
TOTAL		R253 000





FOR MORE INFORMATION

**Please contact
Marli Goussard**

**084 212 2000
marli@ranyaka.co.za**

**Ranyaka Community Transformation
NPC registration 2013/029973/08
NPO registration 133-233 NPO
Section 18A / PBO status**



Cabernet House East
Brandwacht Office Park
Trumali Street
Stellenbosch
7600
Email: admin@ranyaka.co.za

**ATTENTION**

Director: Planning and Economic Development
Ms Lesley van Gensen
PO Box 17, Stellenbosch, 7588

12 May 2022

Dear Ms van Gensen

RE: Application: funding: FY 22/23 Training of SMMEs

Herewith please find an application from Ranyaka Community Transformation as an external body performing a municipal function provided by the policy for the funding of bodies performing a municipal function section 80(2) of the local government: Systems Act, 32 of 2000, Financial year 2021/2022: Training of SMMEs. Below please find an Executive Summary of our application and project proposal (project proposal attached).

Relevant Municipal Function applied for:	Training of SMMEs. <i>Note: We are not applying to Establish and Update the SMME Database for the Stellenbosch Municipal Area.</i>
Timeframe	July 2022 – June 2023
Beneficiaries benefiting	15 - 20 Business support services 50 plus for training
Amount requested	R253 000
Funding request for: training Workshops	<ol style="list-style-type: none"> 1. Product Showcase 2. Costing & Pricing 3. Business Plan Development 4. Marketing Plan Development 5. SARS Compliance 6. Retailing & Wholesaling
Business Support Services	<ol style="list-style-type: none"> 1. Market Access / Access to business premises 2. Business Compliance support 3. CSD Registration support
Supporting documents included in the application	<ol style="list-style-type: none"> 1. Project Proposal 2. Audited Financial Statements 3. Reference letters 4. Copy of creditors control form 5. CIPC Registration form 6. NPO Registration form 7. Copy of Memorandum of Incorporation 8. Tax Clearance Certificate 9. 2021/2022 Roll-over budget

Kindly note: Contact details of businesses can only be shared once an agreement has been reached with the Stellenbosch Municipality in line with the POPIA Act. However a full list of the business names has been included in this application. We trust you find this application sufficient and acceptable.

Warm regards


Marli Goussard
Enterprise Development Manager, Ranyaka Community Transformation

RANYAKA COMMUNITY TRANSFORMATION NPC
NPO: 133-223
PBO: 930064087
Registration number: 2013/029973/08

FINANCIAL STATEMENTS
for the year ended 29 February 2020

**RANYAKA COMMUNITY TRANSFORMATION NPC
FINANCIAL STATEMENTS
on 29 February 2020**

CONTENTS	Pages
Declaration of responsibilities by the directors	1
Audit report	2 - 3
Balance sheet	4
Income statement	5 - 6
Notes to the financial statements	7 - 9

**RANYAKA COMMUNITY TRANSFORMATION NPC
DECLARATION OF RESPONSIBILITIES BY THE DIRECTORS
for the year ended 29 February 2020**


The directors are responsible for the maintenance of adequate accounting records and the preparation and integrity of the financial statements and related information. The financial statements are compiled in accordance with generally accepted accounting practice.

The directors are also responsible for the organisation's system of internal financial control. These controls are designed to provide reasonable, but not absolute, assurance as to the reliability of the financial statements, and to adequately safeguard, verify and maintain accountability of assets, and to prevent and detect misstatement and to ensure effective functioning of these controls, procedures and systems has occurred during the year under review. No matter came to the attention of the directors that indicated any material shortcoming in the functioning of these controls, procedures and systems during the year under review.

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

APPROVAL OF FINANCIAL STATEMENTS

We approve the financial statements on pages 4 - 9 and confirm that we have provided all records and information for the purpose of the preparation of the financial statements.



JLW Olivier



BW Bila



CG Ndlovu

Date: 30/17/2021

Emma Pardoe

CHARTERED ACCOUNTANT (SA)
REGISTERED AUDITOR

Independent Auditor's Report

To the stakeholders of Ranyaka Community Transformation NPC

Unqualified Opinion

We have audited the annual financial statements of Ranyaka Community Transformation NPC set out on pages 4 - 9, which comprise the statement of financial position as at 29 February 2020, and the statement of comprehensive income for the year then ended, and notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Ranyaka Community Transformation NPC as at 29 February 2020, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008.

Basis for opinion

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

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Ranyaka Community Transformation NPC annual financial statements for the year ended 29 February 2020", which includes the Directors' Report as required by the Companies Act 71 of 2008 and the Detailed Income Statement, which we obtained prior to the date of this report. The other information does not include the annual financial statements and our auditor's report thereon.

Our opinion on the annual financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

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

5 Fagan Street . PO Box 618 . Somerset West 7129 . T: +27 21 851 4159 . F: +27 86 524 8661 . info@emmapardoe.co.za . www.emmapardoe.co.za

ANNUAL FINANCIAL STATEMENTS . AUDITING . MONTHLY MANAGEMENT ACCOUNTS . BOOKKEEPING . VAT . INCOME TAX RETURNS . ANNUAL & PROVISIONAL . PAYROLL - PAYE/DIR/SDL
WORKMENS COMPENSATION . UIF REGISTRATION . COMPANY & TRUST REGISTRATIONS . ADMINISTRATION OF ESTATES . STATUTORY & COMPANY SECRETARIAL SERVICES

Responsibilities of the directors for the Annual Financial Statements

The directors are responsible for the preparation and fair presentation of the annual financial statements in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008, and for such internal control as the directors determine is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

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


Auditor's responsibilities for the audit of the Annual Financial Statements

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

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

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

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


 E.S. Pardoe CA(SA)
 Emma Pardoe
 Chartered Accountant (SA)
 Registered Auditor

21 July 2021

Date

5 Fagan Street . PO Box 618 . Somerset West 7129 . T: +27 21 851 4159 . F: +27 86 524 8661 . info@emmapardoe.co.za . www.emmapardoe.co.za

ANNUAL FINANCIAL STATEMENTS . AUDITING . MONTHLY MANAGEMENT ACCOUNTS . BOOKKEEPING . VAT . INCOME TAX RETURNS . ANNUAL & PROVISIONAL . PAYROLL - PAYE/UIF/SDL
 WORKMENS COMPENSATION . FIC REGISTRATION . COMPANY & TRUST REGISTRATIONS . ADMINISTRATION OF ESTATES . STATUTORY & COMPANY SECRETARIAL SERVICES

RANYAKA COMMUNITY TRANSFORMATION NPC
BALANCE SHEET
on 29 February 2020

	Notes	2020 R	2019 R
ASSETS			
Non-current assets			
Plant and equipment	2.	64,032	56,602
Current assets			
Cash and cash equivalents	3.	1,034,720	1,225,217
Total assets		1,098,752	1,281,819
EQUITY AND LIABILITIES			
Equity			
Capital fund	4.1	618,514	1,079,862
Paarl Community fund	4.3	86,475	161,794
Nelspruit Community fund	4.4	41,943	-
Polokwane Community fund	4.5	98,606	-
Rustenburg Community fund	4.6	98,464	-
Mamelodi Community fund	4.7	7,312	-
Port Elizabeth Community fund	4.8	(10)	-
Stellenbosch Community fund	4.9	4,864	-
Magaliesburg Community fund	4.10	87,734	-
		1,043,902	1,241,656
Current liabilities			
Trade and other payables	5.	54,850	40,163
Total equity and liabilities		1,098,752	1,281,819

RANYAKA COMMUNITY TRANSFORMATION NPC
INCOME STATEMENT
for the year ended 29 February 2020

	Notes	2020 R	2019 R
INCOME			
Donations received: Nedbank		5,318,075	3,352,765
Donations received: Distell		707,000	150,000
Donations received: Mergon Foundation Trust		50,000	100,000
Donations received: General		149,458	158,660
Consulting income		30,000	68,513
Rental income		-	7,500
		6,254,533	3,837,438
EXPENSES			
		(6,452,063)	(3,350,783)
Accounting fees		12,765	13,850
Bank charges		31,848	12,860
Books and magazines		1,884	3,306
Catering expenses		69,324	33,148
Cleaning		8,382	-
Community development and hub expenses			
General		325,760	-
Magaliesburg		7,640	75,275
Paarl		52,752	233,505
Stellenbosch		81,132	107,117
Community mapping		18,438	22,275
Computer expenses		70,588	31,538
Consulting fees		2,062,882	1,153,719
Courier and postage		-	370
Depreciation		11,347	-
Donations paid		150,462	495,542
Electricity and water		2,563	-
Entertainment expenses - office		24,420	58,385
Entertainment expenses - meetings		57,324	27,659
Insurance		4,430	170
Interest paid		142	-
Interest and penalties : SARS		11,986	1,174
Legal fees		4,576	-
Marketing and exposure expenses		283,457	136,235
Motor vehicle expenses		71,444	50,547
Other expenses		55,350	-
Printing and stationary		80,086	27,469
Ranyaka programmes			
Early childhood development		126,238	71,766
Strong Schools		23,441	-
People Development		307,606	-
Community Safety		27,151	-
Sport & Recreation		4,400	-

RANYAKA COMMUNITY TRANSFORMATION NPC
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 29 February 2020

	2020	2019
	R	R
Land and property	-	125,052
Collaboration Initiatives	5,000	-
Building business	412,427	597
Registration fees	11,190	7,256
Rent paid		
Premises	134,765	91,290
Other rentals	41,633	16,943
Repairs and maintenance	7,218	5,099
Salaries and wages	1,578,587	374,447
Security	12,140	-
Staff welfare	171	1,400
Telephone and internet expenses	24,069	5,137
Training and development	19,750	-
Travel and accommodation	215,295	167,652
Surplus / (loss) on activities	(197,530)	486,655
Fund transfers	4. (325,534)	(61,939)
Tax	6. -	-
Net surplus / (loss) to capital fund	(523,064)	424,716

RANYAKA COMMUNITY TRANSFORMATION NPC
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 29 February 2020

1. ACCOUNTING POLICIES

1.1. Basis of preparation

The financial statements are prepared under the historical cost convention. The policies are unchanged from the previous year.

1.2. Revenue recognition

Subsidies and donations received are recognised when the money is received.

Interest income - as it accrues.

Other income - as and when it is received.

	2020 R	2019 R
2. PLANT AND EQUIPMENT		
Furniture		
Cost price	56,602	56,602
Accumulated depreciation	(7,769)	-
	<u>48,833</u>	<u>56,602</u>
Computer equipment		
Cost price	18,999	-
Accumulated depreciation	(3,800)	-
	<u>15,199</u>	<u>-</u>
	<u>64,032</u>	<u>56,602</u>
3. CASH AND CASH EQUIVALENTS		
Standard Bank Bizlaunch 30-330-355-7	609,332	1,063,423
Nedbank 1148130055 - Paarl Community Fund	86,475	161,794
Nedbank 1188485490 - Nelspruit Community Fund	41,943	-
Nedbank 1188485180 - Polokwane Community Fund	98,606	-
Nedbank 1188484621 - Rustenburg Community Fund	98,464	-
Nedbank 1188483870 - Mamelodi Community Fund	7,312	-
Nedbank 1188485717 - Port Elizabeth Community Fund	(10)	-
Nedbank 1194883370 - Stellenbosch Community Fund	4,864	-
Nedbank 1194884512 - Magaliesburg Community Fund	87,734	-
	<u>1,034,720</u>	<u>1,225,217</u>
Less: Allocated to funds	(425,388)	(161,794)
Total available cash and cash equivalents	<u>609,332</u>	<u>1,063,423</u>

RANYAKA COMMUNITY TRANSFORMATION NPC
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 29 February 2020

	2020 R	2019 R
4. CAPITAL AND RESERVES		
4.1 Capital fund		
Balance at the beginning of the year	1,079,862	655,146
Net surplus / (loss) for the year	(523,064)	424,716
Previous year adjustment	61,716	-
Balance at the end of the year	<u>618,514</u>	<u>1,079,862</u>
4.2 Nedbank fund		
Balance at the beginning of the year	-	-
Fund transfers	-	-
Balance at the end of the year	<u>-</u>	<u>-</u>
4.3 Paarl Community fund		
Balance at the beginning of the year	161,794	99,855
Fund transfers	(75,319)	61,939
Balance at the end of the year	<u>86,475</u>	<u>161,794</u>
4.4 Nelspruit Community fund		
Balance at the beginning of the year	-	-
Fund transfers	41,943	-
Balance at the end of the year	<u>41,943</u>	<u>-</u>
4.5 Polokwane Community fund		
Balance at the beginning of the year	-	-
Fund transfers	98,606	-
Balance at the end of the year	<u>98,606</u>	<u>-</u>
4.6 Rustenburg Community fund		
Balance at the beginning of the year	-	-
Fund transfers	98,464	-
Balance at the end of the year	<u>98,464</u>	<u>-</u>

RANYAKA COMMUNITY TRANSFORMATION NPC
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 29 February 2020

	2020 R	2019 R
4. CAPITAL AND RESERVES (continued)		
4.7 Mamelodi Community fund		
Balance at the beginning of the year	-	-
Fund transfers	7,312	-
Balance at the end of the year	<u>7,312</u>	<u>-</u>
4.8 Port Elizabeth Community fund		
Balance at the beginning of the year	-	-
Fund transfers	(10)	-
Balance at the end of the year	<u>(10)</u>	<u>-</u>
4.9 Stellenbosch Community fund		
Balance at the beginning of the year	-	-
Fund transfers	4,864	-
Balance at the end of the year	<u>4,864</u>	<u>-</u>
4.10 Magaliesburg Community fund		
Balance at the beginning of the year	-	-
Fund transfers	87,734	-
Balance at the end of the year	<u>87,734</u>	<u>-</u>
Total capital and reserves	<u>1,043,902</u>	<u>1,241,656</u>
5. TRADE AND OTHER PAYABLES		
Other payables	13,040	31,046
SARS: PAYE payable	41,810	9,117
	<u>54,850</u>	<u>40,163</u>
6. TAX		

The organisation is registered as an approved welfare organisation in terms of article 30 of the Income Tax Act, PBO number 930064087. All income will be exempt of income tax in terms of article 10(1)(cN) of the Income Tax Act.

**COMPANIES AND INTELLECTUAL PROPERTIES COMMISSION
REPUBLIC OF SOUTH AFRICA**

In accordance with s 16(1)(c)

MEMORANDUM OF INCORPORATION

OF

**RANYAKA COMMUNITY TRANSFORMATION NPC
Registration Number: 2013/029973/08
("the Company")**

The Company is a non-profit company without members, and with the following object:

To tackle poverty and unemployment in local areas effectively and coherently, by creating, facilitating, implementing and supporting collaborative, sustainable community-transformation plans and processes which propel communities to assume responsibility for their own development.

The participants are defined as the community members who participate in and/or benefit from the work of the Company and they shall be made up of at least 85% persons who are 'black' as defined in the Code/s of Good Practice and Verification Manual issued in terms of the Broad-based Black Economic Empowerment Act, No. 53 of 2003, as amended from time to time ('the Codes'). The Participants shall benefit from 100% of the work of the Company.

Adoption of Memorandum of Incorporation

This Memorandum of Incorporation was adopted by the Company, in accordance with section 16(1)(c) of the Companies Act, 2008 ('the Act'), as evidenced by the special resolution to which this Memorandum of Incorporation is annexed.

In this Memorandum of Incorporation:

- a) *A reference to a section by number refers to the corresponding section of the Act, and*
- b) *Words that are defined in the Act bear the same meaning in this Memorandum as in the Act.*



1. INCORPORATION

- 1.1 The Company is a non-profit company, as defined in the Act.
- 1.2 The Company is governed by:
- 1.2.1 the unalterable provisions of the Act that are applicable to non-profit companies;
- 1.2.2 the alterable provisions of the Act that are applicable to non-profit companies, subject to any limitation, extension, variation or substitution set out in this Memorandum; and
- 1.2.3 the provisions of this Memorandum of Incorporation.

2. OBJECTS AND POWERS OF THE COMPANY

- 2.1 The objects of the Company are as set out on the first page of this Memorandum of Incorporation.
- 2.2 The Company shall have all the legal powers and capacity of an individual:
- 2.2.1 except to the extent necessarily implied by its stated objects;
- 2.2.2 except to the extent that a juristic person is incapable of exercising such a power or having such a capacity; and
- 2.2.3 subject to such restrictive conditions (as contemplated in section 15(2)(b)) and other limitations or qualifications contained in this Memorandum of Incorporation.
- 2.3 The powers of the Company may only be executed in accordance with the main object of the Company.
- 2.4 The Company may not:
- 2.4.1 amalgamate or merge with, or convert to, a profit company; or
- 2.4.2 dispose of any part of its assets, undertaking or business to a profit company, other than for fair value, except to the extent that such a disposal of an asset occurs in the ordinary course of the activities of the Company.
- 2.5 All of the activities of the Company shall be carried out in a non-profit manner and with an altruistic or philanthropic intent and no such activity shall be intended to directly or indirectly promote the economic self-interest of any director, officer or employee of the Company, otherwise than by way of reasonable remuneration payable to that director, officer or employee.

3. MEMORANDUM OF INCORPORATION AND COMPANY RULES

- 3.1 This Memorandum of Incorporation of the Company may be altered or amended in the manner set out in section 16, 17, 60 or 152(6)(b), subject to the following:
- 3.1.1 if the Company is exempted from payment of normal tax a copy of any such amendment shall be sent to the Commissioner for the South African Revenue Service or his/ her authorised representative;
- 3.1.2 if the Company is registered as a nonprofit organisation then a copy of any amendments shall be sent to the Directorate of NonProfit Organisations.
- 3.2 This Memorandum of Incorporation shall be made available, on request, to any current Participant in an official language with which that Participant is familiar.
- 3.3 The authority of the Company's Board of directors to make rules for the Company, is limited or restricted to the extent that the powers of the Company are limited by this Memorandum.
- 3.4 The Board shall publish any rules made by delivering a copy of those rules to each director by ordinary mail, or by electronic communication, if the directors concerned have consented to the delivery of such communication by electronic mail.
- 3.5 The Company shall publish a notice of any alteration of the Memorandum of Incorporation or the Rules by delivering a copy of these to each director by ordinary mail or electronic mail if the directors concerned have consented to the delivery of such communication by electronic mail.

4. OPTIONAL PROVISIONS OF THE ACT

- 4.1 The Company elects, in terms of section 34(2), to comply voluntarily with some of the provisions of Chapter 3 of the Act, in that the Company:
- 4.1.1 may determine, from time to time, to appoint a company secretary, to carry out those of the duties set out in sections 86 to 89 which are appropriate; and
- 4.1.2 may, by vote of directors from year to year, elect to be audited.

5. COMPANY NOT TO HAVE MEMBERS

- 5.1 As contemplated in Item 4(1) of Schedule 1 of the Act, the Company has no members.



6. COMPOSITION OF THE BOARD OF DIRECTORS

- 6.1 The number of directors shall be a minimum of three:
- 6.1.1 three of whom are not 'connected persons' [as defined in the Income Tax Act 58 of 1962, as amended ("the Income Tax Act") in relation to one another;
- 6.1.2 at least 50% of whom are independent persons having no employment with or direct interest in the Company;
- 6.1.3 at least 50% of whom shall be 'black' as defined in the Codes; and
- 6.1.4 at least 25% of whom shall be 'black women' as defined in the Codes.
- 6.2 No single person shall, directly or indirectly, control the decision-making powers of the Company.
- 6.3 The Executive Director, Financial Director and Operations Director shall serve as directors of the Company, *ex officio*.
- 6.4 Directors, except for *ex officio* directors, shall serve terms of three years each beginning from the date of their appointment, and shall retire at the meeting of directors following the expiry of their term of office.
- 6.5 Directors retiring in terms of clause 6.4 shall be eligible for re-election.
- 6.6 At the meeting at or following which a member of the Board has vacated office because his/her term of office has expired, the remaining directors may fill the vacated office by electing an eligible person. If the Board does not do so, the retiring member of the Board shall, if offering himself for re-election, be deemed to have been re-elected, unless such meeting resolves not to fill the vacated office or resolves that the retiring member should not be re-elected.
- 6.7 The directors shall have the power at any time to appoint any other person as a director either to fill a casual vacancy or as an addition to the Board.
- 6.8 The office of a director shall *ipso facto* be vacated:
- 6.8.1 if by one month's written notice to the Company, the director resigns from office;
- 6.8.2 if the director ceases to be a director by virtue of the Act;
- 6.8.3 if he/she is a director *ex officio* and ceases to occupy the relevant position or office, unless the remaining directors decide otherwise;
- 6.8.4 if the director is directly or indirectly interested in any contract or proposed contract with the Company and fails to declare her/his interest and the nature thereof in the manner required by the Act;

- 6.8.5 if the director is removed from office by resolution signed by not less than two thirds of the directors; or
- 6.8.6 if the director fails to attend three consecutive meetings of directors, without being excused therefrom by the remaining directors, and the remaining directors resolve to exclude him/her from office.

7. AUTHORITY OF THE BOARD OF DIRECTORS

- 7.1 The authority of the Company's Board of directors to manage and direct the business and affairs of the Company, as set out in section 66 (1) is limited or restricted to the extent that the powers of the Company are limited in this Memorandum.

8. BOARD OF DIRECTORS MEETINGS

- 8.1 No less than 50% of the directors (or at least two directors, whichever is greater) may requisition a meeting of the Board.
- 8.2 The Company's Board of directors may determine the manner and form of providing notice of its meetings.
- 8.3 The Company's Board of directors may conduct a meeting entirely by electronic communication, or to provide for participation in a meeting by electronic communication so long as the electronic communication facility employed ordinarily enables all persons participating in that meeting to communicate concurrently with each other without an intermediary, and to participate effectively in the meeting.
- 8.4 The Board of Directors may proceed with a meeting despite a failure or defect in giving notice of the meeting, if all of the directors of the Company:
- 8.4.1 acknowledge actual receipt of the notice;
 - 8.4.2 are present at a meeting; or
 - 8.4.3 waive notice of the meeting.
- 8.5 The directors shall appoint a Chairperson, from their number, who shall be an independent director and who shall preside over all meetings of the Board and perform the tasks set out in this Memorandum and all the other normal functions of a chairperson of the Company. If no chairperson is elected, or if the Chairperson is not present at a meeting within fifteen minutes after the time appointed for holding it, the directors present may choose one of their number to preside at that meeting.
- 8.6 The rules for directors' meetings are as follows:
- 8.6.1 The directors shall meet not less often than 3 times *per annum* for the dispatch of business, but shall otherwise regulate their meetings as they think fit.



- 8.6.2 The quorum necessary for the transacting of business of the Board shall be half plus one of the directors when the number of directors exceeds three and, when the number does not exceed three, shall be two directors.
- 8.6.3 Each director shall have one vote on a matter before the Board, except as provided in 8.9;
- 8.6.4 The directors shall aim to reach consensus through discussion when making decisions, but, if this is not possible then, except as otherwise provided in this document, a majority of the votes cast on a resolution will be sufficient to approve that resolution and in the case of a tied vote, the matter being voted on shall fail; and
- 8.6.5 For a special resolution to be adopted at a meeting of directors, it must be supported by at least 75 % of the directors who voted on the resolution.
- 8.7 The Company's Board of directors may consider a matter other than at a meeting, and the directors may, instead of voting to make a decision at a meeting, adopt a decision by written consent of the directors, given in person or by electronic communication, provided that each director has received notice of the matter to be decided upon. For a resolution to be adopted by written vote of directors it must be supported by:
- 8.7.1 More than 50% of the total number of directors, in the case of an ordinary resolution; or
- 8.7.2 at least 75% of the total number of directors, in the case of a special resolution.
- A decision so made shall have the same effect as if it had been approved at a meeting. Each decision so made shall be recorded in writing and tabled for ratification at the next ensuing meeting of directors.
- 8.8 A special resolution is only required for those matters set out in section 65 (11), being the amending of the Memorandum of Incorporation, ratifying actions by the Company or directors in excess of their authority, approving an application to transfer the registration of the Company to a foreign jurisdiction, amalgamating or merging with another non-profit company, approving the voluntary winding up of the Company, or disposing of all or a greater part of the assets of the Company.
- 8.9 If a matter in which any director (or any person in relation to whom a director is a 'connected person' (as defined in the Income Tax Act)), has a personal financial interest is placed upon the agenda of a meeting or arises during the course of meetings or correspondence of directors, the relevant director shall:
- 8.9.1 immediately and in advance of the matter being dealt with, disclose the fact and nature of such personal financial interest;
- 8.9.2 inform the relevant meeting of material information and answer questions concerning the personal financial interest;
- 8.9.3 not take part in any consideration of any matter involving, and leave the relevant meeting after disclosure concerning, the personal financial interest; and

- 8.9.4 not be entitled to vote on or sign any document in relation to the matter in which the personal financial interest arises.
- 8.10 The Company shall keep minutes of the meetings of the Board, and any of its committees, and include in the minutes:
- 8.10.1 any declaration given by notice or made by a director as required by section 75 with reference to the personal financial interests of the director, whether it be an advance declaration of interests, or a specific declaration with reference to a specific matter; and
- 8.10.2 every resolution adopted by the Board, which resolutions shall be dated, sequentially numbered, and will be effective from the date of the resolution, unless the resolution states otherwise.
- 8.11 Copies of the minutes of every meeting shall be dispatched by the person appointed by the Board from time to time, to all directors within 30 days of the holding of the meeting.

9. OFFICERS, COMMITTEES AND STAKEHOLDERS

- 9.1 The Board of directors may appoint any officers it considers necessary to better achieve the objects of the Company.
- 9.2 The Board of Directors shall appoint an Executive Director and other executives and managers to manage the day to day affairs and business of the Company, and such persons shall have delegated to him/her such powers as may be necessary to fulfil his/her duties, subject to such limits as may be laid down by the Board from time to time.
- 9.3 The Board of directors may appoint committees of directors, and delegate to any such committee any of the authority of the Board, and/or include in any such committee persons who are not directors.
- 9.4 The authority of a committee appointed by the Company's Board, as set out in section 72 (2)(b) and (c) is limited and restricted to the extent that the powers of the Company are limited by this Memorandum of Incorporation.
- 9.5 The Board of directors may invite such stakeholders as it sees fit to form an advisory council of the Company. The Board may consult with such advisory council on matters of vision, policy and other matters which concern the stakeholders represented by such council from time to time.

10. ACCOUNTING RECORDS, BANKING AND RECEIPT OF DONATIONS

- 10.1 The directors shall cause such accounting records as are prescribed by section 28 to be kept.

- 10.2 The accounting records shall be kept in the registered office of the Company or at such other place or places as the directors think fit and shall always be open to inspection by the directors.
- 10.3 The financial transactions of the Company shall be administered via one or more bank accounts which shall be opened in the name of the Company.
- 10.4 The Company shall be prohibited from accepting any donation which is revocable at the instance of the donor for reasons other than a material failure to conform to the designated purposes and conditions of such donation, including any representation with regard to the tax deductibility thereof in terms of section 18A of the Income Tax Act: Provided that a donor (other than a donor which is an approved public benefit organisation or an institution or body which is exempt from tax in terms of section 10(1)(cA)(i) of the Income Tax Act, which has as its sole or principal object the carrying on of any public benefit activity) may not impose conditions which could enable such donor or any connected person in relation to such donor to derive some direct or indirect benefit from the application of such donation.

11. EXPENDITURE AND USE OF RESOURCES

- 11.1 The income and property of the Company, whencesoever derived, shall be applied solely towards the promotion of its main object or invested and no funds will be distributed to any person other than in the course of undertaking any 'public benefit activity' (as defined in the Income Tax Act) and no portion of the income or assets of the Company may be paid or transferred, directly or indirectly, to the directors or persons appointing directors of the Company: provided that this shall not prevent:
- 11.1.1 the payment in good faith of reasonable remuneration to any officer or servant of the Company, for any services rendered to the Company;
- 11.1.2 payment of an amount due and payable by the Company in terms of a *bona fide* agreement between the Company and that person;
- 11.1.3 payment in respect of any rights of that person, to the extent that such rights are administered by the Company to advance a stated object of the Company; or
- 11.1.4 payment in respect of any legal obligation binding on the Company.
- 11.2 The Company shall be required to perform all of its work for the benefit of the Participants, as defined, and to allocate at least 85% of the value of benefits granted or care given in terms of its objects, to persons who are 'black' as defined in the Codes, and the directors shall have no discretion in this regard.
- 11.3 No remuneration (as defined in the Fourth Schedule to the Income Tax Act) shall be paid to any employee, office bearer, director or other person which is excessive, having regard to what is generally considered reasonable in the appropriate sector and in relation to the service rendered, and no person shall be economically benefitted in any way which is not consistent with the objects of the Company.

- 11.4 The Company shall not provide a loan to, secure a debt or obligation of, or otherwise provide direct or indirect financial assistance to a director of the Company or of a related or inter-related company, or to a person related to any such director, unless it
- 11.4.1 is in the ordinary course of the Company's business and for fair value;
- 11.4.2 constitutes an accountable advance to meet
- 11.4.2.1 legal expenses in relation to a matter concerning the Company; or
- 11.4.2.2 anticipated expenses to be incurred by the person on behalf of the Company;
- 11.4.3 is to defray the person's expenses for removal at the Company's request; or
- 11.4.4 is in terms of an employee benefit scheme generally available to all employees or a specific class of employees.
- 11.5 The Company shall not use its resources, directly or indirectly, to support, advance or oppose any political party.
- 11.6 No expenditure shall be incurred by or on behalf of the Company except on authority of the Board or of the person or persons to whom the Board has generally or specifically delegated the power to authorise expenditure. The Board shall establish and maintain a delegation framework which shall record such delegation of its powers.

12. ANNUAL FINANCIAL STATEMENTS AND RETURNS

- 12.1 The directors shall, in accordance with sections 29 and 30, cause to be prepared and laid before the Board such annual financial statements as are referred to in those sections which annual financial statements shall:
- 12.1.1 be prepared within 6 months of the end of each financial year;
- 12.1.2 if the directors so determine, be audited voluntarily, as provided in this Memorandum;
- 12.1.3 if audited, include an auditor's report;
- 12.1.4 include a report by the directors as to the activities and financial state of the Company;
- 12.1.5 be presented annually to those who were Participants for the relevant period at a meeting to be called for this purpose; and
- 12.1.6 be approved by the Board and signed by an authorised director.
- 12.2 A copy of the annual financial statements shall, at least 21 days prior to the relevant board meeting, be sent to every director of the Company.

- 12.3 The Company shall file annual returns with the Companies and Intellectual Property Commission within 30 business days of each anniversary of its date of incorporation, along with such payment, documents and information as may be required from time to time.

13. REMUNERATION OF AND CONTRACTS WITH DIRECTORS

- 13.1 The directors shall not be remunerated for their services as such but may be paid a stipend or seating allowance in line with the financial policy of the Company. The stipend may be paid to a director who attended a meeting as per the roll call or attendance register.
- 13.2 Executive Board directors will receive no additional fees by virtue of their membership of the Board, but will be paid as employees of the Company in accordance with their contracts of employment.
- 13.3 Directors may be paid such reasonable travelling, hotel and other expenses properly incurred by them in or about the performance of their duties as directors, including those of attending and travelling to and from meetings of the directors or of any committee of the directors, as are expressly approved by the directors and recorded in the minutes.
- 13.4 The Company may pay any director who serves on any committee or who devotes special attention to the business of the Company, or otherwise performs services which in the opinion of the directors are outside the scope of the ordinary duties of a director, such extra remuneration as they may determine, subject to the provisions clause 11.3 and provided that such remuneration is expressly approved by the directors and recorded in the minutes.
- 13.5 Directors shall be entitled to contract with the Company and with any entity in which the Company may be interested provided that they may not vote on such contract or on any other matter in which they are interested, directly or indirectly.
- 13.6 Directors shall be entitled to act in their professional capacity on behalf of the Company and perform professional services for the Company and to charge a reasonable fee therefor.

14. NONPROFIT ORGANISATIONS ACT

- 14.1 The directors may apply for the Company to be registered as a nonprofit organisation and shall, if so registered, ensure that the Company complies with all the requirements of the Nonprofit Organisations Act No.71 of 1997.

15. INDEMNIFICATION OF DIRECTORS

- 15.1 Every director and officer of the Company, and every member of any committee of the Company shall be indemnified by the Company against all liability incurred by him/ her as such director or officer in defending any proceedings, whether civil or criminal, in which judgment is given in his/ her favour, or in which s/he is acquitted, or in respect of any proceedings which are abandoned or in connection with any application under Section 77(9) in which relief is granted to him/ her by the Court.

- 15.2 No director, officer or employee of the Company shall be liable for:
- 15.2.1 loss or expense incurred by the Company through the insufficiency or deficiency of any security in or upon which any of the monies of the Company are invested;
- 15.2.2 any loss or damage arising from the bankruptcy, insolvency or delictual acts of any persons with whom monies, securities or effects shall be deposited;
- 15.2.3 any loss or damage occasioned by any error of judgment or oversight on his/her part; or
- 15.2.4 any other loss, damage or misfortune whatever which shall happen in the execution of the duties of his/her office, or in relation thereto,
- unless the same happened through his/her own gross negligence, gross default, gross breach of duty or wilful misconduct or wilful breach of trust.
- 15.3 The authority of the Company's Board of directors to advance expenses to a director, or indemnify a director, in respect of the defence of legal proceedings, to indemnify a director in respect of liability and to purchase insurance to protect the Company or a director, as set out in sections 78 (3), 78 (5) and 78 (6), is not limited or restricted by this Memorandum of Incorporation.

16. WINDING UP, DEREGISTRATION OR DISSOLUTION

- 16.1 Upon its winding up, deregistration or dissolution no past or present director of the Company, or person appointing a director of the Company, is entitled to any part of the net value of the Company, but the assets of the Company and all accumulated interest remaining after the satisfaction of all its liabilities shall be given or transferred to some other organisation or organisations to be determined by the directors of the Company at or before the time of its dissolution, or failing such determination, by the court and which:
- 16.1.1 are non-profit,
- 16.1.2 have objects similar to its main object;
- 16.1.3 have more than 85% black beneficiaries as defined in the Codes, on the same basis as set out in 11.2; and
- 16.1.4 if the Company is exempt from income tax, donations tax and estate duty, under the relevant laws of the country is/are a similar public benefit organisation, which has been approved in terms of section 30 of the Income Tax Act and which shall be required to use such assets solely for the purpose of carrying on such public benefit activities as are similar to the objects of the Company.



LETTER OF REFERENCE

TO: STELLENBOSCH MUNICIPALITY

RE: RANYAKA ENTERPRISE DEVELOPMENT

FROM: JEANNERET MOMBERG

9 May 2022

To whom it may concern

This letter serves to state that Visit Stellenbosch is working cooperatively with Ranyaka in the development of SMME's in Stellenbosch. We recognise and value Ranyaka's contribution and impact in this field and have partnered with them in various ways.

We work collaboratively with Ranyaka, as our services to beneficiaries are complimentary and we share the same goal of a unified solution for enterprise development in Stellenbosch. We therefore support Ranyaka's application to Stellenbosch Municipality for funding.

We value the opportunity to work with Ranyaka and support their application for funding attached herewith.

Regards



Jeanneret Momberg
CEO Visit Stellenbosch



Director: Planning and Economic Development
Ms Lesley van Gensen
PO Box 17
Stellenbosch, 7588

11 May 2022

Dear Ms van Gensen,

RE: Reference letter for Ranyaka

Ranyaka is one of Stellenbosch Network's founding members and has been part of the growth of Stellenbosch Network from the start. Ranyaka is also part of our Steering Committee.

Stellenbosch Network collaborates with Ranyaka as much as possible and we value their input and contribution to the Network.

Ranyaka assists Stellenbosch Network to identify Small Businesses in the greater Stellenbosch area, these businesses then form part of our Entrepreneurial Mentorship Programme. Ranyaka also assisted in marketing the University of Stellenbosch Business School's Small Business Academy that has been hosted in Stellenbosch in 2021 and again in 2022.

Ranyaka organises and hosts many training workshops for Small Businesses that is of great value to the Stellenbosch community. The Building business programmes that Ranyaka offers are extremely valuable to SME's and these have resulted in the growth of many businesses. Through the Cocreate Hub they have given many entrepreneurs the opportunity to sell their products and offer their services in the centre of Stellenbosch to a much wider clientele.

Stellenbosch Network and Ranyaka's funding proposals complement each other, and our collaborative approach means there are no duplication of services.

Stellenbosch Network and Ranyaka will continue to work together in 2022/3 and we look forward to working together and growing SMME's and entrepreneurs in the greater Stellenbosch area.

Do not hesitate to contact me should you need any further information.

Yours sincerely

HB

Hanli Brink

Operations Director, Stellenbosch Network

hanli@stellenboschnetwork.co.za

15 De Beer Street, Stellenbosch, 7600

Private Bag XI, Matieland, 7602

NPC no 2019/609161/08

Tel: +27 21 808 9067 | www.stellenboschnetwork.co.za



STELLENBOSCH
STELLENBOSCH • P.N.E. • FRANSCHHOFF
MUNICIPALITEIT • UMASIPALA • MUNICIPALITY

CREDITOR CONTROL FORM / KREDITEUR KONTROLE VORM

COMPANY DETAILS	CREDITOR CONTACT DETAIL / KREDITEUR KONTAK BESONDERHEDE (Supplier / Verskaffer, Organization / Organisasie)				
	REGISTERED NAME / GEREGISTREERDE NAAM	KANYALA COMMUNITY TRANSFORMATION NPC			
	PHYSICAL STREET ADDRESS / FISIESE STRAAT ADRES:	POSTAL ADDRESS / POS ADRES: (If different to physical address)			
	STREET NAME: 1st Floor, CABINET HOUSE WEST SUBURB: BLOEDWAGT OFFICE PARK, THOMPSON STR TOWN: STELLENBOSCH	PO BOX TOWN	POSTAL CODE:		
	TEL: 084 212 2000	FAX / FAKS:		POSTAL CODE:	
PERSON	CREDITOR CONTACT PERSON DETAIL / KREDITEUR KONTAK PERSOON BESONDERHEDE				
	NAME AND SURNAME / NAAM EN VAN	DIANE PRITCHARD			
	TEL: 071 871 8544	FAX / FAKS:	CELL / SEL:		
EMAIL / EPOS: DIANE@KANYALA.CO.ZA					
BANK DETAILS	CREDITOR BANKING DETAIL / KREDITEUR BANK BESONDERHEDE:				
	NAME OF BANK / NAAM VAN BANK	NEDBANK			
	BANK ACCOUNT NAME / BANK REKENING NAAM	KANYALA COMMUNITY TRANSFORMATION NPC			
	BANK ACCOUNT NUMBER / BANK REKENING NOMMER	1205275673	<p>Nedbank Limited Reg No. 1981/000009/06 STELLENBOSCH 25 APR 2022 SBS MANAGER (071) 16-99-45</p>		
	BRANCH NUMBER / TAKKODE:	198765			
	ACCOUNT TYPE / TIPE REKENING	CHEQUE / TJEK			<input checked="" type="checkbox"/>
		SAVING / SPAAR			<input type="checkbox"/>
VAT REGISTERED / BTW GEREGISTREER	TRANSM	<input type="checkbox"/>			
	YES / JA	<input type="checkbox"/>	VAT /		
	NO / NEE	<input checked="" type="checkbox"/>	BTW NO:		

SIGNATURE / HANDTEKENING:

OFFICE USE / KANTOOR GEBRUIK			
			CREDITOR NO / KREDITEUR NO:
Create a new creditor / Skep van nuwe Krediteur Changing of creditors details / Verandering op Krediteur inligting Deleting of creditor / Uitwis van Krediteur			
REQUESTED BY: AANGEVRA DEUR:	DATE: DATUM:	DEPARTMENT: DEPARTEMENT	
MOTIVATION: MOTIVERING:			
ENTERED BY: INGEVOER DEUR:	DATE: DATUM:		

Cabernet House East
Brandwacht Office Park
Trumali Street
Stellenbosch
7600
Email: admin@ranyaka.co.za



ATTENTION
Director: Planning and Economic Development
Ms Lesley van Gensen
PO Box 17
Stellenbosch
7588

5 May 2022

Dear Ms van Gensen

RE: Funding disbursement: FY 21/22 Training of SMMEs

Thank you for the payment received for training of SMMEs for the 2021/2022 financial year. The funding was received on the 3rd of May 2022. Due to the funds only being received on this date, we have had to adjust our implementation schedule accordingly and will only be able to fit five of the six training sessions into the 2021/2022 financial year. Below please find a new schedule indicating which of the funded activities will stand over to the 2022/2023 financial year.

Relevant Municipal Function applied for:	Training of SMMEs. <i>Note: We are not applying to Establish and Update the SMME Database for the Stellenbosch Municipal Area.</i>
Original timeframe	January – June 2022
Adjusted timeframe	May – Aug 2022
Amount received	R228 600
2021/2022 Training Workshops & Support services	<ol style="list-style-type: none"> 1. Training: SARS Compliance (May) 2. Training & Support: Financial Recordkeeping support (May) 3. Training: Costing, Pricing, Breakeven (June) 4. Training: Retailing & Wholesaling session 1 (June) 5. Training: Marketing Plan Development CoCREATE Hub vendors (June)
2022/2023 Training Workshops & Support services	<ol style="list-style-type: none"> 1. Training: Marketing Plan Development (General) July 2. Training: Retailing & Wholesaling session 2,3,4 (July – Aug) 3. Training: Business Plan development (July) 4. Support Business Compliance (June – Aug) 5. Support CSD Registration (Aug)

We trust you find this application sufficient and acceptable.

Warm regards

Marli Goussard
Enterprise Development Manager
Ranyaka Community Transformation

Budget spending FY 21/22				
Category	Intervention	FY21/22	FY23 Roll-over	
Compliance support	SARS Workshop	R15 000		
Business training	Costing, Pricing & Breakeven	R15 000		
Business plan development	Business Plan Training		R15 000	
Retail & Wholesaling training	Training series for Hub participants	R7 500	R7 500	
Marketing plan development	2-day Workshop	R10 000	R10 000	
Financial Management	Record-keeping support: 2-hour consulting session	R12 000	R12 000	
Compliance support	Compliance Support - as listed below	R15 000	R30 000	
Compliance support	CIPC / Business Registration			
Compliance support	PAYE Registration			
Compliance support	UIF & Ufiling			
Compliance support	Registration			
Compliance support	CIPC annual returns			
Compliance support	B-BEEE affidavit/certificate			
Compliance support	Workers compensation			
Compliance support	SARS annual returns			
Compliance support	Tax Clearance certificate			
Compliance support	Industry compliance			
Financial Management	Statements historic			
Financial Management	Annual Financial Statements			
Access to Market	supply-chains		R15 000	
Sub-total		R74 500	R89 500	
Monitoring & Evaluation Officer		R40 000		
Ranyaka Management fee		R24 600		
Grand total		R139 100	R89 500	R228 600

COR21.1

**Certificate issued by the Companies and Intellectual Property
Commission on Friday, March 04, 2022 10:56
Certificate of Confirmation**



Companies and Intellectual
Property Commission
a member of the SAG Group

Registration number	2013 / 029973 / 08
Enterprise Name	RANYAKA COMMUNITY TRANSFORMATION NPC
Enterprise Shortened Name	None provided.
Enterprise Translated Name	None provided.
Registration Date	21/02/2013
Business Start Date	21/02/2013
Enterprise Type	Non Profit Company
Enterprise Status	In Business
Financial year end	February
Main Business/Main Object	
Postal address	1ST FLOOR CABERNET HOUSE WEST BRANDWACHT OFFICE PARK - TRUMALI ST STELLENBOSCH WESTERN CAPE 7600
Address of registered office	1ST FLOOR CABERNET HOUSE WEST BRANDWACHT OFFICE PARK - TRUMALI ST STELLENBOSCH WESTERN CAPE 7600



The Companies and Intellectual Property Commission
of South Africa

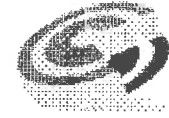
P.O. BOX 429, PRETORIA, 0001, Republic of South Africa. Docex 256, PRETORIA.

Call Centre Tel 086 100 2472, Website www.cipc.co.za



COR21.1

**Certificate issued by the Companies and Intellectual Property
Commission on Friday, March 04, 2022 10:56
Certificate of Confirmation**



Companies and Intellectual
Property Commission
a member of the SAG Group

Registration number **2013/029973/08**
Enterprise Name **RANYAKA COMMUNITY TRANSFORMATION NPC**

Name
Postal Address

Active Directors / Officers

Surname and first names	ID number or date of birth	Director type	Appoint-ment date	Addresses
MATSAUNG, RAMOLOKWANE MATJALE	8002280322080	Director	27/01/2021	Postal: PO BOX 13732, HATFIELD, HATFIELD, GAUTENG, 0028 Residential: 24 MULBERRY GATE, 418 THE VILLAGE ROAD, MENLO PARK, GAUTENG, 0081
OLIVIER, JOHANNES LODEWIJK WIJNAND	6803145125085	Director	21/02/2013	Postal: 21 ROKEWOOD ROAD, DIE BOORD, STELLENBOSCH, WESTERN CAPE, 7600 Residential: 21 ROKEWOOD ROAD, DIE BOORD, STELLENBOSCH, WESTERN CAPE, 7600
BILA, BABALALA WILLIAM	7006205409089	Non Executive Director	21/02/2013	Postal: 40 TANJA STREET, THE REEDS, CENTURION, GAUTENG, 0158 Residential: 40 TANJA STREET, THE REEDS, CENTURION, GAUTENG, 0158



The Companies and Intellectual Property Commission
of South Africa

P.O. BOX 429, PRETORIA, 0001, Republic of South Africa. Docex 256, PRETORIA.

Call Centre Tel 086 100 2472; Website www.cipc.co.za



COR21.1



Companies and Intellectual
Property Commission
a member of the SAG Group

Date: 24/02/2022

Our Reference: 9360886152

WILLEM SCHALK LUBBE
E-mail: pty@asl.co.za
POSTNET SUITE 408
PRIVATE BAG X15
SOMERSET WEST
7129

RE: Amendment to Company Information

Company Number: 2013/029973/08

Company Name: RANYAKA COMMUNITY TRANSFORMATION NPC

We have received a COR21.1 (Address Change) from you dated 24/02/2022.

The COR21.1 was accepted and placed on file.

With effect from 04/03/2022, the registered address was changed to:

1ST FLOOR CABERNET HOUSE WEST
BRANDWACHT OFFICE PARK - TRUMALI ST
STELLENBOSCH
WESTERN CAPE
7600

Yours truly

Commissioner: CIPC

Please Note:

The attached certificate can be validated on the CIPC web site at www.cipc.co.za.

The contents of the attached certificate was electronically transmitted to the South African Revenue Services.

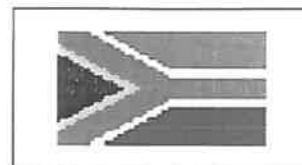


The Companies and Intellectual Property Commission
of South Africa

P.O. BOX 429, PRETORIA, 0001, Republic of South Africa. Docex 256, PRETORIA.

Call Centre Tel 086 100 2472, Website www.cipc.co.za





**CERTIFICATE OF REGISTRATION OF
NONPROFIT ORGANIZATION**

In terms of the Nonprofit Organisation Act, 1997, I am satisfied that

Ranyaka Community Investment Managers

(name of the organisation)

meets the requirements for registration.

The organisation's name was entered into the register on **06 February 2014**
(date)

Registration number **133-223 NPO**

Director's signature



Department of Social



Development

Office
Head Office

Enquiries
Emmanuel Gumbi

Telephone
012 483 1733

Facsimile
010 208 3301

PBO Reference No.
930064087

Income Tax Reference No.
9293065182

Date
14 March 2019

THE PUBLIC REPRESENTATIVE
RANYAKA COMMUNITY TRANSFORMATION
PO BOX 920
STELLENBOSCH
7599

271 Veale Street
Brooklyn, Pretoria
PO Box 11955, Hatfield, 0028
Tel: +27 (12) 483-1700
www.sars.gov.za
teu@sars.gov.za

Dear Sir / Madam

INCOME TAX EXEMPTION APPROVED: RANYAKA COMMUNITY TRANSFORMATION

The South African Revenue Service (SARS) would like to confirm that your application for exemption from income tax has been approved as it meets the requirements of a Public Benefit Organisation (PBO) set out in section 30(3) of the Income Tax Act No 58 of 1962 (the Act). Your Income Tax Exemption has been granted in terms of section 10(1)(cN) of the Act with effect from 01 March 2014. Annual receipts and accruals will therefore be subject to the provisions of section 10(1)(cN) of the Act and accruals and receipts from trading or business activities which fall outside the parameters of section 10(1)(cN) will be subject to tax.

The following exemptions also apply and are limited to:

1. The public benefit organisation has been approved for purposes of section 18A(1)(a) of the Act and donations to the organisation will be tax deductible in the hands of the donors in terms of and subject to the limitations prescribed in section 18A of the Act with effect from 14 March 2019.
2. Donations made to or by the PBO are exempt from Donations Tax in terms of section 56(1)(h) of the Income Tax Act.
3. Exemption from the payment of Estate Duty in terms of section 4(h) of the Estate Duty Act No.45 of 1955.

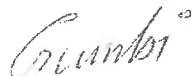
In order to maintain your exempt status, the following conditions must be complied with:

1. When issuing a tax deductible receipt it must include the following information:
 - a) The reference number (the PBO number quoted on this letter).
 - b) The date of the receipt of the donation.
 - c) The name and address of the organisation issuing the receipt to which enquiries may be directed.
 - d) The name and address of the donor.
 - e) The amount or nature of the donation if not in cash.

- f) Certification that the receipt is issued for the purpose of section 18A and that the donation will be used exclusively for the activities which are approved for section 18A purposes.
 - g) The receipt must be issued in the year when the donation is received by the organisation approved for purposes of section 18A.
2. Furthermore, given the S18A approval granted; you must submit with your annual tax return, audit certificate stating that 18A funds for which 18A certificate were issued are utilised for 18A activities and supporting documentation which include the full particulars of all the receipts issued in respect of deductible donations and how these funds were spent.
 3. Submit an annual Income Tax Return (IT12EI) by the due date via SARS eFiling or manually. Your IT12EI can be obtained by
 - o Registering online at www.sarsefiling.co.za to access, request and submit the IT12EI electronically
 - o Calling the SARS Contact Centre on 0800 00 SARS (7277)
 - o Requesting an IT12EI by contacting the TEU on teu@sars.gov.za or calling (012) 483 1700
 - o Requesting an IT12EI by visiting your local SARS branch.
 4. Tax deductible receipts may only be issued for *bona fide* donations. Refer to Annexure A for more information in this regard.
 5. The exemption approval as contained in this letter is subject to review on an annual basis by the TEU upon receipt of annual income tax return and S18A supporting documentation.
 6. SARS must be informed in writing within 21 working days of any change in registered particulars (e.g. representative, change of name, address, trustee details, office bearers, etc.).

For further information or assistance, email your query to teu@sars.gov.za, visit the SARS website www.sars.gov.za, call the TEU on 012 483 1700 or visit the TEU offices. Kindly ensure that you have your ID and tax reference number on hand to enable SARS to assist you.

Sincerely



Emmanuel Gumbi
Tax Exemption Unit

ISSUED ON BEHALF OF THE COMMISSIONER FOR THE SOUTH AFRICAN REVENUE SERVICE

Annexure A: Information pertaining to S18A donations**What is considered a *bona fide* donation for S18A purposes?**

A *bona fide* donation is a voluntary, gratuitous gift disposed of by the donor out of liberality or generosity, where the donee is enriched and the donor impoverished. There may be no *quid pro quo*, no reciprocal obligations and no personal benefit for the donor. If the donee gives any consideration at all it is not a donation. The donor may not impose conditions which could enable him or any connected person in relation to himself to derive some direct or indirect benefit from the application of the donation.

Examples of what does **NOT** constitute a *bona fide* donation for purposes of section 18A?

1. Donation of services rendered such as a professional person renders a skill free of charge.
2. An amount paid for attending a fundraising dinner, dance or charity golf day.
3. The amount paid for the successful bid of goods auctioned to raise funds by an organisation and Memorabilia, paintings, etc, donated to be auctioned to raise funds
4. Amounts paid for raffle or lottery tickets.
5. Amounts paid for school fees, entrance fees for school admittance or compulsory school levies.
6. Value of free rent, water and electricity provided by a lessor to the lessee which is an approved PBO.
7. Payments in respect of debt due



TAX COMPLIANCE STATUS

PIN Issued

RANYAKA COMMUNITY
PO BOX 920
STELLENBOSCH
7599

Enquiries should be addressed to SARS:

Contact Detail

SARS
Alberton
1528

Contact Centre Tel: 0800 00 SARS (7277)
SARS online: www.sars.gov.za

Details

Taxpayer Reference Number: 9293065182

Always quote this reference
number when contacting SARS

Issue Date: 2022/02/09

Dear Taxpayer

TAX COMPLIANCE STATUS PIN ISSUED

The South African Revenue Service (SARS) has issued your tax compliance status (TCS) PIN as indicated below:

TCS Details:	
Taxpayer Name	Ranyaka Community Transformation
Trading Name	RANYAKA COMMUNITY INVESTMENT MANAGERS NPC
Tax Reference Number(s)	IT - 9293065182 PAYE - 7680802164
Purpose of Request	Good Standing
Request Reference Number	0030632496GS0902221149188
PIN	2BG57322EE
PIN Expiry Date	09/02/2023

You may authorise a third party to view your TCS by providing them the PIN. The PIN only allows the third party access to your TCS. All other tax information remains secure.

Your TCS displayed is based on your compliance as at the date and time the PIN is used.

You may cancel this PIN at any time before the expiry date reflected above. Once cancelled, a third party will not be able to verify your TCS.

SARS reserves the right to cancel this PIN in the event that it was fraudulently issued or obtained.

Should you have any other queries please call the SARS Contact Centre on 0800 00 SARS (7277). Remember to have your taxpayer reference number at hand when you call to enable us to assist you promptly.

Sincerely

ISSUED ON BEHALF OF THE SOUTH AFRICAN REVENUE SERVICE

Name	RANYAKA COMMUNITY TRANSFORMATION	Timestamp:	3415754
Tax reference No:	9293065182	Year:	2022
Form ID:	RFDTCS	Page of Page:	01/01
Content Version:	v2013.01.01	Template version:	v2013.01.01

8.11.2	CONSIDERATION OF APPLICATIONS RECEIVED: FUNDING OF EXTERNAL BODIES PERFORMING A MUNICIPAL FUNCTION AS PROVIDED BY THE POLICY FUNDING OF BODIES PERFORMING A MUNICIPAL FUNCTION, READ WITH SECTION 80(2) OF THE LOCAL GOVERNMENT SYSTEMS ACT, 32 OF 2000, FINANCIAL YEAR 2022 / 2023: (Local Tourism Organisations "LTO")
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Collaborator No:

IDP KPA Ref No:

Meeting Date: Grants: 2022-06-06 & Mayco: 2022-06-08 & Special Council: 22 June 2022

1. **SUBJECT: CONSIDERATION OF APPLICATIONS RECEIVED: FUNDING OF EXTERNAL BODIES PERFORMING A MUNICIPAL FUNCTION AS PROVIDED BY THE POLICY FUNDING OF BODIES PERFORMING A MUNICIPAL FUNCTION, READ WITH SECTION 80(2) OF THE LOCAL GOVERNMENT SYSTEMS ACT, 32 OF 2000, FINANCIAL YEAR 2022 / 2023: (Local Tourism Organisations "LTO")**

2. **PURPOSE OF MEETING**

To discuss and consider the funding applications for the 2022 / 2023 financial year received from external bodies performing a municipal function as provided by the Policy for the Funding of External Bodies Performing a Municipal Function, read with Section 80(2) of the Municipal Systems Act No. 32 of 2000.

3. **DELEGATED AUTHORITY**

Council

4. **EXECUTIVE SUMMARY**

In terms of Section 7(2) of the Policy relating to External Bodies Performing a Municipal Function of which budget allocation are delegated to the Grants Committee to make recommendations to Council.

The notices of the applications for the funding of bodies performing a municipal function was advertised in the Eikestadnuus and the Paarl Post dated 21 April 2022, attached as **APPENDIX 1** of which the closing date to submit such applications was at 12:00 midday on 13 May 2022.

The following bodies submitted applications by the closing date for funding to perform the Tourism function for Council for the 2022 / 2023 financial year:

Applicant	2022 / 2023 Funding Requested in Rand Value
Franschhoek Wine Valley Tourism Association NPC	R2 424 149.00
Visit Stellenbosch NPC	R4 808 000.00
Total Funding Requested	R7 232 149.00

With due regard for the importance of Tourism to the South African economy it is necessary to give thought to municipal funding against the desired outcomes, the capabilities and capacity of the funded entities to deliver quantifiable outcomes and practice safe stewardship of the funds granted.

In the light of the above and the reasons submitted in this report the following is recommended to the Grants Committee for endorsement to Council for decision

5. RECOMMENDATIONS

That Council approves the following allocations

- a) that the amount of R1 940 918.00 be allocated to Franschhoek Wine Valley Tourism Association NPC for the 2022 / 2023 financial year; and
- b) that the amount of R3 775 000.00 be allocated to Visit Stellenbosch NPC for the 2022 / 2023 financial year.

6. DISCUSSION /CONTENTS

The following applications for the funding were received.

6.1 Franschhoek Wine Valley Tourism Association NPC (Appendix 2)

Franschhoek Wine Valley Tourism Association NPC	
Tourism Functions	R2 424 149.00
Other Funding Sources	None indicated
TOTAL	R2 424 149.00

Compliance checks

Franschhoek Wine Valley Tourism Association NPC		Amount requested: R2 424 149.00
The following MUST accompany this application:		
1. A copy of the latest, audited financial statements.	✓	30 June 2021
2. A copy of the Organisation's Constitution or Memorandum of Incorporation as well as the resolutions/minutes adopting the Constitution or Memorandum of Incorporation.	✓	
3. A copy of a project/programme description and/or a business plan for the ensuing financial year. Including the following: Full details of the proposal or project including its objectives, the number of people who will benefit and how the project will contribute or enhance the strategic objectives of Stellenbosch Municipality. Commencement and completion dates of the project. Information on the total cost of the project budget, including a breakdown of costs and an outline of any contribution by fundraising and/or own contribution. A list of all other sources of funding together with the assessments. A summary of past achievements. References independent of the applicant and its executive.	✓	
4. An original copy of a correctly completed creditors control form of Stellenbosch Municipality.	✓	

5. If the Organisation received funding from Stellenbosch Municipality in the preceding financial year, you need to account for the expenditure of the funding received with your new application.	✓	
6. If the Organisation received funding from other bodies, please identify and list the amounts received.	✓	
7. If the Organisation is a non-profit company as defined in the section 1 of the Companies Act, 2008, a certificate/letter issued by the Companies and Intellectual Property Commission (CIPC) confirming registration must be attached.	✓	
8. If the Organisation has been registered as a "non-profit" organisation in terms of the Non-Profit Organisation Act, 1997, a certificate/letter issued by the Department of Social Development confirming registration as a non-profit organisation must be attached.	n/a	
9. If the Organisation has been registered as a "Public Benefit Organisation" in terms of the Income Tax Act, 1962, a certificate/letter issued by SARS confirming the Organisation's tax exemption status must be attached.	n/a	
10. Valid Tax Clearance Certificate issued by SARS.	✓	

The following performance indicators was submitted by Franschoek Wine Valley Tourism Association NPC programmes description of the programmes; objective to be achieved; the deliverables; the potential outcomes; and the budget sought for the 2022 / 2023 financial year in the below table:

Key Strategic Objective 1:	Performance Targets / Deliverables	Amount in Rand	Departmental Comment	Recommended Funding
Branding – Create destination brand awareness with stakeholders and core domestic and foreign consumers.	Marketing collateral i.e of leisure events.	410 048.00	The Department supports the deliverable, as it does aim to facilitate the promotion of tourism within the area.	410 048.00
	Website maintenance to integrate with constant social media trends.			
	Measuring social media developments, better visuals, user friendly mobi site.			
	Continuous online brochure updates including wine route maps.			
	Production and dissemination of brochures			
	Schedule of tradeshows and exhibitions attended and type of exposure created and number of engagements: Franschoek Bastille Festival Franschoek Roof Top Event Art Franschoek Cap Classique and Champagne Festival Franschoek Open Gardens Franschoek Summer Wines Franschoek Winter Wines Winter Sculpture Fair Franschoek Culinary Collective Franschoek Classic Car Festival Franschoek Fridays Franschoek Mystery Weekends			

Key Strategic Objective 2:	Performance Targets / Deliverables	Amount in Rand	Departmental Comment	Recommended Funding
Sustainable Development - An inclusive tourism industry by facilitating tourism development and growth.	Develop / maintain 8 community tourism products / projects	483 231.00	The Department does not support the proposed deliverables, as the municipality already has a programme for training of Small Medium and Micro Enterprises ("SMME")	Funding not supported
	Create a marketing platform for emerging entrepreneurs, facilitating enterprise growth and development.			
	Establish linkages between emerging entrepreneurs and established tourism business to integrate SMME development programmes.			
	Development of geographical routes to enable the distribution of tourists throughout the municipal geographical area, encouraging the geographic spread of tourist activities.			

Key Strategic Objective 3:	Performance Targets / Deliverables	Amount in Rand	Departmental Comment	Recommended Funding
Visitor Information Centre and Member Liaison – World Class Visitor Information Centre at the new office location. Better visibility and accessibility on Huguenot Road.	Increase tourist enquiries and bookings by 15%. Networking functions. Monthly membership meetings with all sectors.	1 530 870.00	The ongoing operations of the Visitors Centre is a core component of tourism or marketing of tourism within the area, and therefore the funding of this deliverables is supported. The Department do however need to note that there may exist a saving, dependent on whether the LTO will be using the municipal building.	1 530 870.00

Franschhoek Wine Valley Tourism Association NPC included all the required documentation and information to be considered and therefore it is thus proposed that the programmes as noted in the above table be funded in terms of the said policy for the of the 2022 / 2023 financial year which amount to **R1 940 918.00**.

6.2 Visit Stellenbosch NPC (APPENDIX 3)

Visit Stellenbosch NPC	
Tourism Functions	R4 808 000.00
Other Funding Sources	R2 650 000.00
TOTAL	R7 458 000.00

Compliance checks

Visit Stellenbosch NPC		Amount requested: R4 808 000.00
The following MUST accompany this application:		
1. A copy of the latest, audited financial statements.	✓	29 February 2021
2. A copy of the Organisation's Constitution or Memorandum of Incorporation as well as the resolutions/minutes adopting the Constitution or Memorandum of Incorporation.	✓	
3. A copy of a project/programme description and/or a business plan for the ensuing financial year. Including the following: Full details of the proposal or project including its objectives, the number of people who will benefit and how the project will contribute or enhance the strategic objectives of Stellenbosch Municipality. Commencement and completion dates of the project. Information on the total cost of the project budget, including a breakdown of costs and an outline of any contribution by fundraising and/or own contribution. A list of all other sources of funding together with the assessments. A summary of past achievements. References independent of the applicant and its executive.	✓	
4. An original copy of a correctly completed creditors control form of Stellenbosch Municipality.	✓	
5. If the Organisation received funding from Stellenbosch Municipality in the preceding financial year, you need to account for the expenditure of the funding received with your new application.	✓	
6. If the Organisation received funding from other bodies, please identify and list the amounts received.	✓	
7. If the Organisation is a non-profit company as defined in the section 1 of the Companies Act, 2008, a certificate/letter issued by the Companies and Intellectual Property Commission (CIPC) confirming registration must be attached.	✓	
8. If the Organisation has been registered as a "non-profit" organisation in terms of the Non-Profit Organisation Act, 1997, a certificate/letter issued by the Department of Social Development confirming registration as a non-profit organisation must be attached.	n/a	
9. If the Organisation has been registered as a "Public Benefit Organisation" in terms of the Income Tax Act, 1962, a certificate/letter issued by SARS confirming the Organisation's tax exemption status must be attached.	n/a	
10. Valid Tax Clearance Certificate issued by SARS.	✓	

The following performance indicators was submitted by Visit Stellenbosch, programmes description of the programmes; objective to be achieved; the deliverables; the potential outcomes; and the budget sought for the 2022 / 2023 financial year in the below table:

Key Strategic Objective 1	Performance Targets / Deliverables	Amount in Rand	Departmental Comment	Recommended Funding
Tourism Business Support Stakeholder Support Programme – Business support programme is a mentoring, assessment and booster programme designed for tourism stakeholders to build resilient, sustainable tourism business and take steps towards recovering from economic insecurity.	Revive, support and mentor specialised tourism products, focussing on walking tours in Jamestown and Ida's Valley.	40 000.00	The project that entails the development of tourism products, that does not reside within the ambit of the municipal tourism function, and therefore the Department is partially supporting this project, and therefore only the marketing component.	10 000.00
	The services of a local community guide will enhance a visitor experience and need to be polished on an ongoing basis. Guides to be properly trained by an accredited service provider and registered accordingly.	60 000.00	The Department does not support this proposal, as it aims to providing training to tour guides, that is a function that could be dealt with through Council's SMME training programmes.	Funding not supported.
	First Aid refresher courses: registered guides have to complete first aid training every 3 years to retain their registrations. Train 10 guides at R2 800.00 each	28 000.00		
	Tourism professionalism coaching. Coaching for 20 tourism entrepreneurs at R1500.00 each.	30 000.00	The Department supports the funding of this programmes, as it aims to promote the tourist industry especially to the youth.	30 000.00
	Direct Sales and hosting of tourism educationals. Direct sales to 60 new potential clients including schools, corporates and tourism companies.	30 000.00		
	Website directory and product info pages for qualifying tourism businesses integrated with primary Visit Stellenbosch website.	15 000.00		
	Bags4Bread: Campaigns to collect bags, and then package, market and sell the products to support sustainability narrative.	20 000.00	The Department notes the intention of this project, but this project does not resort within the functional mandate for tourism and is therefore not supported.	Funding not supported.
	Ida's Valley marketplace consultation and business plan development.	40 000.00	The Department does not support the project, as this relates to the use of municipal infrastructure (informal trading site), and this function does not fall within the tourism function.	Funding not supported.
	Sub total		263 000.00	

AGENDA

SPECIAL MEETING OF THE COUNCIL
OF STELLENBOSCH MUNICIPALITY

2022-06-22

Social Cohesion: use events and activation to unite communities around a central theme and goal.	Host two historical tours at R5000.00 per area: Kayamandi, Dwarsrivier, Die Vlakte, Stellenbosch University, Ida's Valley and Jamestown.	60 000.00	The Department supports this proposal as it does link with the spatial transformation objective of the municipality.	60 000.00
	Hope and Healing social justice walks.	45 000.00	The Department must note that the motivation for this programme does not create any linkages to tourism and is more motivated in respect of a social development project and does not directly relate to tourism, and therefore the project is not supported.	Funding not supported.
	Host and promote two Amazink Stellenbosch FC watch parties in Kayamandi.	30 000.00	Although, the project is not directly related to tourism, but rather a sporting event, it must be noted that the impact of the football club in Stellenbosch may have direct spin-offs for tourism, luring tourists to Stellenbosch, therefore the project is supported.	30 000.00
Sub total		135 000.00		90 000.00

Key Strategic Objective 2	Performance Targets / Deliverables	Amount in Rand	Departmental Comment	Recommended Funding
Events and Projects – Wine Town Stellenbosch is a decentralised wine festival, creating opportunities for all tourism sectors, such as wine, restaurants, accommodation and experiences.	Logistics and coordination of a programme of events to attract visitors to Stellenbosch in the low season.	50 000.00	The Department notes that currently a number of events are occurring within the municipal area, and therefore a plethora of permitting applications and approvals are required. Therefore, the funding aims to coordinate the applications and also ensures that such applications are submitted timeously to the required authorities. The NPC will thus be required to provide Council with a list of such events, as well as the progress reports on a quarterly basis and therefore the funding is supported.	50 000.00
	Stellenbosch Wine Festival hosted in the Stellenbosch Town Hall is a two-day celebration of the best that Stellenbosch has to offer. This will provide a platform for 50 – 60 producers to show their wines. +/-500 tickets will be sold.	150 000.00	The Department support this project.	150 000.00
	Extensive marketing and communication plan, position Wine Town Stellenbosch as the annual must-do event.	50 000.00	The Department supports this project.	50 000.00

Sub total		250 000.00	250 000.00	
Lifestyle Events	Performance Targets / Deliverables	Amount in Rand	Departmental Comment	Recommended Funding
Events have the potential to attract high level tourism. They provide opportunities for marketing, employment and promotion of products and services.	Stellenbosch Street Soiree: these popular, bi- weekly, pop up wine festivals held during the summer months earning a lot of publicity, create economic opportunities for wine farms, provide jobs and stimulate the restaurant activity.	80 000.00	The Department supports this project.	80 000.00
	Annually, the Stellenbosch Wine Routes collaborates with the Woordfees to offer and host a range of events during the festival.	50 000.00	The Department support this Project.	50 000.00
	Harvest Parade: Annual parade celebrating the upcoming harvest event and the contributions made by agri- workers.	120 000.00	The Department supports this project.	120 000.00
Sub Total		250 000.00	250 000.00	
Events: Business of Wine Tourism Conference – host destination of choice for the Business of Wine Tourism Conference bid.	Bring the Business of Wine Tourism back to Stellenbosch	50 000.00	The Department notes that this proposal is aimed at preparing a bid for hosting the Wine Tourism Conference. It must be noted that the conference aims at hosting ±100 delegates, which may have an impact on luring other conferences.	50 000.00
Sub-Total		50 000.00	50 000.00	
Event: Garden Town Stellenbosch. Linked to the established National activation Garden Day.	Coordinate a 10-day programme of Garden Tours, Open Gardens, activations in the CBD and Speakers Programme, tours and walks, providing support to private gardens that open for visitors.	100 000.00	The Department partially supports the project, specifically as the Garden Week event has had major successes previously. The Department however does not support spending municipal funds for proving support to privately owned gardens.	50 000.00
	Package Stellenbosch: create packages with accommodation, meals and activities from the programme to make it easy for visitors to stay over and experience Stellenbosch.	20 000.00	The Department supports this project.	20 000.00
	Community teas: Several Dorpies will host a tea for community groups and link to the Best Garden Competition.	10 000.00	The Department supports this project.	10 000.00
	Extensive Marketing programme: Press releases, social media, digital campaigns, influence engagement.	50 000.00	The Department supports this project.	50 000.00
Sub-Total		180 000.00	130 000.00	

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SPECIAL MEETING OF THE COUNCIL
OF STELLENBOSCH MUNICIPALITY

2022-06-22

Key Strategic Objective 3	Performance Targets / Deliverables	Amount in Rand	Departmental Comment	Recommended Funding
Project: Stay in Stellenbosch. Increase overnight stays in Stellenbosch during peak and off-peak periods.	Stay Stellenbosch Campaign: Dedicated marketing campaign to encourage overnight stays and promote the Stay Stellenbosch activation.	50 000.00	The Department support this project, as it is aimed at luring tourists to the region.	50 000.00
	Increased and accelerated hosting of inbound tour operators.	70 000.00	The Department supports this project.	70 000.00
	Stay and Play Campaigns. Marketing campaigns to drive the message that Stellenbosch is a convenient and warm-hearted destination for the hyper local to visit, stay and play.	50 000.00	The project and its description is seemingly similar to the Stay Stellenbosch and the Experience Stellenbosch Campaigns and therefore it is seen as a duplication.	Funding is not supported.
Sub-Total		170 000.00		120 000.00
Project Taste Stellenbosch: Promote and position Stellenbosch as the leading culinary destination in South Africa.	Restaurant Focus: create top of mind awareness and maximise support and interest for the Taste Stellenbosch Restaurant activation and its related activities.	80 000.00	The Department supports this project.	80 000.00
Sub-Total		80 000.00		80 000.00
Experience Stellenbosch: Make Stellenbosch the destination of choice for sport, adventure and outdoor enthusiasts.	Digital campaign to position Stellenbosch as the destination for outdoor adventures, adrenalin junkies, mountain bikers and casual cyclists.	80 000.00	The Department supports this project, but limited the funding in accordance to the other projects.	50 000.00
	Expand collaboration with cycling clubs, bringing together cycling initiatives and organisations to promote cycling activities and events in and around town.	80 000.00	The project does have the potential to create opportunities for tourism, especially in respect of the hospitality offerings Stellenbosch possesses. The project indicates the necessary motivation in this regard, but it is not within the mandate of the municipality.	Funding is not supported.
	Large event bid support.	60 000.00	The Department does not support this project, as it is a speculative project with no clear targeted sporting event identified.	Funding is not supported.
Sub-Total		220 000.00		50 000.00
Meet in Stellenbosch: Continue to capitalise on the 2nd tier status to Cape Town MICE and increase to top 5	Host Business Tourism Showcase reintroducing Stellenbosch as a Business Tourism Destination.	150 000.00	The Department notes that funding was allocated to the 2021 / 2022 financial year to test the need for such conferencing facilities in Stellenbosch, as currently all large events are held in Cape Town at the CTICC and Century City, although	Funding is not supported.

in Africa in ICCA ranking.			the LTO has indicated that conferences were placed on their website, no clear indication or evidence was submitted that substantiate the need for large conferencing in Stellenbosch, therefore the funding is not supported.	
	Host more DMC Familiarisation trips to Stellenbosch.	50 000.00	The Department supports the funding to promote Stellenbosch to Destination Management Companies "DMC".	50 000.00
Sub Total		200 000.00		50 000.00

Key Strategic Objective 3	Performance Targets / Deliverables	Amount in Rand	Departmental Comment	Recommended Funding
Visit Stellenbosch Visitor Centre: Offer and operate a Visitor Information Centre providing a frictionless visitor Experience.	Operate a visitor centre 362 days of the year: The visitor services centre provides information and aid to any current or potential tourists within a destination and its surrounding areas.	1 950 000.00	The Department supports the daily operations of the Visitors Centre.	1 950 000.00
	High level international marketing campaign to promote Stellenbosch to key source markets, including Germany, UK, USA etc.	350 000.00	The Department supports this project, but only the same amount as the 2021 / 2022 financial year.	100 000.00
Sub-Total		2 300 000.00		2 050 000.00
Dwarsrivier Projects / Visitor Centre: Offer and operate a Visitor Information Centre providing a frictionless visitor experience.	Develop full marketing and communication plan based on the brand plan. Implement and roll out brand elements and assets, complete marketing toolkit.	100 000.00	The Department supports this project.	100 000.00
	Revamp social media channels and drive digital presence and advancement.	50 000.00	The Department supports this project.	50 000.00
Sub-Total		150 000.00		150 000.00
Dwarsrivier: Information Centre – Offer and operate a Visitor Information Centre providing a frictionless visitor experience.	Operate a visitor centre: the Visitor services centre provide information and aid to any current or potential tourists with a destination and its surrounding areas.	250 000.00	The Department supports this project as the funding is required to ensure that the Pniel Tourism office remains operational.	250 000.00
	Marketing: invest in marketing opportunities, printed and digital collateral to support the promotion of Destination Dwarsrivier.	100 000.00	The Department does not support this project, as it is already funded as part of the Dwarsrivier Projects under the Visitors Centre.	Funding is not supported.
Sub-Total		350 000.00		250 000.00

AGENDA

SPECIAL MEETING OF THE COUNCIL
OF STELLENBOSCH MUNICIPALITY

2022-06-22

Key Strategic Objective 4	Performance Targets / Deliverables	Amount in Rand	Departmental Comment	Recommended Funding
Dwarsrivier: Projects – Garden Week and other events. Linking in with garden day and Garden Week, Stellenbosch, Dwarsrivier plans to activate on various fronts.	Garden tours: Assist and support private gardeners to get their gardens ready to be included in the Private Garden Tours, signage, collateral, maps, admin and logistical arrangements.	50 000.00	The Department partially supports the project, specifically as the Garden Week event has had major successes previously. The Department however does not support spending municipal funds for providing support to privately owned gardens.	30 000.00
	Programme and workshops: offer a speaking programme and several showcases such as a chrysanthemum growing workshop.	20 000.00	The project is not supported by the Department, although the Garden Week is supported, this relates to the growing of plants and therefore this function forms part of the Department: Greening and not this Department.	Funding is not supported.
	Community social cohesion: Activate several celebratory events, celebrating gardening on 17th September.	20 000.00	The project is linked to Garden Week and is therefore supported.	20 000.00
Sub-Total		90 000.00		50 000.00
Event: Other Events: Use events to drive positioning, economic opportunities and destination visibility for Dwarsrivier.	Adam Small Festival: a celebration of Small's contribution to Afrikaans; paying tribute to the life and times of Adam Small and celebrating Small's contribution to Afrikaans by various poets, writers and more.	35 000.00	Supported. Funding was increased as this festival has a big impact on tourism, luring tourists to Stellenbosch therefore the project budget was increased.	50 000.00
	Chrysanthemum Festival: the day includes the exhibition and selling of the beautiful chrysanthemums, info sessions and delicious home-made treats for sale.	35 000.00	Supported. Funding was increased as this festival has a big impact on tourism, luring tourists to Stellenbosch therefore the project budget was increased.	50 000.00
	Slawedag / Slaveday	50 000	Supported	50 000.00
Sub-Total		120 000.00		R150 000.00

Other sources of funding:

Donations	R250 000.00
Grants (CWDM / Wesgro)	R250 000.00
Grants (CWDM / Wesgro) for donations	R200 000.00
Marketing sponsorships	R0
Wine Member: Contributions	R800 000.00
Other Members: Contributions	R350 000.00
Stellenbosch Publicity Marketing	R800 000.00
Commercial Activities	R0
Total	R2 650 000.00

Visit Stellenbosch included all the required documentation and information to be considered for funding.

6.3 Evaluation of funding requests

Based on the factors mentioned in point 5 & 6 of this report, it is clear that the two (2) organisations that have submitted applications, also qualify to be considered for funding, which is Franschhoek Wine Valley Tourism Association NPC and Visit Stellenbosch NPC.

6.4 Financial Implications

A current available budget approved for the allocation of external bodies performing a function of Council is R5 771 368.00 as per U-key 20210705087386. The proposed budget to be allocated to Franschhoek Wine Valley Tourism Association NPC and Visit Stellenbosch NPC is R5 715 918.00. The Department therefore has sufficient budget for the 2022 / 2023 financial year to fund the proposals.

6.5 Legal Implications

The recommendations in this report complies with Council's policies and applicable legislation.

The successful applicants are required to submit quarterly reports reflecting accurately the application of the funds allocated and using the reporting template which will be provided by Council to them as specified in the Memorandum of Agreement ("MOA") which they are required to enter into with the Municipality.

6.6 Staff Implications

None

6.7 Risk Implications

Franschhoek Wine Valley Tourism Association NPC and Visit Stellenbosch NPC are entities funded to undertake a function of Council and is therefore also subject to reporting to the Auditor-General in terms of their Annual Financial Statements ("AFS") in terms of the Municipal Finance Management Act, Act 56 of 2000. Therefore, the Department will draft a reporting template to ensure that the financial reporting will be in accordance with the required financial reporting in terms of the relevant Generally Recognised Accounting Practices ("GRAP") and the MOA as signed with Council.

GRANTS-IN-AID COMMITTEE MEETING: 2022-06-06: ITEM 3.2**RECOMMENDATIONS**

In the light of the above and the reasons submitted in this report the following is recommended to the Grants Committee for approval to Council for decision:

- (a) that the amount of R1 940 918.00 be allocated to Franschhoek Wine Valley Tourism Association NPC for the 2022 / 2023 financial year; and
- (b) that the amount of R3 775 000.00 be allocated to Visit Stellenbosch NPC for the 2022 / 2023 financial year.

RECOMMENDATIONS FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2022-06-08: ITEM 7.11.2

In the light of the above and the reasons submitted in this report the following is recommended to the Grants Committee for approval to Council for decision:

- (a) that the amount of R1 940 918.00 be allocated to Franschhoek Wine Valley Tourism Association NPC for the 2022 / 2023 financial year; and
- (b) that the amount of R3 775 000.00 be allocated to Visit Stellenbosch NPC for the 2022 / 2023 financial year.

APPENDICES

- Appendix 1: Advertisement
- Appendix 2: Franschhoek Wine Valley Tourism Association NPC submission
- Appendix 3: Visit Stellenbosch NPC submission

FOR FURTHER DETAILS, CONTACT:

NAME	Lesley van Gensen
POSITION	Manager: Economic Development and Tourism
DIRECTORATE	PLANNING AND ECONOMIC DEVELOPMENT
CONTACT NUMBERS	021 808 8179
E-MAIL ADDRESS	Lesley.vanGensen@stellenbosch.gov.za
REPORT DATE	31 May 2022

APPENDIX 1

STELLENBOSCH

STELLENBOSCH • PNIEL • FRANSCHHOEK
MUNISIPALITEIT • UMASIPALA • MUNICIPALITY

Municipal Notice 41 / 2022

NOTICE: APPLICATIONS FOR THE FUNDING OF EXTERNAL BODIES PERFORMING A MUNICIPAL FUNCTION PROVIDED BY THE POLICY FOR THE FUNDING OF BODIES PERFORMING A MUNICIPAL FUNCTION READ WITH SECTION 80(2) OF THE LOCAL GOVERNMENT: SYSTEMS ACT, 32 OF 2000, FINANCIAL YEAR 2022 / 2023

Notice is hereby given to external bodies performing a Municipal Function as provided by the Policy for the Funding of Bodies Performing a Municipal Function read with Section 80(2) of the Local Government: Municipal Systems Act, Act 32 of 2000, and who qualify for financial assistance, to apply in line with the aforementioned policy of the Stellenbosch Municipality.

Only organisations within the Stellenbosch (WC024) Municipality's administrative boundaries that provide the respective Municipal Functions of:

- Local Tourism;
- Management and updating the Stellenbosch Municipal Heritage Inventory; and
- Training of Small Medium and Micro Enterprises ("SMME") with a minimum of six (6) training programmes, and the Updating of the SMME Database for the Stellenbosch (WC024) Municipal Area, respectively.

Only applications received on the prescribed application form and accompanied by the required information, documentation, financial statements, covering letter, and supporting documentation received by the Office of the Manager: Economic Development & Tourism by no later than 12:00 midday on 13 May 2022 will be considered.

Applicants may also be required to conduct a presentation, as noted in the application form, to the Evaluation Panel.

Copies of the said policy and application form is available during office hours from the Offices of the Section: Economic Development & Tourism located at:

• 127 Dorp Street, Stellenbosch, 7600

Or by Email from:

• Sharon Pedro (Sharon.Pedro@stellenbosch.gov.za) / 021 808 8974

Downloadable copies of the documents are available on the Stellenbosch Municipal official website at: www.stellenbosch.gov.za

GARALDINE METTLER
MUNICIPAL MANAGER
Notice No: 41 / 2022

Munisipale Kennisgewing 41 / 2022

KENNISGWING: AANSOEK OM SKENKINGS VIR DIE BEFONDSING VAN ENTITEITE WAT 'N MUNISIPALE FUNKSIE VERRIG SOOS VERVAT IN DIE BELEID VIR DIE BEFONDSING VAN EKSTERNE ENTITEITE WAT 'N MUNISIPAL FUNKSIE VERRIG, SAAMGELEES MET ARTIKEL 80(2) VAN DIE WET OP PLAASLIKE REGERING: MUNISIPALE STELSWET, WET 32 VAN 2000 VIR DIE 2022 / 2023 FINANSIELE JAAR

Kennisname geskied Hiermee vir Eksterne Entiteite wat 'n munisipale funksie verrig soos vervat in die Beleid vir die Befondsing van Entiteite wat 'n Munisipale Funksie Verrig, saamgelees met Artikel 80(2) van die Wet op Plaaslike Regering: Munisipale Stelselwet, Wet 32 van 2000 en wat kwalifiseer vir finansiële hulp, om aansoek te doen ingevolge die bepalinge vervat in die bostaande beleid van Stellenbosch Munisipaliteit.

Slegs organisasies binne die Stellenbosch (WC024) Munisipale administratiewe grense wat die volgende onderskeie funksies verrig:

- Plaaslike Toerisme;
- Bestuur en Opdatering van die Stellenbosch Munisipale Erfenis Inventaris; en
- Verskaffing van ten minste ses (6) opleidingsprogramme vir Kleiner, Medium en Mikro Ondernemings ("SMME") en die opdatering van 'n SMME Databasis vir die Stellenbosch (WC024) Munisipale Area.

Slegs aansoeke wat op die voorgeskrewe aansoekvorm ingedien word en vergesel word van al die gevraagde inligting, dokumentasie, finansiële state, dekkingsbrief, en stuwende dokumentasie wat ontvang word by die Kantoor van die Bestuurder: Ekonomiese Ontwikkeling & Toerisme teen 12:00 middag op 13 Mei 2022 sal oorweeg word. Aansoekers sal ook verlang word om n voorlegging te doen, soos aangetoon op die aansoekvorm, aan die Evalueeringspaneel.

Afskrifte van die betrokke beleid en aansoekvorm is beskikbaar gedurende kantoorure by die Kantore van die Afdeling: Ekonomiese Ontwikkeling & Toerisme geleë te:

• Dorpstraat 127, Stellenbosch, 7600

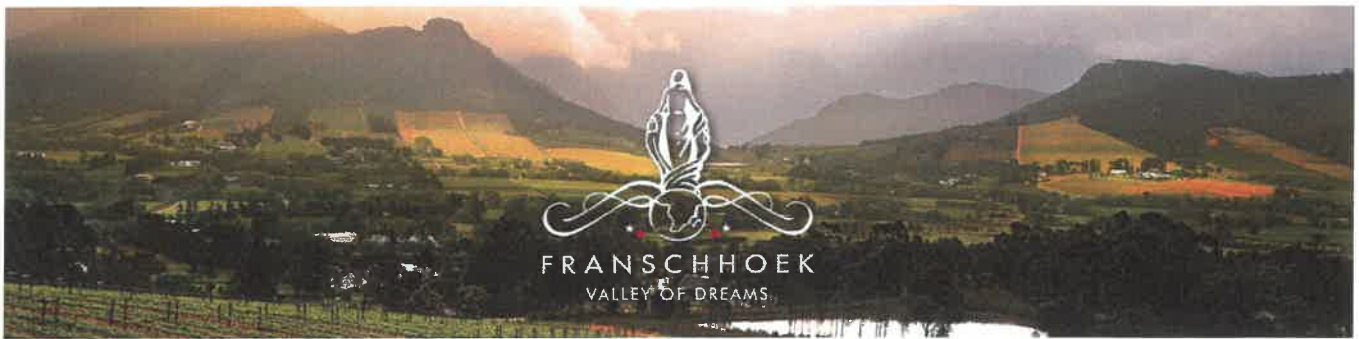
Of per epos by:

• Sharon Pedro (Sharon.Pedro@stellenbosch.gov.za) / 021 808 8974

Aflaaibare kopie is ook beskikbaar op die Stellenbosch Munisipale webwerf: www.stellenbosch.gov.za

GARALDINE METTLER
MUNISIPALE BESTUURDER
Kennisgewing Nr: 41 / 2022

APPENDIX 2



FRANSCHHOEK WINE VALLEY

ANNEXURE A: TOURISM PERFORMANCE INDICATORS FOR 2022/2023 FINANCIAL YEAR

Note: By mutual agreement of the parties this annexure will be interpreted as only requiring a single project plan for each Key Strategic Objective and not for each Key Activity

Current Tourism Situation FWV

Tourism adds major value to Franschhoek and is a job intensive industry. FWV is predominantly an international tourism destination and suffered greatly during the Covid period. Our focus switched to local tourism which sustained our valley over weekends only for the past 2 years.

Global tourism growth trends suggests that the international tourism environment is fast changing and to compete with the leading tourism cities in the world Franschhoek should capitalize on and stay ahead of changes in technology, consumer tastes and travel patterns, environmental management and mounting safety and security concerns.

The challenge remains in visitors' Average Length of Stay and Real Daily Expenditure coupled with continued high seasonality are of concern and need to be addressed going forward.

KEY STRATEGIC OBJECTIVE 1: BRANDING total budget R 410 048

STRATEGIC GOALS	PERFORMANCE TARGETS	DELIVERABLES	KEY ACTIVITIES	TIMEFRAME
Increase Franschhoek Brand Awareness	Create destination brand awareness with: <ul style="list-style-type: none"> Stakeholders Core trade Core domestic consumers Core foreign consumers Focus on North American affluent market New foreign 	Marketing collateral i.e. of leisure and events Website maintenance to integrate with constant social media trends. Measuring social media developments, better visuals; user-friendly mobi site. Continuous online brochure updates including wine route maps	Project Plan of activities and timeframes on how to create marketing and branding awareness Number of production and distribution of marketing collateral to key international and domestic market. Number of events calendars produced and distributed to tourism, events and hospitality to promote the Greater Stellenbosch as a key events destination exposing the brand	All Project Plans due end January 2023 Execution of projects to commence and end in line with each initiative Project Plan of interaction and liaison with international and domestic market due May / June 2023 Project plan of timeframe for producing events calendars and distribution list due October / November 2022.

diversifying products and experiences	markets i.e. Africa, Arabic/South East Asia		to various markets.	
Stimulate demand				
Generate community involvement and support	Franschhoek Valley of Dreams Campaign	Target Gauteng Western Cape and KZN through paid advertising and targeted social media campaigns	Maintenance of website, reporting on number of hits per month, the most visited section As well as demographics of website visitors for data analysis	Project Plan due November 2022
Organizing effectively for growth	Franschhoek PR and Media. (Indication of where distributed.)	Number of events awareness	Identify events and awareness Franschhoek Bastille Festival Franschhoek Roof Top Event in Johannesburg Art Franschhoek Franschhoek Cap Classique & Champagne Festival Franschhoek Open Gardens Franschhoek Summer Wines Franschhoek Winter Wines Winter Sculpture Fair Franschhoek Culinary Collective Franschhoek Classic Car Festival Franschhoek Fridays Franschhoek Mystery Weekends	Action plan due October / November 2022
		Production and dissemination of brochures	Develop and updating of brochures and including the municipal logo and innovation capital logo	Action plan on development of brochures due September / October 2022

	To profile the Greater Stellenbosch as a tourism destination internationally and domestically through exhibitions and tradeshows	Schedule of Tradeshows and exhibitions attended and type of exposure created and number of engagements	Schedule of tradeshows and events envisaged to attend with budget implications Getaway Show Somerset West WTM Africa Cape Town Indaba Durban We are Africa Cape Town Provide feedback report on tradeshows and events attended, indicating the number of engagements and envisaged outcomes and possible media exposure in international editorial pieces such as programmes, radio slots, website magazine etc.	Action plan on envisaged tradeshows and events to attend due January 2023 Action plan of including SMME's and emerging entrepreneurs to the events and tradeshows
				Action plan December 2022 Monthly progress report on the milestones achieved in terms of key strategic objective 1

KEY STRATEGIC OBJECTIVE 2: SUSTAINABLE DEVELOPMENT TOTAL BUDGET R 483 231

STRATEGIC GOALS	PERFORMANCE TARGETS	DELIVERABLES	KEY ACTIVITIES	TIMEFRAME
An inclusive tourism industry by facilitating tourism development and growth	Develop/ maintain 8 community tourism products / projects	Develop vibrant economic hub Grow tourism route in the area – re-structuring of Rond en Bont Heritage & Culture Celebration SMME social media business marketing training Wine & Hospitality training Hospitality Tourism Training Academy for entrepreneurs Farmworker of the Year Awards – Elsenberg College School projects/educational Franschhoek Literary Festival School choir project Training and skills development of guides and trail builders at Berg River Dam and assisting them in starting their own businesses Early Learning Centre (ELC)	Research on development support provided to tourism entrepreneurs and the development of a plan of action on how marketing support can and will be provided Rond en Bont to be completely overall and re-initiated	Action plan on marketing support initiatives and implementation plan due November 2022 to February 2023

		<p>financial assistance to secure the safety and security of all learners. Upgrade of facilities and assistance with skills development</p> <p>Assisting Live Craft Centre occupants by setting up a workshop in township for arts and craft</p> <p>Emergency medical services for Franschhoek Community by assisting supplier with lifesaving equipment</p> <p>Establishing a safety and security cluster to ensure the safety of residents and visitors alike</p>		
	Create a marketing platform for emerging entrepreneurs, facilitating enterprise growth and development.	<p>A focused programme of action to create a marketing platform for emerging enterprises to access markets i.e. access to tradeshows and event, facilitation and assistance with deals etc.</p> <p>Bastille Festival Market</p> <p>Rond en Bont Tourism Route</p>	Co-ordination and facilitating emerging tourism entrepreneur participation with tourism business forum partners and the establishment of a focussed programme of action to create a marketing platform.	Action plan on marketing platform development and an implementation plan due September / October 2022
Creative and effective generic external stakeholder network	Establish linkages between emerging entrepreneurs and established tourism business to integrate SMME development programmes	Annexure of engagements and compilation of a plan of action for development of support programme indicating the possible placements and services that can be procured from SMME's	Support programme for development initiatives for tourism entrepreneurs with public and private stakeholders. Identification of relevant stakeholders to engage with to discuss support programme	List of possible stakeholders to form part of support programme Action plan of engagements and implementation of programme due September / October 2022
Destination Development	Development of geographical routes to enable the distribution of tourist throughout the municipal geographic area, encouraging the	Re-instate and put new structures in place for Rond en Bont for the development and implementation of the Covid depleted route	Research on the identification of possible new routes and products and the maintaining of existing routes and products and the development of an implementation plan	Action plan of research due October / November 2022

geographic spread
of tourist activities

KEY STRATEGIC OBJECTIVE 3: VISITOR INFORMATION CENTRE AND MEMBER LIAISON R 1 530 870

STRATEGIC GOALS	PERFORMANCE TARGETS	DELIVERABLES	KEY ACTIVITIES	TIMEFRAME
World Class Visitor information Centre at the new office location better visibility and accessibility on Huguenot Road	Increase tourist enquiries and bookings by 15%	Increased visitor bookings and walk in, by 10%	Identification of possible partners. FWV Audit Computer maintenance Office rental Electricity, Water and Refuse Salaries	Partnership establishment for joint marketing initiatives-September / October 2022
Membership	Networking functions Monthly membership meetings with all sectors	Identification of 4 joint marketing initiatives and an implementation plan. Members Forum Meetings	Increase networking functions and must include all members and non-members	Action plan of possible activities to ensure spread of visitors-September / October 2022

KEY STRATEGIC OBJECTIVE 4: LEGISLATIVE COMPLIANCE

STRATEGIC GOALS	PERFORMANCE TARGETS	DELIVERABLES	KEY ACTIVITIES	TIMEFRAME
	Compliance to terms and conditions as per Policy for the funding of External Bodies performing a municipal function	The head of the organisation/body must acknowledge in writing to the Municipal Manager that the money allocated was received in its bank account and that the money will be utilised in accordance with the completed and signed MOA, the submitted application and this Policy. The organisation/body shall submit monthly reports on actual expenditure against such transfer, the ward within which activities are conducted as well as the number of people benefiting from the activity to the Municipal Manager.	Activities that will ensure compliance with the Policy for Bodies Performing a Municipal Function.	
				Compilation of annual report at end of

financial year of milestones accomplished in terms of strategic objectives set.

I, Ruth Hilda McCourt, hereby agree to the set deliverables given to Franschhoek Wine Valley for the application for Bodies Performing a Municipal Function 2022/2023 financial year.

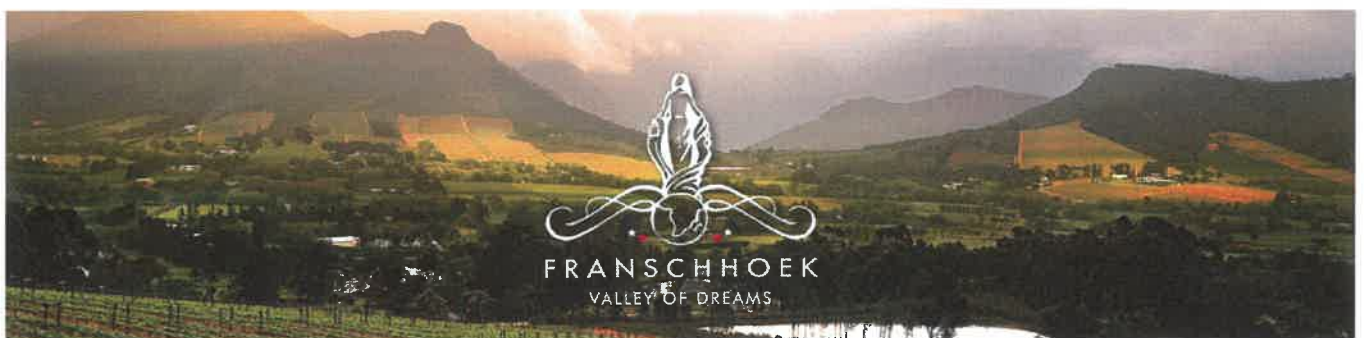
Signed..... *RH McCourt*

Name in full...RUTH HILDA MCCOURT.....

Witness signature *Cynthia Barnard*

Witness name in full.....CYNTHIA BARNARD.....

Date *12/5/2022*



**REPUBLIC OF SOUTH AFRICA
COMPANIES ACT, 1973**

**ARTICLES OF ASSOCIATION
OF A COMPANY WITHOUT A SHARE CAPITAL
NOT ADOPTING SCHEDULE 1
(Article 60(1); regulation 18)**

Revised articles adopted by a special resolution passed at the annual general meeting of the association held on 29 November 2006.

Registration number of company: 2003/026592/08

NAME OF THE COMPANY

FRANSCHHOEK WINE VALLEY TOURIST ASSOCIATION

(Association incorporated under Section 21)

- A. The articles of Table A contained in Schedule 1 to the Companies Act 1973 shall not apply to the company.
- B. The articles of the company are as follows:

1. DEFINITIONS

- 1.1 In these articles, unless inconsistent with the subject or context, the following expressions shall have the meaning as indicated hereunder:

"Act"	means the Companies Act, No 61 of 1973 as amended;
"articles"	means the articles of association of the company as set out herein;
"business day"	means any day of the week other than a Saturday, Sunday or public holiday in the Republic;
"board "	means the board established in terms of the articles;
"company"	FRANSCHHOEK WINE VALLEY TOURIST ASSOCIATION (an association incorporated under Section 21 of the Act);
"director "	means a member of the board elected or appointed as provided for in the articles;
"Franschhoek Valley"	means the area delineated on a map signed by the Chairperson deposited at the registered office of the company and such adjacent or other areas as the board may from time to time determine;
"in writing"	means written, printed or partly written and partly printed;
"member"	means a person whose name is listed as such in the register;
"membership year"	means the period from 1 st July in each year to 30 th June in the next year or such other period of 12 (twelve) months as the board may from time to time determine;

“register”	means the register of members of the company kept in terms of the Statutes;
“TGCSA”	Tourism Grading Council of South Africa;
“Republic”	the Republic of South Africa;
“Statutes”	the Act and any and every other statute or ordinance from time to time in force concerning companies and necessarily affecting the company;

1.2 Words importing the singular shall include the plural and vice versa, and words importing the masculine gender shall include the feminine, and words importing persons shall include corporate bodies and created entities.

1.3 Headings to a clause or series of clauses shall not be considered in interpreting such clauses.

1.4 Where any term is defined within the context of any particular article in these articles, the term so defined, unless it is clear from the article in question that the term so defined has limited application to the relevant article, shall bear the meaning ascribed to it for all purposes in terms of these articles, notwithstanding that that term has not been defined in this definition clause.

1.5 Subject to the above definitions, words and expressions defined in the Act shall have the same meaning when used in these articles as in the Act.

1.6 If the provisions of these articles are in any way inconsistent with, or in conflict with, the provisions of the Statutes, the provisions of the Statutes shall prevail, and these articles shall be interpreted in all respects as being subject to the Statutes.

1.7 A reference to an article by number means the relevant article in these articles.

2. MEMBERSHIP

2.1 The members of the company shall be initially the subscribers to the memorandum of association who shall be deemed to be members, and such other persons, bodies or associations admitted to membership in accordance with these articles.

2.2.1 Subject to the provisions of Articles 2.2.2 and 2.2.3 those eligible to be members of the company shall consist of:-

(a) tourist establishments within the Franschhoek Valley;

(b) a vineyard that is a member of the Vignerons de Franschhoek;

(c) members of the general public resident in the Franschhoek Valley;

(d) business organisations within the Franschhoek Valley;

(e) any other tourist establishment, vineyard, member of the general public or business organisation that was a member on 1st July 2006.

2.2.2 A tourist establishment that:-

- (a) Provides accommodation for tourists shall not be eligible for membership unless at the time of its application for membership or renewal of membership on or after 1st July 2007 it has a current Grading Certificate issued by the TGCSA;
 - (b) Is a restaurant or provides any other products, facilities or services for tourists (as well as to others) for which TGCSA issues Grading Certificates shall not be eligible for membership from the commencement of such membership year as may be determined by the Board;
 - (c) That has not previously been a member and has applied to TGCSA for a Grading Certificate (if required in terms article 2.2.2 (a) or (b) to be eligible for membership) may at the discretion of the Board be admitted as an associate member with the benefits of the rights but subject the restrictions specified in Article 2.4 for a period of not more than 6 (six) months or until the date on which a Grading Certificate is issued by TGCSA for that tourist establishment (whereupon such associate member shall become a full member) or is refused if earlier;
- 2.2.3 A vineyard shall not be eligible for membership unless at the time of its application for membership or renewal of membership the wine that it produces has been certified by the Wine and Spirit Board (“the Board”) established in terms of the Liquor Products Act 1989 as compliant with all the requirements of the Wine of Origin Scheme as administered by the Board.
- 2.3.1 The names of those admitted to membership and their status shall be entered in the register
- 2.3.2 Subject to payment of the annual fees due on renewal of membership within 28 days of service of notice requiring payment thereof the membership of each member who is eligible for membership shall be renewed for each membership year.
- 2.3.3 The membership of a member who fails to pay the annual membership fee in accordance with Article 2.3.2 shall be automatically suspended until payment thereof has been made in full.
- 2.3.4 The annual membership fees shall be in the amount determined by the board from time to time and may include different fees for different categories of members.
- 2.3.5 Notice of any increase in fees shall be given to members not later than 28 days before the commencement of each membership year.
- 2.4 The admittance of members (except a tourist establishment to which Article 2.2.2 (c) applies) in addition to the members stipulated in article 2.2.1 shall be at the discretion of the board by invitation only. Such members and tourist establishments to which Article 2.2.2 (c) applies shall be known as associate members and their names shall be entered into the register accordingly. Associate members shall be entitled to attend, and speak at, the annual general meeting and all other general meetings of the company but they shall not be entitled to vote under any circumstances.
- 2.5 Applicants for membership (including those applying to be admitted as an associate member) shall pay the proportion of the annual membership fee applicable to their category of membership at the time of applying for membership calculated from the date of their application to the end of the then current membership year, which shall be repaid if the application is unsuccessful.
- 2.6 There is no limitation on the number of members of the company.

- 2.7 The board shall be entitled to terminate the membership of a member who failed to pay his membership fee within the 14 (fourteen) day period stipulated in article 3.1.2 below ("the defaulting member"). The board or any one of them authorised by the board shall be deemed to be authorised in rem suam by the defaulting member to sign and execute any document necessary to terminate the membership of a member.
- 2.8 The rights, benefits, privileges and obligations of membership are not transferable.
- 2.9 Members shall treat as confidential all information concerning the company acquired on that basis.
- 2.10 The board of the directors may from time to time in their discretion recommend to a general meeting of the members of the company such persons as they may deem fit as honorary members of the company and the members in the general meeting shall be entitled to appoint such persons as honorary members of the company. Such honorary members of the company shall not be liable to pay annual subscriptions nor to contribute towards the debts of the company. Such honorary members shall be entitled to attend, and speak at, general meetings, but they shall not be entitled to vote.

3. TERMINATION OF MEMBERSHIP

- 3.1 A member shall cease to be a member of the company:
- 3.1.1 upon receipt by the chairman of the company of written notice from the member of his resignation from the company;
- 3.1.2 If the member fails to pay his annual membership fee and persists in such failure for 14 (fourteen) days after having been notified to rectify such failure followed by a resolution by the board to terminate his membership;
- 3.1.3 If the board decides to terminate the membership of that member and gives written notice to that member of such termination:-
- (a) On grounds considered reasonable in their discretion; or
 - (b) If that member fails to comply with a recommendation for payment of compensation made by a Complaints Officer pursuant to a current Complaints Procedure (which has been approved by members in general meeting) within 14 (fourteen) days of notice being given to that member by the board requiring that member to do so; or
 - (c) A number of complaints of a similar nature are made against that member; or
 - (d) If that member does anything which in the opinion of the board brings or is likely to bring the company or the tourist industry in the Franschhoek Valley or any part thereof into disrepute
- 3.1.4 If that member:-
- (a) is declared insolvent or of unsound mind by a competent court;

- (b) is convicted of an offence and sentenced to a term of imprisonment without the option of a fine but no one may be regarded as having been sentenced until any appeal that has been made against the conviction or sentence has been determined; or
 - (c) dies
- 3.2 A member who ceased to be a member of the company may on application be re-admitted as a member of the company, subject to such terms and conditions the board may in their discretion determine.

4. ANNUAL GENERAL MEETING AND OTHER GENERAL MEETINGS

- 4.1 The company shall hold an annual general meeting not later than **6 (six) months** after the end of each financial year, in addition to any other general meetings held during that year and shall designate the meeting as such in the notice convening the meeting.
- 4.2 Not more than 15 (fifteen) months shall elapse between the date of the one annual general meeting and the next. The annual general meeting shall be held at the time, date and place determined by the board of directors.
- 4.3 All general meetings other than the annual general meeting shall be referred to simply as general meetings.

5. CALLING OF MEETINGS OF MEMBERS

- 5.1 The board may, whenever it thinks fit, convene other general meetings. They shall also convene a general meeting on a requisition thereto by members in terms of section 181 of the Act, failing which such a meeting may be convened by the requisitionists themselves in accordance with the provisions of the aforesaid section 181.
- 5.2 If at any time there are not within the Republic sufficient directors capable of forming a quorum, any director or any 2 (two) members of the company may convene a general meeting in the same manner as nearly as possible as that in which meetings may be convened by the board of directors.

6. TIME PERIODS TO CALL GENERAL MEETINGS

- 6.1 An annual general meeting and a meeting called for the passing of a special resolution shall be called on 21 (twenty-one) clear days notice in writing. A meeting of the company other than an annual general meeting and other than a meeting for the passing of a special resolution shall be called on 14 (fourteen) clear days notice in writing.
- 6.2 The period of notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and hour of the meeting, and in the case of special business, the general nature of such business.
- 6.3 Notice shall be given in a manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the company in general meeting to such persons as are under the articles entitled to receive such notice.
- 6.4 The notice convening each annual general meeting of the company shall state:-

- 6.4.1 Which directors will then be retiring and whether they are offering themselves for re-election as directors;
- 6.4.2 That nominations to fill any vacancies as directors there may then be or will be following the retirement of directors in terms of article 10.3 must be made in writing endorsed with acceptance of the nomination by the nominee and delivered to the registered office of the company or such other address as may be specified in the notice convening the annual general meeting or sent by facsimile transmission to the number specified in that notice not later than 14 clear days before the date of that annual general meeting;
- 6.5 Not less than five (5) business days before the date of that annual general meeting the company shall give members notice of any nominations made in terms of article 6.4.2 (but any failure to do so shall not invalidate any such nominations) and shall include in such notice any statement by the nominee not exceeding two hundred words that was submitted with his or her nomination provided always that such statement is not in the opinion of the board defamatory or otherwise objectionable.
- 6.6 A meeting of the company, notwithstanding that it is called by shorter notice than that specified in this article, shall be deemed to have been duly called if it is so agreed to by a majority in number of the members having the right to attend and vote at the meeting and together representing not less than 95% (ninety-five percent) of the total voting rights of all members having at the said date the right to vote at general meetings of the company.
- 6.7 The inadvertent omission to give notice of a meeting to, or the non-receipt of a notice of a meeting by any person entitled to receive such notice, shall not invalidate the proceedings at that meeting.

7. PROCEEDINGS AT GENERAL MEETINGS

- 7.1 The annual general meeting shall deal with and dispose of all matters prescribed by the Act, including the consideration of the annual financial statements, the election of directors (where applicable) and other officers in the place of those retiring and the appointment and fixing of remuneration of the auditor and deal with any other business laid before it. All other business or business laid before any other general meeting shall be considered special business.
- 7.2 No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. Save as herein otherwise provided, the quorum for such meetings shall be 25 % (twenty five percent) in number of members entitled to vote, present in person or by proxy or, if a member is a body corporate, represented at the meeting.
- 7.3 If within half an hour after the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week, at the same time and place or, if that day be a public holiday, to the next weekday not being a public holiday, and if at such adjourned meeting a quorum is not present within 15 (fifteen) minutes after the time appointed for the meeting, the members present in person or by proxy shall form a quorum subject to the provisions of section 199 of the Act as regards the requirements for the adoption of a special resolution.

- 7.4 Where a meeting has been adjourned as aforesaid or pursuant to article 7.7 below the company shall, upon a date not later than 3 (three) days after the adjournment, give to members, a notice served in manner hereinafter appearing stating:
- 7.4.1 the date, time and place to which the meeting has been adjourned;
 - 7.4.2 the matter before the meeting when it was adjourned; and
 - 7.4.3 the ground for the adjournment.
- 7.5 The chairman of the board shall preside as chairman at every general meeting of the company.
- 7.6 If there is no such chairman or if at any meeting he is not present within 15 (fifteen) minutes after the time appointed for holding the meeting, the vice chairman of the board shall act as chairman or, failing him, the members present shall elect one of their number to be chairman of the meeting.
- 7.7 The chairman of the meeting may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned, the provisions of articles 7.3 and 7.4 above shall mutatis mutandis apply to such adjournment.
- 7.8 At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is demanded beforehand or on the declaration of the result of the show of hands:
- 7.8.1 by the chairman of the meeting; or
 - 7.8.2 by at least 5 (five) members present in person or by proxy having the right to vote at the meeting; or
 - 7.8.3 by any member or members present in person or by proxy having the right to vote at the meeting and representing not less than one-tenth of the total voting rights of all members having the right to vote at the meeting.
- 7.9 Unless a poll is demanded, a declaration by the chairman of the meeting that a resolution has, on a show of hands, been carried or carried unanimously or by a particular majority, or lost, and an entry made to that effect in the book of the proceedings of the company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against such resolution.
- 7.10 If a poll is duly demanded it shall be taken in such manner as the chairman or the meeting directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. In determining the result of the poll the number of votes to which each member is entitled in terms of the articles shall be taken into account. Scrutineers shall be appointed by the chairman of the meeting to determine the result of the poll, and their decision, which shall be announced by the chairman of the meeting, shall, when announced, be deemed to be the resolution of the meeting at which the poll is demanded.
- 7.11 A poll, which is demanded on the election of a chairman of the meeting or on a question of adjournment, shall be taken forthwith. A poll demanded on any other

question shall be taken at such time as the chairman of the meeting directs. The demand for a poll shall not prevent the continuation of a meeting for the transaction of any business other than the question upon which the poll has been demanded.

- 7.12 In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting shall be entitled to a second or casting vote.
- 7.13 Subject to article 2.4 above in relation to voting by associate members) on a show of hands every member who is not in arrears in payment of his membership fees shall have 1 (one) vote.
- 7.14 Subject to article 7.15 below on a poll the total number of votes in the company shall be equal to the total amount of membership fees due and paid at the relevant date expressed in Rands, adjusted upwards or downwards to the nearest round number, and each member shall have the number of votes equal to his membership fees due and paid at that date, expressed in Rands and *mutatis mutandis* adjusted as aforesaid.
- 7.15 The membership fees due and paid by associate members shall not be taken into account in determining the total number of votes.
- 7.14 Any member entitled to attend and vote at a meeting of the company shall be entitled to appoint another person who is also a member of the company as his proxy, to attend and vote in his stead on a poll but not on a show of hands, and a proxy appointed to attend and vote instead of a member shall also have the same right as the member to speak at the meetings.
- 7.15 On a poll votes may be given either personally or by proxy.
- 7.16 The instrument appointing a proxy shall be in writing under the hand of the appointer or of his agent duly authorised in writing or, if the appointer is a body corporate, under the hand of an officer or agent authorised by such body corporate. Every notice convening a meeting of the company shall state that a member entitled to attend and vote is entitled to appoint one or more proxies to attend and speak and, on a poll, vote in his stead, provided that a proxy must also be a member.
- 7.17 The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authority shall be deposited at the registered office of the company, not less than 48 (forty-eight) hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument of proxy is to exercise his vote and failing compliance herewith such instrument shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of 6 (six) months from the date when it was signed, unless so specifically stated in the proxy itself.
- 7.18 The instrument appointing a proxy may be in any form which the directors may approve and which complies with the provisions of section 189(5) of the Act, and shall be deemed to confer the power to demand or to join in a demand that a poll be taken.
- 7.19 A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed, provided that no intimation in writing of such death, insanity or revocation as aforesaid shall have been received by the company at its registered office before the commencement of the meeting or adjourned meeting at which the instrument of proxy is used.

- 7.20 No objection may be raised against the authority of a member to vote except during the meeting or adjourned meeting at which the vote objected against is cast or proffered and every vote, which has not been refused during such meeting, shall for all purposes be valid. Any such objection, which had been made timeously, shall be referred to the chairman of the meeting and his decision shall be final and binding.
- 7.21 Any corporate body which is a member of the company may by resolution of its directors, or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the company and the persons so authorised shall be entitled to exercise the same powers on behalf of the corporate body which he represents as that corporate body could exercise if it were an individual member of the company.
- 7.22 All resolutions at any general meeting of the company where a quorum is present shall, subject to the provisions of the Act in relation to special resolutions and unless stipulated to the contrary in the memorandum and articles of association of the company in respect of a particular matter, be taken by a majority vote.

8. CONDUCT OF AFFAIRS OF THE COMPANY BY THE DIRECTORS

The affairs of the company shall be conducted and managed by the board who may pay all expenses incurred in promoting and registering the company and may exercise all such powers of the company as are not, by the Act or by these articles, required to be exercised by the company in general meeting, subject nevertheless to any of these articles, to the provisions of the Act and to such regulations not inconsistent with the aforesaid articles or provisions, as may be prescribed by the company in general meeting; but no regulation made by the company in general meeting shall invalidate any prior act of the directors which would have been valid if such regulation had not been made. In particular, without limitation, the drawing up and implementation of the budget each year shall be the responsibility of the board of directors.

9. BORROWING POWERS

Subject to paragraph 5.4 of the memorandum of association of the company, the board may in their discretion, from time to time, raise or borrow from the members or other persons any sums of money for the purposes of the company. The directors may raise or secure the repayment of such moneys in such manner and upon such terms and conditions in all respects as they think fit, and in particular may mortgage or bind all or part of the undertaking, property and rights of the company, both present and future.

10. APPOINTMENT OF DIRECTORS

- 10.1 Subject to the provisions of article 12 the number of directors shall be not more than 12 (twelve) or less than 10 (ten) or such other minimum or maximum number as a general meeting of the company may approve plus a councillor or other authorised representative of the Municipality of Stellenbosch nominated by its Mayor and any person who is duly appointed as managing director or chief executive officer as an employee of the company in terms of article 11.1.
- 10.2 At the end of the annual general meeting in every subsequent year after the third annual general meeting or any adjournment thereof one third of the directors for the time being, or if their number is not 3 (three) or a multiple of 3 (three), the number of directors nearest to one-third, shall retire from office.
- 10.3 In the absence of agreement between them the directors to retire in every year shall be those who have been longest in office since their last election, but as between persons

who became directors on the same day, those to retire shall, unless they otherwise agree among themselves, be determined by lot.

- 10.4 A person need not be a member of the company to qualify for appointment as director of the company.
- 10.5 A retiring director shall be eligible for re-election.
- 10.6 At the annual general meeting at which a director retires in the manner aforesaid or at any other general meeting, the company may fill the vacancy by appointing a director to office in accordance with the provisions of this article 10.
- 10.7 If at any meeting at which an election of directors ought to take place the offices of the retiring directors are not filled, unless it is expressly resolved not to fill such vacancies, the meeting shall stand adjourned and the provisions of articles 7.3 and 7.4 shall apply *mutatis mutandis* to such adjournment, and if at such adjourned meeting the vacancies are not filled, the retiring directors or such of them as have not had their offices filled shall be deemed to have been re-elected at such adjourned meeting unless a resolution for the re-election of any such director shall have been put to the meeting and defeated.
- 10.8 Provided that the minimum number of directors is maintained, the company may from time to time in general meeting increase or reduce the number of directors, and may also determine in what rotation such increased or reduced number of directors is to retire from office.
- 10.9 Unless the members otherwise determine in general meeting, any casual vacancy occurring on the board (including in terms of article 10.12 below) shall be filled by the board if it wishes to do so, but the director so appointed shall be subject to the same terms, qualifications and conditions which exist with reference to the director vacating his office, including, without limitation, retirement at the same time as if he had become a director on the day on which the director in whose stead he is appointed, was last elected a director.
- 10.10 The directors shall have the power at any time to appoint a person as an additional director but so that the total number of directors shall not at any time exceed the number fixed according to the articles.
- 10.11 A director appointed in terms of articles 10.10 or 10.11 shall retire from office at the next following annual general meeting and shall then be eligible for re-election but shall not be taken into account in determining which directors are to retire by rotation at such meeting.
- 10.12 The company may by ordinary resolution of which special notice has been given in accordance with section 220 of the Act remove any director before the expiration of his period of office, notwithstanding anything to the contrary contained in the articles or in any agreement between the company and such director.
- 10.13 Each director shall have the power to nominate a person possessing the necessary qualifications of a director, to act as alternate director in his place during his absence or inability to act, provided that the appointment of an alternate director shall be approved in writing by the board and on such appointment being made, the alternate director shall, in all respects, be subject to the terms, qualifications, and conditions existing with reference to the other directors of the company.

- 10.14 An alternate director, whilst acting in the stead of the directors who appointed him, shall exercise and discharge all the powers, duties and functions of the directors he represents. The appointment of an alternate director shall be revoked, and the alternate director shall cease to hold office, whenever the director who appointed him ceases to be a director or gives notice to the secretary of the company that the alternate director representing him has ceased to do so, and in the event of the disqualification or resignation of any alternate director during the absence or inability to act of the director whom he represents, the vacancy so arising shall be filled by the chairman of the board who shall nominate a person to fill such vacancy, subject to the approval of the board of directors.
- 10.15 The board shall elect , immediately after the annual general meeting at which these articles are adopted and after each subsequent annual general meeting, a chairman and vice-chairman (who shall each be a director) to hold office until the conclusion of the next annual general meeting following such election. Such chairman and vice-chairman shall be eligible for re-election.
- 10.16 If a chairman or vice-chairman resigns as such or ceases to be a director for any reason the board shall elect another director to be chairman or vice-chairman (as the case may be) who shall hold office for the unexpired residue of the term of office of the chairman or vice-chairman who has resigned or ceased to be a director

11. EXECUTIVE DIRECTORS

- 11.1 The board shall from time to time appoint an executive director or a chief executive officer, from among their numbers or from among the employees of the company who shall be a director for so long as he or she is employed as such, for the period and at the remuneration they deem fit, and may revoke such appointment subject to the terms of an agreement that had been reached in a specific case or the terms and conditions of any existing employment agreement in respect of an employee of the company. A director appointed accordingly shall not, while he holds such office, be subject to retirement via rotation, and shall not be taken into account in the determination of the retirement rotation of directors, subject, however, to the provisions of this article 11 below.
- 11.2 The appointment of an executive director as such shall expire, without any prejudice to any claim of whichever nature such director may have against the company, if he ceases being a director for any reason whatsoever.
- 11.3 Any executive director appointed in terms of article 11.1 shall in his capacity as such be subject to the same provisions relating to discharge as the other directors of the company, and should he cease being a director, his appointment to such post or executive office shall be terminated ipso facto, without prejudicing any claim for damages he may have as a result of such termination or detracting from the terms and conditions of any employment agreement of such a director.
- 11.4 Subject to paragraph 5.14 of the memorandum of association of the company, the remuneration of a director appointed to any post or executive office in terms of article
- 11.4.1 shall be determined by an impartial quorum of the board of directors;
- 11.4.2 shall be paid to him over and above or instead of any normal remuneration he receives as director of the company, whatever the board may determine;

- 11.4.3 may comprise a salary or a commission or partially in one manner and partially in the other, whatever the board may determine.

12. DELEGATION OF POWERS TO EXECUTIVE COMMITTEE

- 12.1 The board may from time to time entrust to or confer upon one or more directors, an executive director or other official of the company for the time being such of the powers and authorities vested in them as they may think fit, and they may confer such powers and authorities for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as they may think expedient; and they may confer such powers and authorities either collaterally with or to the exclusion of, and in substitution for, all or any of the powers and authorities of the board and may from time to time revoke or vary all or any of such powers and authorities. In particular, all contracts, deeds, cheques and other documents which are required to be signed on behalf of the company, shall be signed in such manner as the board shall from time to time determine.
- 12.2 The management and handling of the day to day affairs of the company may be entrusted by the board to an executive committee consisting of at least the chairman, 2 (two) other directors, the executive director or manager or chief executive officer, if there is one, occupying the office from time to time. The chairman of the board shall also act as chairman of the executive committee.

13. EXPENSES OF DIRECTORS

Subject to paragraph 5.14 of the memorandum of association of the company and excluding the remuneration payable in terms of article 11.4 above, the directors may from time to time be paid all reasonable expenses which may be incurred by them in or about the execution of the powers conferred upon them.

14. VACATING OF OFFICE

- 14.1 The office of a director shall be vacated if the director concerned :
- 14.1.1 ceases to be a director by virtue of section 218(1) of the Act;
 - 14.1.2 becomes insolvent or makes an arrangement or composition with his creditors generally;
 - 14.1.3 becomes in the discretion of the other directors so mentally or otherwise defective that he can no longer properly execute his office;
 - 14.1.4 resigns his office by giving notice in writing to the company;
 - 14.1.5 is restrained from being a director by reason of any order made under section 219 of the Act;
 - 14.1.6 absents himself from 4 (four) consecutive meetings of the board without special leave of absence and it is resolved that his office be vacated;
 - 14.1.7 is removed from office by resolution duly passed pursuant to section 220 of the Act;

14.1.8 was a member at the date on which he was appointed and ceases to be a member of the company, and such director shall be deemed to have vacated his office of director *ipso facto* from the date he ceases to be a member.

15. **MINUTES**

- 15.1 The board shall cause minutes to be made in books provided for the purpose :
- 15.1.1 of all appointments of officers made by the board of directors;
 - 15.1.2 of the names of the members of the board present at each meeting of the board and of any committee of the board of directors;
 - 15.1.3 of all resolutions and proceedings at all meetings of the company and of the board and of the committees of the board of directors, and any such minutes of any meeting of the company, of the board or of any committee, if purporting to be signed by the chairman of such meeting or by the chairman of the next succeeding meeting shall be receivable as prima facie evidence of the matters in such minutes.
- 15.2 Every member of the board present at any meeting of the board shall sign his name in a book to be kept for that purpose.

16. **PROCEEDINGS OF THE BOARD OF DIRECTORS**

- 16.1 The board may meet for the despatch of business, adjourn and otherwise regulate their meetings, as they think fit, provided that :
- 16.1.1 reasonable notice shall be given of meetings of the directors and an agenda shall be circulated at least 7 (seven) days in advance of the meetings unless for reasons of urgency that is not possible; and
 - 16.1.2 the directors shall meet regularly at such intervals as the board may from time to time determine, for the despatch of business, subject thereto that any two directors or the chairman (as the case may be) shall be entitled to instruct the secretary to convene a meeting of the board of directors.
- 16.2 Questions arising at any meeting of the board shall be decided by a majority of votes if consensus could not be reached which the board shall at all times strive to reach. The chairman shall allow reasonable time in his discretion to debate issues in respect of which consensus cannot be reached. In case of an equality of votes, the chairman shall have a second or casting vote.
- 16.3 Unless absent from the Republic every director shall be entitled to receive notice of all meetings of the board of directors.
- 16.4 The quorum for the transacting of business at a meeting of the directors shall be majority of the directors in office. If a quorum is not present at a meeting, that meeting shall be adjourned to the same time and place in the following week or if that is a public holiday, to the following day and the chairman shall ensure that a faxed notice of such adjournment is given to all directors. The directors present at the adjourned meeting shall constitute a quorum even if they do not meet the aforementioned quorum requirements.

- 16.5 The continuing directors may act notwithstanding any vacancy in their number but if and so long as their number is reduced below the number fixed by or pursuant to the articles as the necessary quorum of the board of directors, the continuing directors may act for the purpose of increasing the number of directors to that number, or of summoning a general meeting of the company, but for no other purpose.
- 16.6 The chairman shall act as chairman for any meeting of the board held during his term of office. If there is no such chairman or if at any meeting he is not present within 15 (fifteen) minutes after the time appointed for holding the meeting or has notified his inability to be present or is unwilling to act as chairman, the vice chairman shall act as chairman and if he cannot or will not act the members present shall choose one of their number to be chairman of the meeting.

17. **COMMITTEES**

- 17.1 The board may delegate any of its powers to committees consisting of such persons, as they think fit (which shall not necessarily be directors of the company). Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on them by the board of directors.
- 17.2 A committee may elect a chairman of its meetings. If no such chairman is elected, or if at any meeting the chairman is not present within 5 (five) minutes after the time appointed for holding the same, the members present may choose one of their number to be chairman.
- 17.3 A committee may meet and adjourn as they think proper. Questions arising at any meeting shall be determined by a majority of votes of the members of the committee present and in case of an equality of votes, the matter shall forthwith be referred to the board for decision.
- 17.4 In particular, a Marketing Committee and a Development Committee may respectively be formed by the company,. Such committee(s) shall furthermore perform the functions and have such powers and authorities as the board may determine from time to time in their discretion. The number of committee members and the period of office shall be determined at the discretion of the board of directors.

18. **VALIDITY OF ACTS**

- 18.1 All acts done at or authorised by any meeting of the board or of a committee of the board or by any person acting as a director shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment or continuance in office of any such director or person acting as aforesaid, or that they or any of them were disqualified or had vacated office, be as valid as if every such person had been duly appointed or had duly continued in office, or was qualified and had continued to be a director or had been entitled to vote as a director.
- 18.2 No director or intending director shall be disqualified by his office from contracting with the company in any manner whatsoever provided that the director discloses to the remaining directors at the relevant meeting the nature of his/her interest, whether direct or indirect, even if one or more of the directors may know of it already. Such director shall not be entitled to vote at any meeting of the board or otherwise in relation to such contract, but he/she shall be reckoned for the purpose of constituting a quorum of directors.

19. **WRITTEN RESOLUTIONS**

Subject to the Statutes :

- 19.1 a resolution in writing signed by all the members of the board (or their alternates where applicable) for the time being or all the members of a directors' committee shall be as valid and effectual as if it had been passed at a meeting of the board or the committee, duly called and constituted. The resolution may consist of several documents, each signed by one or more directors in terms of this article or may consist of one or more facsimiles reflecting signatures of the directors, and shall be deemed to have been taken on the date upon which it has been signed by the director who signed last (unless a statement to the contrary is made in that resolution);
- 19.2 in the case of matters requiring urgent resolution or, if for any reason it is impracticable to meet as contemplated in the articles or pass a resolution as contemplated in article 19.1 above, proceedings may be conducted by utilising conference telephone facilities, provided that the required quorum is met. A resolution agreed to during the course of such proceedings shall be as valid and effectual as if it had been passed at a meeting of the directors duly called and constituted. The secretary of the company shall as soon as is reasonably possible after such meeting by telephone has been held, be notified thereof by the relevant parties to the meeting, and the secretary shall prepare a written minute thereof.

20. REGISTER OF MEMBERS

The board shall cause to be kept in one or more books a register of the members for each membership year and there shall be entered therein :

- 20.1 the names and addresses of the members;
- 20.2 the date at which the name of any person was entered in the register as a member;
- 20.3 whether the member is an associate or full member;
- 20.4 the membership fee due from such member and the date on which such fee was paid;
- 20.5 the date at which any person ceased to be a member,

and such register shall be kept at the registered office of the company and shall be open to the inspection of the members during business hours, subject to any reasonable restrictions from time to time imposed by the company in general meeting.

21. ACCOUNTS

- 21.1 The board shall cause such accounting records to be kept as are prescribed by section 284 of the Act.
- 21.2 The accounting records shall be kept in the registered office of the company or at such other place in the Republic as the directors think fit, and shall always be open to the inspection of directors.
- 21.3 The board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounting records of the company or any of them shall be open for the inspection of members not being directors and no member (not being a director) shall have any right of inspecting any account or book or document or record of the company except as conferred by statute or authorised by the board or by the company in general meeting.

- 21.4 The board shall from time to time in accordance with sections 286 and 288 of the Act, cause to be prepared and laid before the company in general meeting annual financial statements and group annual financial statements (if any).
- 21.5 A copy of the annual financial statements and group annual financial statements (if any), which is to be laid before the company in general meeting, shall not less than 21 (twenty-one) days before the date of the meeting, be sent to all such persons as are entitled to receive notices of general meetings of the company, provided that this article shall not require a copy of any of the aforementioned documents to be sent to any person of whose address the company is not aware.

22. **AUDIT**

Auditors shall be appointed and their duties regulated in accordance with the Act.

23. **NOTICES**

- 23.1 A notice by the company to a member or a director and any document accompanying such notice may be:-
- 23.1.1 Given personally; or
- 23.1.2 Sent by post by stamped letter addressed to the member or director at his registered address, or (if he does not have a registered address in the Republic) to the address in South Africa, if any, supplied by him to the company as the address at which notice may be given to him; or
- 23.1.3 Sent by facsimile transmission to the facsimile number supplied by him to the company as the number at which notice may be given to him; or
- 23.1.4 Sent by email to such email address as he may have supplied to the company.
- 23.2 Notice of every general meeting shall be given in manner hereinbefore provided to :
- 23.2.1 every member of the company registered as such at the date of giving of such notice; and
- 23.2.2 every director of the company; and
- 23.2.3 the auditor of the company for the time being.
- 23.3 No other person shall be entitled to receive notices of general meetings.
- 23.4 Any notice shall be deemed to have been duly served, unless the contrary is proved, if:
- 23.4.1 delivered by hand during business hours on a business day on the day of delivery;
- 23.4.2 sent by post two business days after the business day on which the letter containing the notice is posted and to prove that the notice had been given by post it will be sufficient to show that the letter containing the notice had been properly addressed and posted in the post office;

- 23.4.3 sent by facsimile transmission on the first business day following the date of transmission and to prove that the notice had been given by facsimile transmission it will be sufficient to submit the proof of transmission; and
- 23.4.4 sent by email on the first business day after the date of transmission and to prove that the notice had been given by email it will be sufficient to show that the email had been sent to the last email address the member may have supplied to the company
- 23.5 The signature to any notice given by the company may be written or printed, or partly written and partly printed.
- 23.6 Notwithstanding anything to the contrary contained in the articles but subject to the provisions of the Act, the company is hereby authorised to deliver, issue, distribute, register, lodge, publish and make available all returns, certificates, registers, notices and other information relevant to shareholders, such as circulars, annual reports, financial statements, accounts, interim and other reports, details of listing, notices of meetings and proxy forms, and to effect voting by proxy, by means of computer linkage, through electronic media, including faxes, electronic mail, bulletin boards, internet web sites and computer networks.
- 23.7 When a given number of days notice or notice extending over any other period is required to be given, such number of days shall be clear days, that is to say the day on which the notice is given and the date in respect of which the notice is given, shall not be counted in calculating the period.

24. **INDEMNITY AND RESPONSIBILITY**

- 24.1 Every director, manager, secretary and other officer or servant of the company shall be indemnified by the company against, and it shall be the duty of the directors out of the funds of the company to pay to him, all costs, losses and expenses including travelling expenses which he may have incurred or become liable for by reason of any contract entered into or act or deed done by him in that capacity or in any way in the bona fide discharge of his duties.
- 24.2 No director, manager, secretary or other officer or servant of the company shall be liable for any act, omission or failure of any other director or officer or servant, or for joining in any such act or omission or failure, or for loss or expenses suffered by the company through the inadequate or incomplete title to any property acquired by order of the directors or on behalf of the company, or for insufficient or defective security in or upon which any of the monies of the company have been invested, or for any loss or damage arising from the insolvency, liquidation or delict of any person with whom any monies, securities or effects have been deposited, or for any loss or damage occasioned by any error of judgement or oversight on his part or for any loss, damage or misfortune whatever which took place in the execution of his duties of office, unless he would otherwise be liable in law on the grounds of negligence, default, breach of duty or breach of trust in relation to the company.

25. **PRE-ACQUISITION PROFITS**

In the discretion of the board and to the extent that it is lawful, if any asset, business or property is acquired by the company as from a date in the past (whether such date falls before or after the incorporation of the company) on condition that the income and gains and/or expenses thereof shall accrue to the company as from that date, such income/gain or expenses shall be credited or debited, as the case may be, in whole or in part to the income account, and

any amount so credited or debited shall for all purposes be dealt with as an income/gain or expense.

AMENDMENT ONE

VIGNERONS DE FRANSCHHOEK CRITERIA FOR MEMBERSHIP
INCORPORATED INTO THE FRANSCHHOEK WINE VALLEY CONSTITUTION
AT THE ANNUAL GENERAL MEETING HELD ON 21 NOVEMBER 2013

The following are the criteria for membership of VdeF, together with the rationale for each:

1. ***the applicant produces wine.***
 - it is unlikely that anyone would wish to be a member without meeting this criterion
 - there is intentionally no definition of where the wines are vinified since a number of members elect to use wineries outside Franschhoek.
2. ***the applicant uses some grapes from the FWV geographic area.***
 - one cannot insist that all grapes used are from the area; a number of members import grapes and wine from other areas as part of their proprietary business strategy
 - the area must be the FWV geographic area since one cannot insist that VdeF members use Franschhoek Wine of Origin area grapes
 - this would entitle the applicant to produce Wine of Origin Franschhoek wines which, together with the other criteria, should qualify them for membership.
3. ***the applicant owns or rents property located within the defined FWV geographic area.***
 - the property would be expected to be vineyards, a winery or a tasting room, but could be any provided that it offers a powerful association with Franschhoek
 - by definition, the geographic area must be synonymous with that of FWV of which VdeF is a part
 - by definition, this area differs from that of the Franschhoek Wine of Origin and Wards one, two and three of the Stellenbosch municipal area.
4. ***the applicant must associate itself with Franschhoek.***

All applications will be assessed against the above four criteria. In the event that an applicant does not meet these criteria, the application will be adjudicated by Vignerons de Franschhoek leadership who will have the power to override these criteria in exceptional situations.

Republiek van Suid-Afrika
Maatskappywet 1973
(Artikel 64)

Republic of South Africa
Companies Act 1973
(Section 64)

Vorm/Form CM 3



FRANSCHHOEK WINE VALLEY TOURIST ASSOCIATION .atskappy/Registration No. of Company

2003/026592/08

SERTIFIKAAT VAN INLYWING
van 'n Maatskappy sonder aandelekapitaal

CERTIFICATE OF INCORPORATION
of a Company without a share capital

Hierby word gesertifiseer dat/This is to certify that

FRANSCHHOEK WINE VALLEY TOURIST ASSOCIATION

(Association incorporated under Section 21)

vandag ingelyf is kragtens die Maatskappywet, 1973 (Wet 61 van 1973) en dat die maatskappy 'n maatskappy beperk deur garansie is/en ingelyf is kragtens artikel 21 van die Wet.

was this day incorporated under the Companies Act, 1973 (Act 61 of 1973), and the company is a company limited by guarantee/and is incorporated under section 21 of the Act.

Geteken en geseël te Pretoria op hede die/Signed and sealed at Pretoria this 23

dag van/day of OCTOBER Tweeduisend en Drie (2003)/

Two Thousand and Three (2003)

Registrateur van Maatskappye/Registrar of Companies

Seël van die Registrasiekantoor vir Maatskappye.
Seal of Companies Registration Office

Hierdie sertifikaat is nie geldig nie, tensy geseël deur die seël van die Registrasiekantoor vir Maatskappye.

This certificate is not valid unless sealed by the seal of the Companies Registration Office.

NOTARIAL CERTIFICATE

I, the undersigned,

IAN VAN ZYL

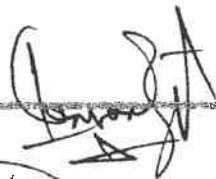
Notary Public of PAARL, in the Cape Province, by lawful authority duly admitted and sworn, do hereby certify and attest unto all whom it may concern that I have collated and compared with the original the hereto annexed copy of the Certificate of Incorporation and the Memorandum and Articles of Association of

FRANSCHHOEK WINE VALLEY TOURIST ASSOCIATION

(Association incorporated under Section 21)

AND I, the said Notary, do further certify and attest that the same is a true and faithful copy of the said original, and agree therewith in every respect. An act whereof being required, I have granted these presents under my Notarial Form and Seal to serve and avail as the occasion shall or may require.

THUS DONE AND PASSED at PAARL aforesaid, on this the 29th day of SEPTEMBER 2003.



**Notice of meeting of the Members of
Franschhoek Wine Valley Tourist Association NPC
("the Company")
Registration number: 2003/026592/08
13th July 2016**

In terms of Article 6.1 of the Articles of Association of the Company, notice is hereby given of a general meeting of members.

The meeting of members will take place on **Thursday, 18th August 2016 at 16h00** and will take place at **Leopard's Leap Family Vineyards, Franschhoek.**

The purpose of the meeting is to consider and adopt a new Memorandum of Incorporation ("MOI") for the Company. The Companies Act of 2008 (Act 71 of 2008) requires companies to adopt a new MOI to replace the current Memorandum and Articles of Association.

The South African Revenue Services (SARS) has advised the Company that their current tax exemption granted in terms of section 10 (1)(d)(iii) has been amended. The main change that has been introduced, is that the Company's **founding document** must meet the requirements as set out in Section 30B of the Income Tax Act. The current Memorandum and Articles of Association do not contain all these requirements.

A revised MOI has been compiled to include all SARS requirements in order that the Company may register a new MOI with the Companies and Intellectual Properties Commission, therefore maintaining its tax exempt status with SARS.

1. Special Resolution

IT WAS RESOLVED THAT, in terms of section 60(1)(c)(ii) of the Companies Act of 2008 (Act 71 of 2008), as amended, ("the Companies Act") the company hereby approves and adopts in terms of Section 60(5)(a) of the Companies Act, a new Memorandum of Incorporation, a copy of which has been tabled at this general meeting of members and initialed by the chairman of the general meeting for identification purposes, in substitution for the existing Memorandum and Articles of Association. The date on which the Memorandum of Incorporation becomes effective will be the date that this special resolution approving the Memorandum of Incorporation is adopted, irrespective of the date of filing thereof with the Companies and Intellectual Properties Commission.


IT WAS FURTHER RESOLVED that the Company be and is hereby incorporated in accordance with and governed by:

- the unalterable provisions of the Act; and
- the alterable provisions of the Act, subject to the limitations, extensions, variations or substitutions set out in this Memorandum of Incorporation; and
- the other provisions of this Memorandum of Incorporation.

2. Ordinary Resolution

IT WAS RESOLVED THAT, the chairman of the Meeting of Members held on Thursday, 18th August 2016 at 16h00 at Leopard's Leap Family Vineyards, Franschhoek, be and is hereby authorised to sign the Special Resolution on behalf of the members, whereby the Memorandum of Incorporation is approved and adopted.

A copy of the proposed MOI is attached to this Notice of Meeting of Members.



Chairman of the Board of Directors
 Date: _____

MEMORANDUM OF INCORPORATION
FRANSCHHOEK WINE VALLEY TOURIST ASSOCIATION NPC
COMPANY REGISTRATION NUMBER: 2003/026592/08

In this Memorandum of Incorporation –

- a) A reference to a section by number refers to the corresponding section of the Companies Act, 2008 (Act 71 of 2008) as amended (“the Act”);
- b) words that are defined in the Companies Act, 2008, bear the same meaning in this Memorandum of Incorporation (MOI) as in that Act.
- c) The following additional words are defined outside of the Companies Act, 2008:
 - i. **Franschhoek Valley:** means the area delineated on a map signed by the Chairperson deposited at the registered office of the company and such adjacent or other areas as the board may from time to time determine;
 - ii. **Member:** means a person whose name is listed as such in the register;
 - iii. **Membership year:** means the period from 1st July in each year to 30th June in the next year or such other period of 12 (twelve) months as the board may from time to time determine.
- d) Words importing the singular shall include the plural and vice versa, and words importing the masculine gender shall include the feminine, and words importing persons shall include corporate bodies and created entities.
- e) Headings to a clause or series of clauses shall not be considered in interpreting such clauses.
- f) Where any term is defined within the context of any particular section in this MOI, the term so defined, unless it is clear from the section in question that the term so defined has limited application to the relevant section, shall bear the meaning ascribed to it for all purposes in terms of these sections, notwithstanding that that term has not been defined in this definition clause.
- g) Subject to the above definitions, words and expressions defined in the Act shall have the same meaning when used in this MOI as in the Act.
- h) If the provisions of this MOI are in any way inconsistent with, or in conflict with, the provisions of the Statutes, the provisions of the Statutes shall prevail and this MOI shall be interpreted in all respects as being subject to the Statutes.

1.1 Incorporation

1.1.1 The Company is incorporated in accordance with and governed by:

- 1.1.1.1 the unalterable provisions of the Act; and
- 1.1.1.2 the alterable provisions of the Act; subject to the limitations, extensions, variations or substitutions set out in this MOI; and
- 1.1.1.3 the other provisions of this MOI.

1.2 Main business and object of the Company

1.2.1 The main business and object of the company is to promote tourism in Franschhoek and the surrounding areas; provided that all the activities of the Company be limited to activities that comply with Section 30 of the Income Tax Act, 1962 (Act 58 of 1962). In particular, without limitation the main business and object will include:

- 1.2.1.1 the formulation of a tourism policy and strategy, in accordance with the general tourism policy of the Province of Western Cape, for Franschhoek;
- 1.2.1.2 to provide an information and assistance service to encourage tourists to visit Franschhoek in a way which is mutually beneficial to the tourist and local community;
- 1.2.1.3 to develop and promote tourism skills and awareness across all members and within the local community of Franschhoek to achieve the maximum sustainable

benefits from tourism through the widest possible participation in the local tourism industry;

- 1.2.1.4 to promote the development of appropriate tourism infrastructure and products including attractions, accommodation and transport and shopping facilities;
 - 1.2.1.5 to protect and advance within the tourism industry emerging businesses and persons or categories of persons disadvantaged by unfair discrimination, inter alia, by employing ethical and socially responsible practises;
 - 1.2.1.6 to identify and promote the natural and cultural assets of the Franschhoek area;
 - 1.2.1.7 to produce and distribute appropriate literature and marketing material;
 - 1.2.1.8 to protect the Franschhoek environment through encouraging the use of sustainable practises across all sectors.
- 1.2.2 Any specific ancillary object which is not in accordance with the main object of the company is excluded from the unlimited ancillary objects of the company.
- 1.2.3 The Company may by special resolution of the members alter or amend the provisions of its MOI with respect to the objects and powers of the company.

1.3 Memorandum of Incorporation

- 1.3.1 This MOI may only be altered or amended by way of a special resolution of the members except if such amendment is in compliance with a Court Order.
- 1.3.2 Agreement by 75% (seventy-five percent) of the members is required in order to pass the special resolution.
- 1.3.3 Any amendment of the MOI or written instrument of the company will be submitted to the Commissioner of the South African Revenue Services within 30 (thirty) days of its amendment.

1.4 Incorporators of the company

- 1.4.1 The incorporators of the company are its –
 - 1.4.1.1 first members; and
 - 1.4.1.2 its first members of which there must be at least three persons who accept fiduciary responsibility, will not be connected persons in relation to each other, with no single person directly or indirectly controlling the decision making powers relating to the Company; and
 - 1.4.2.3 the Company must form a committee, board of management or similar governing body of at least three persons to accept the fiduciary responsibilities of the Company.

1.5 Guarantee

- 1.5.1 The liability of members is limited to the amount referred to in paragraph 1.5.2.
- 1.5.2 Each member undertakes to contribute to the assets of the Company in the event of its being wound up while he is a member or within one year afterwards, for payment of the debts and liabilities of the Company contracted before he ceased to be a member and of the costs, charges and expenses for the winding up and for adjustment of the rights of the contributors amongst themselves, an amount of R7.00 (Seven Rand).

2. Funding of the Company

Substantially the whole of the company's initial funding will be provided by way of donations. Thereafter, the company's funding will to be derived from its annual or other long-term members.

3. Powers of the Company

The following specific powers are excluded from the plenary powers of the company:

- 3.1 To undertake and execute any trust;
- 3.2 To act as principals, agents, contractors or trustees; and
- 3.3 To distribute in specie or in kind any of its assets among its members.

The specific powers or part of any specific powers of the company are to be executed only in accordance with the main object of the company.

4. Application of Assets and Income

- 4.1 The company will apply, utilise and direct all of its assets and income, however derived, to advance its stated objects, as set out in this MOI.
- 4.2 Subject to 4.1, may –
 - 4.2.1 acquire and hold securities issued by a profit company;
 - 4.2.2 directly or indirectly, alone or with any other person, carry on any business, trade or undertaking consistent with or ancillary to its stated objects; and
 - 4.2.3 may not have a share or other interest in any business, profession or occupation which is carried on by its members.
- 4.3 The company may not, directly or indirectly, pay any portion of its income or transfer any of its assets, regardless how the income or asset was derived, to any person who is or was an incorporator of the company, or who is a member or director, or person appointing a director, of the company, except –
 - 4.3.1 as reasonable –
 - 4.3.1.1 remuneration for goods delivered or services rendered to, or at the direction of, the company; or
 - 4.3.1.2 payment of, or reimbursement for, expenses incurred to advance a stated object of the company;
 - 4.3.2 as payment of an amount due and payable by the company in terms of a *bona fide* agreement between the company and that person or another;
 - 4.3.3 as a payment in respect of any rights of that person, to the extent that such rights are administered by the company in order to advance a stated object of the company;
 - 4.3.4 in respect of any legal obligation binding on the company; and
 - 4.3.5 may not pay any employee, office bearer, member or other person any remuneration, as defined in the Fourth Schedule of the Income Tax Act, which is excessive, having regard to what is generally considered reasonable in the sector and in relation to the services rendered.
- 4.4 The company may not provide a loan to, secure a debt or obligation of, or otherwise provided direct or indirect financial assistance to, a director of the company or of a related or inter-related company, or to a person related to any such director.
- 4.5 Sub-item 4.4 does not prohibit a transaction if it –
 - 4.5.1 is in the ordinary course of the company's business and for fair value;
 - 4.5.2 constitutes an accountable advance to meet –
 - 4.5.2.1 legal expenses in relation to a matter concerning the company; or
 - 4.5.2.2 anticipated expenses incurred by the person on behalf of the company;
 - 4.5.3 is to defray the person's expenses for removal at the company's request; or
 - 4.5.4 is in terms of an employee benefit scheme generally available to all employees or a specific class of employees.
- 4.6 The company may make donations: Provided that no donations may be made to members or directors of the company: Provided further that any donations made must be made in accordance with the main object of the company.

- 4.7 The company may pay gratuities and pensions and establish pension and medical aid schemes and other incentive schemes in respect of its officers and employees.

5. Fundamental Transactions

- 5.1 The company may not –
- 5.1.1 amalgamate or merge with, or convert to, a profit company; or
 - 5.1.2 dispose of any part of its assets, undertaking or business to a profit company, other than for fair value, except to the extent that such a disposition of an asset occurs in the ordinary course of the activities of the company.
- 5.2 Any proposal to –
- 5.2.1. dispose of all or the greater part of its assets or undertaking; or
 - 5.2.2 amalgamate or merge with another non-profit company, must be submitted to the voting members of the Company for approval in a manner comparable to that required of profit companies in accordance with sections 112 and 113, respectively.
- 5.3 Sections 115 and 116, read with the changes required by context, apply with respect to the approval of a proposal contemplated in sub-item ii).

6. Members

The company must have a minimum of three members.

- 6.1 Membership will not be restricted or regulated in any manner that amounts to unfair discrimination in terms of section 9 of the Constitution provided that should a minimum of 25 members object to the membership of any proposed member, then that proposed member may not be a member.
- 6.2 Membership may be held by juristic persons, including profit companies.
- 6.3 There shall be one class of members – voting members.
- 6.4 Members shall have an interest in promoting the town of Franschhoek as a leading tourist destination.
- 6.5 The members of the company shall be initially the subscribers to the MOI who shall be deemed to be members, and such other persons, bodies or associations admitted to membership in accordance with this MOI.
- 6.5.1. Subject to the provision of 6.5.2 those eligible to be members of the company shall consist of:
 - 6.5.1.1 Tourist establishments within the Franschhoek Valley;
 - 6.5.1.2 A vineyard that is a member of the Vignerons de Franschhoek -
 - 6.5.1.2.1 the applicant produces wine –
 - 6.5.1.2.2 the applicant uses some grapes from the FW geographic area –
 - 6.5.1.2.3 the applicant owns or rents property located within the defined FW geographic area –
 - 6.5.1.2.4 the applicant must associate itself with Franschhoek
 - 6.5.1.3 Members of the general public resident in the Franschhoek Valley;
 - 6.5.1.4 Business organisations within the Franschhoek Valley;
 - 6.5.1.5 Business organisations whose registered physical office address is not the Franschhoek Valley, but whose business operations are conducted partly within the Valley and who maintain a sales presence at the FWV offices;
 - 6.5.1.6 Any other tourist establishment, vineyard, members of the general public or business organisation that was a member on the 1st of July 2006.
 - 6.5.2 A vineyard shall not be eligible for membership unless at the time of its application for membership or renewal of membership the wine that it produces has been certified by the Wine and Spirit Board (“the Board”) established in terms of the Liquor Products Act 1989 as

- compliant with all the requirements of the Wine of Origin Scheme as administered by the Board.
- 6.5.3 The names of those admitted to membership and their status shall be entered in the register.
- 6.5.4 Subject to payment of the annual fees due on renewal of membership within 28 days of service of notice requiring payment thereof the membership of each member who is eligible for membership shall be renewed for each membership year.
- 6.5.5 The membership of a member who fails to pay the annual membership fee in accordance with 6.5.4 shall be automatically suspended until payment thereof has been made in full.
- 6.5.6 The annual membership fees shall be in the amount determined by the board from time to time and may include different fees for different categories of members.
- 6.5.7 Notice of any increase in fees shall be given to members no later than 28 days before the commencement of each membership year.
- 6.6 The admittance of members in addition to the members stipulated in section 6.5.1 shall be at the discretion of the board by invitation only. Such members shall be known as associate members and their names shall be entered into the register accordingly. Associate members shall be entitled to attend, and speak at, the annual general meeting and all other general meetings of the company but they shall not be entitled to vote under any circumstances.
- 6.7 Applicants for membership (including those applying to be admitted as an associate member) shall pay the proportion of the annual membership fee applicable to their category of membership at the time of applying for membership calculated from the date of their application to the end of the then current membership year, which shall be repaid if the application is unsuccessful. Application for membership is by written application to the Board of the Company. Provided the proposed member is not excluded under 6.1, approval by the majority of the existing directors is required in order for a new member to be elected.
- 6.8 There is no limitation on the number of members of the company.
- 6.9 The board shall be entitled to terminate the membership of a member who failed to pay his membership fees within the 14 (fourteen) day period stipulated in 6.14.2 below ("the defaulting member"). The board or any one of them authorised by the board shall be deemed to be authorised in rem suam by the defaulting member to sign and execute any document necessary to terminate the membership of a member.
- 6.10 The rights, benefits, privileges and obligations of membership are not transferable.
- 6.11 Members shall treat as confidential all information concerning the company acquired on that basis.
- 6.12 The board of directors may from time to time in their discretion recommend to a general meeting of the members of the company such persons as they may deem fit as honorary members of the company and the members in the general meeting shall be entitled to appoint such persons as honorary members of the company. Such honorary members of the company shall not be liable to pay annual subscriptions nor contribute towards the debts of the company. Such honorary members shall be entitled to attend, and speak at, general meetings, but they shall not be entitled to vote.
- 6.13 **Rights and obligations, if any, of membership in any class**
The rights and obligations of membership in any class is restricted to voting.
- 6.14 **Termination of membership**
A member shall cease to be a member of the company:
- 6.14.1 upon receipt by the chairman of the company of written notice from the member of his resignation from the company;
- 6.14.2 if the member fails to pay his annual membership fee and persists in such failure for 14 (fourteen) days after having been notified to rectify such failure followed by a resolution by the board to terminate his membership;
- 6.14.3 if the board decides to terminate the membership of that member and gives written notice to that member of such termination: -

- 6.14.3.1 on grounds considered reasonable in their discretion; or
 - 6.14.3.2 if that member fails to comply with a recommendation for payment of compensation made by a Complaints Officer pursuant to a current Complaints Procedure (which has been approved by members in general meeting) within 14 (fourteen) days' notice being given to that member by the board requiring that member to do so; or
 - 6.14.3.3 a number of complaints of a similar nature are made against that member; or
 - 6.14.3.4 if that member does anything which in the opinion of the board brings or is likely to bring the company or the tourist industry in the Franschhoek Valley or any part thereof into disrepute.
 - 6.14.4 If that member:
 - 6.14.4.1 Is declared insolvent or of unsound mind by a competent court;
 - 6.14.4.2 Is convicted of an offence and sentenced to a term of imprisonment without the option of a fine but no one may be regarded as having been sentenced until any appeal that has been made against the conviction or sentence has been determined; or
 - 6.14.4.3 dies
 - 6.14.5 A member who ceased to be a member of the company may on application be re-admitted as a member of the company, subject to such terms and conditions the board may in their discretion determine.
- 6.15 **Members' right to information**
Every member who has an interest in the Company has the right to access information as set out in section 26 of the Act.
- 6.16 **Member meetings**
- 6.16.1 The Board is entitled to call a Members' meeting at any time.
 - 6.16.2 The company shall hold an annual general meeting not later than 6 (six) months after the end of each financial year, in addition to any other general meetings held during that year and shall designate the meeting as such in the notice convening the meeting.
 - 6.16.3 Not more than 15 (fifteen) months shall elapse between the date of one annual general meeting and the next. The annual general meeting shall be held at the time, date and place determined by the board of directors.
 - 6.16.4 All general meetings other than the annual general meeting shall be referred to simply as general meetings.
 - 6.16.5 The board may, whenever it thinks fit, convene other general meetings. They shall also convene a general meeting on a requisition thereto by members in terms of section 61 of the Act, failing which such a meeting may be convened by the requisitionists themselves in accordance with the provisions of the aforesaid section 61.
 - 6.16.6 All meetings (whether called for the passing of special or ordinary resolutions) shall be called on not less than 15 (fifteen) business days' notice.
 - 6.16.7 If at any time there are not within the Republic sufficient directors capable of forming a quorum, any director or any 2 (two) members of the company may convene a general meeting in the same manner as nearly as possible as that in which meetings may be convened by the board of directors.
 - 6.16.8 The quorum for a Members' meeting to begin or for a matter to be considered, shall be at least ten members present in person or by proxy or represented. Should a quorum not be present, the Chairman of the meeting shall be obliged to call another meeting with 5 days' notice. Should there not be a quorum at this reconvened meeting, provided that at least 3 members are present, in person, by proxy or represented, the meeting shall be deemed to be duly constituted.
 - 6.16.9 Each voting member of the company will have at least one vote.

- 6.16.10 The vote of each member of the company is of equal value to the vote of each other voting member on any matter to be determined by vote of the members, except to the extent that the MOI provides otherwise.
- 6.16.11 The Company is not required to hold any members' meetings other those specifically required by the Companies Act, 2008.
- 6.16.12 The authority of the Company's Board of Directors to determine the location of any members' meeting, and the authority of the Company to hold such meeting in the Republic or in any foreign country, as set out in section 61(9) is not limited or restricted by this MOI.

6.17 Members' meetings by electronic communication

The authority of the Company to conduct a meeting entirely by electronic communication or to provide for participation in a meeting by electronic communication, as set out in section 63 is not limited or restricted by this MOI.

6.18 Members' resolutions

- 6.18.1 For an ordinary resolution to be adopted at a Members' meeting, it must be supported by the holders of at least 50% of the voting rights exercised on the resolution, as provided in section 65(7).
- 6.18.2 For a special resolution to be adopted at a Members' meeting, it must be supported by the holders of at least 75% of the voting rights exercised on the resolution, as provided in section 65(9).
- 6.18.3 A special resolution adopted at a Members' meeting is not required for a matter to be determined by the Company, except those matters set out in section 65(11), or elsewhere in the Act.
- Section 65(11) A special resolution is required to –
- a) Amend the company's Memorandum of Incorporation to the extent required by section 16(1)(c);
 - b) Approve the voluntary winding-up of the company, as contemplated in section 80(1); or
 - c) Approve any proposed fundamental transaction, to the extent required by Part A of Chapter 5.

6.19 Members' Register

- 6.19.1 The company will maintain a membership register as contemplated in section 24(4) of the Act.
- 6.19.2 The board shall cause to be kept in one or more books a register of the members for each membership year and there shall be entered therein:
- 6.19.2.1 the names and addresses of the members;
 - 6.19.2.2 the date at which the name of any person was entered in the register as a member;
 - 6.19.2.3 whether the member is an associate or full member;
 - 6.19.2.4 the membership fee due from such member and the date on which such fee was paid;
 - 6.19.2.5 the date at which any person ceased to be a member;
- and such register shall be kept at the registered office of the company and shall be open to the inspection of the members during business hours, subject to any reasonable restrictions from time to time imposed by the company in general meeting.

6.20 Notices

- 6.20.1 A notice by the company to a member or a director and any document accompanying such notice may be:-
- 6.20.1.1 given personally; or

- 6.20.1.2 sent by post by stamped letter addressed to the member or director at his registered address, or (if he does not have a registered address in the Republic) to the address in South Africa, if any, supplied by him to the company as the address at which notice may be given to him; or
- 6.20.1.3 sent by facsimile transmission to the facsimile number supplied by him to the company as the number at which notice may be given to him; or
- 6.20.1.4 sent by email to such email address as he may have supplied to the company.
- 6.20.2 Notice of every general meeting shall be given in manner hereinbefore provided to:
 - 6.20.2.1 every member of the company registered as such at the date of giving of such notice; and
 - 6.20.2.2 every director of the company; and
 - 6.20.2.3 the auditor of the company for the time being.
- 6.20.3 No other person shall be entitled to receive notices of general meetings.
- 6.20.4 Any notice shall be deemed to have been duly served, unless the contrary is proved, if:
 - 6.20.4.1 delivered by hand during business hours on a business day on the day of delivery;
 - 6.20.4.2 sent by post two business days after the business day on which the letter containing the notice is posted and to prove that the notice had been given by post it will be sufficient to show that the letter containing the notice had been properly addressed and posted in the post office;
 - 6.20.4.3 sent by facsimile transmission on the first business day following the date of transmission and to prove that the notice had been given by facsimile transmission it will be sufficient to submit the proof of transmission; and
 - 6.20.4.4 sent by email on the first business day after the date of transmission and to prove that the notice had been given by email it will be sufficient to show that the email had been sent to the last email address the member may have supplied to the company.
- 6.20.5 The signature to any notice given by the company may be written or printed, or partly written and partly printed.
- 6.20.6 Notwithstanding anything to the contrary contained in the MOI but subject to the provisions of the Act, the company is hereby authorised to deliver, issue, distribute, register, lodge, publish and make available all returns, certificates, registers, notices and other information relevant to shareholders, such as circulars, annual reports, financial statements, accounts, interim and other reports, details of listing, notices of meetings and proxy forms, and to effect voting by proxy, by means of computer linkage, through electronic media, including faxes, electronic mail, bulletin board, internet web sites and computer networks.
- 6.20.7 When a given number of days' notice or notice extending over any other period is required to be given, such number of days shall be clear days, that is to say the day on which the notice is given and the date in respect of which the notice is given, shall not be counted in calculating the period.

7. Directors

7.1 Basis on which directors of the Company are chosen by Members

- 7.1.1 Directors will be elected at the Annual General Meeting of the company;
- 7.1.2 Directors are to serve three (3) year terms with at least one director in three completing the term or standing for re-election each year.

7.2 Election of directors by voting Members

If any directors are elected by the voting members, at least one-third of those directors must be elected each year.

7.3 Financial assistance to Directors

- 7.3.1 The Company may not provide a loan to, secure a debt or obligation of, or otherwise provide direct or indirect financial assistance to, a director of the company or of a related or inter-related company, or to a person related to such director.
- 7.3.2 Sub-item 7.3.1 does not prohibit a transaction if it –
- 7.3.2.1 is in the ordinary course of the company's business and for fair value;
 - 7.3.2.2 constitutes an accountable advance to meet –
 - 7.3.2.2.1 legal expenses in relation to a matter concerning the company; or
 - 7.3.2.2.2 anticipated expenses to be incurred by the person on behalf of the company;
 - 7.3.2.3 is to defray the person's expenses for removal at the company's request; or
 - 7.3.2.4 is in terms of an employee benefit scheme generally available to all employees or a specific class of employee.

7.4 Composition of the Board of Directors

- 7.4.1 Subject to the provisions of article 7.9 the number of directors shall not be more than 12 (twelve) or less than 10 (ten) or such other minimum or maximum number as a general meeting of the company may approve plus a councillor or other authorised representative of the Municipality of Stellenbosch nominated by its Mayor or any person who is duly appointed as managing director or chief executive officer as an employee of the company in terms of paragraph 7.5.1.
- 7.4.2 In addition to the appointed directors there are no *ex officio* directors of the Company as contemplated in section 66(4).
- 7.4.3 In addition to satisfying the qualification and eligibility requirements set out in section 69, to become or remain a director or a prescribed officer of the Company, a person need not satisfy any further eligibility requirements or qualifications. A person need not be a member of the company to qualify for appointment as director of the company.
- 7.4.4 A director shall be appointed by a majority of members present, in person, by proxy or represented at the meeting.
- 7.4.5 At the end of the annual general meeting in every subsequent year after the third annual general meeting or any adjournment thereof one third of the directors for the time being, or if their number is not 3 (three) or a multiple of 3 (three), the number of directors nearest to one third, shall retire from office.
- 7.4.6 In the absence of agreement between them the directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who became directors on the same day, those to retire shall, unless they otherwise agree among themselves, be determined by lot.
- 7.4.7 A retiring director shall be eligible for re-election.
- 7.4.8 At the annual general meeting at which a director retires in the manner aforesaid or at any other general meeting, the company may fill the vacancy by appointing a director to office in accordance with the provisions of this article 7.4.
- 7.4.9 If at any meeting at which an election of directors ought to take place the offices of the retiring directors are not filled, unless it is expressly resolved not to fill such vacancies, the meeting shall stand adjourned and the provisions of articles 8.3.4 and 8.3.5 shall apply *mutatis mutandis* to such adjournment, and if at such adjourned meeting the vacancies are not filled, the retiring directors or such of them as have not had their offices filled shall be deemed to have been re-elected at such adjourned meeting unless a resolution for the re-election of any such director shall have been put to the meeting and defeated.
- 7.4.10 Provided that the minimum number of directors is maintained, the company may from time to time in general meeting increase or reduce the number of directors, and may also determine in what rotation such increased or reduced number of directors is to retire from office.

- 7.4.11 Unless the members otherwise determine in general meeting, any casual vacancy occurring on the board (including in terms of article 7.4.14) shall be filled by the board if it wishes to do so, but the director so appointed shall be subject to the same terms, qualifications and conditions which exist with reference to the director vacating his office, including, without limitation, retirement at the same time as if he had become a director on the day on which the director in whose stead he is appointed, was last elected a director.
- 7.4.12 The directors have the power at any time to appoint a person as an additional director but so that the total number of directors shall not at any time exceed the number fixed according to the MOI.
- 7.4.13 A director appointed in terms of 7.4.12 or 7.4.13 shall retire from office at the next following annual general meeting and shall then be eligible for re-election but shall not be taken into account in determining which directors are to retire by rotation at such meeting.
- 7.4.14 The company may by ordinary resolution of which special notice has been given in accordance with section 71 of the Act remove any director before the expiration of his period of office, notwithstanding anything to the contrary contained in the MOI or in any agreement between the company and such director.
- 7.4.15 Each director shall have the power to nominate a person possessing the necessary qualifications of a director, to act as alternate director in his place during his absence or inability to act, provided that the appointment of an alternate director shall be approved in writing by the board and on such appointment being made, the alternate director shall, in all respects, be subject to the terms, qualifications and conditions existing with reference to the other directors of the company.
- 7.4.16 An alternate director, whilst acting in the stead of the directors who appointed him, shall exercise and discharge all the powers, duties and functions of the directors he represents. The appointment of an alternate director shall be revoked, and the alternate director shall cease to hold office, whenever the director who appointed him ceases to be a director or gives notice to the secretary of the company that the alternate director representing him has ceased to do so, and in the event of the disqualification or resignation of any alternate director during the absence or inability to act of the director whom he represents, the vacancy so arising shall be filled by the chairman of the board who shall nominate a person to fill such vacancy, subject to the approval of the board of directors.
- 7.4.17 The board shall elect, immediately after the annual general meeting at which this MOI was adopted and after each subsequent annual general meeting, a chairman and vice-chairman (who shall each be a director) to hold office until the conclusion of the next annual general meeting following such election. Such chairman and vice-chairman shall be eligible for re-election.
- 7.4.18 If the chairman or vice-chairman resigns as such or ceases to be a director for any reason the board shall elect another director to be chairman or vice-chairman (as the case may be) who shall hold office for the unexpired residue of the term of office of the chairman or vice-chairman who has resigned or ceased to be a director.
- 7.4.19 The office of director shall be vacated if the director:
- 7.4.19.1 Ceases to be a director or becomes prohibited from being a director by virtue of any provision of the Act; or
 - 7.4.19.2 Becomes insolvent or makes an arrangement or composition with his creditors generally;
 - 7.4.19.3 Becomes in the discretion of the other directors so mentally or otherwise defective that he can no longer properly execute his office;
 - 7.4.19.4 Resigns his notice by giving notice in writing to the company;
 - 7.4.19.5 Is restrained from being a director by reason of any order made under section 162 of the Act;
 - 7.4.19.6 Absents himself from 4 (four) consecutive meetings of the board without special leave of absence and it is resolved that his office be vacated;

- 7.4.19.7 Is removed from office by resolution duly passed pursuant to any other provision of the Act or MOI;
- 7.4.19.8 Was a member on the date on which he was appointed and ceases to be a member of the company, and such director shall be deemed to have vacated his office of director *ipso facto* from the date he ceases to be a member;
- 7.4.19.9 Having served a minimum period of 6 months as a duly elected director in terms of paragraph 7.4.5 above, is removed from office by a majority of at least 50% of the Directors; or
- 7.4.19.10 Is removed from office pursuant to any other provision of the Act or the MOI.

7.5 Executive Directors

- 7.5.1 The board shall from time to time appoint an executive director or a chief executive officer, form among their numbers or from among the employees of the company who shall be a director for so long as he or she is employed as such, for the period and at the remuneration they deem fit, and may revoke such appointment subject to the terms of an agreement that had been reached in a specific case of the terms and conditions of any existing employment agreement in respect of an employee of the company. A director appointed accordingly shall not, whilst he holds such office, be subject to retirement via rotation, and shall not be taken into account in the determination of the retirement rotation of directors, subject, however to the provisions of this article 7.5 below.
- 7.5.2 The appointment of an executive director as such shall expire, without any prejudice to any claim of whichever nature such director may have against the company, if he ceases being a director for any reason whatsoever.
- 7.5.3 Any executive director appointed in terms of 7.5.1 shall in his capacity as such be subject to the same provisions relating to discharge as the other directors of the company, and should he cease being a director, his appointment to such post or executive office shall be terminated *ipso facto*, without prejudicing any claim for damages he may have as a result of such termination or detracting from the terms and conditions of any employment agreement of such a director.
- 7.5.4 The remuneration of a director appointed to any post or executive office in terms of paragraph 7.5.1:
 - 7.5.4.1 shall be determined by an impartial quorum of the board of directors;
 - 7.5.4.2 shall be paid to him over and above or instead of any normal remuneration he receives a director of the company, whatever the board may determine; and
 - 7.5.4.3 may comprise a salary or a commission or partially in one manner and partially in the other, whatever the board may determine.

7.6 Authority of the Board of Directors

- 7.6.1 The affairs of the company shall be conducted and managed by the board who may pay all expenses incurred in promoting and registering the company and may exercise all such powers of the company as are not, by the Act or by this MOI, required to be exercised by the company in general meeting, subject nevertheless to this MOI, to the provisions of the Act and to such regulations not inconsistent with the MOI or provisions, as may be prescribed by the company in general meeting; but no regulation made by the company in general meeting shall invalidate any prior act of the directors which would have been valid if such regulation had not been made.
- 7.6.2 The authority of the Company's Board of Directors to manage and direct the business and affairs of the Company, as set out in section 66(1) is not limited or restricted by this MOI.
- 7.6.3 The Board has the authority to exercise all of the powers and perform any of the functions of the Company: Provided that such actions will be executed only in accordance with the main object of the Company.

- 7.6.4 The directors of the company must comply with section 112 of the Act in order to dispose of the undertaking of the company or the whole or greater part of the assets of the company. The special resolution so required may be approved by the company in general meeting.
- 7.6.5 Any business which is either expressly or impliedly authorised to be undertaken by the company may be undertaken by the directors at such time or times as they think fit or may be suspended for so long as the directors deem it expedient not to commence or proceed with that business and whether or not that business may have actually been commenced: Provided that such actions will be executed only in accordance with the main object of the Company.
- 7.6.6 A meeting of the directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretion by or under the MOI of the company for the time being vested in or exercisable by the directors generally: Provided that such actions will be executed only in accordance with the main object of the Company.
- 7.6.7 The drawing up and implementation of the budget each year shall be the responsibility of the board of directors.

7.7 Directors' Meetings

7.7.1 Directors acting other than at meeting

- 7.7.1.1 A decision that could be voted on at a meeting of the Board of the Company may instead be adopted by written consent of a majority of directors, given in person, or by electronic communication, provided that each director has received notice of the matter to be decided.
- 7.7.1.2 A decision made in this manner is of the same effect as if it had been approved by voting at a meeting.
- 7.7.1.3 Subject to the provisions of the Act, a resolution in writing, signed by all the directors, shall be as valid and effectual as if it had been passed at a meeting of the directors duly convened and held.

7.7.2 Proceedings of the board of directors

- 7.7.2.1 A director may at any time convene a meeting of the directors.
- 7.7.2.2 The board may meet for the despatch of business, adjourn and otherwise regulate their meetings, as they think fit, provided that:
- 7.7.2.2.1 Reasonable notice shall be given of meetings of the directors and an agenda shall be circulated at least 7 (seven) days in advance of the meetings unless for reasons of urgency that is not possible; and
- 7.7.2.2.2 The directors shall meet regularly at such intervals as the board may from time to time determine, for the despatch of business, subject thereto that any two directors or the chairman (as the case may be) shall be entitled to instruct the secretary to convene a meeting of the board of directors.
- 7.7.2.3 Questions arising at any meeting of the board shall be decided by a majority of votes if consensus could not be reached which the board shall at all times strive to reach. The chairman shall allow reasonable time in his discretion to debate the issues in respect of which consensus cannot be reached. In case of an equality of votes, the chairman shall have a second or casting vote.
- 7.7.2.4 Unless absent from the Republic every director shall be entitled to receive notice of all meetings of the board of directors.
- 7.7.2.5 The quorum for the transacting of business at a meeting of the directors shall be majority of the directors in office. If a quorum is not present at a meeting, that meeting shall be adjourned to the same time and place in the following week or if that is a public holiday, to the following day and the chairman shall ensure that a faxed or email notice of such adjournment is given to all directors. The directors

present at the adjourned meeting shall constitute a quorum even if they do not meet the afore-mentioned quorum requirements.

- 7.7.2.6 The continuing directors may act notwithstanding any vacancy in their number but if and so long as their number is reduced below the number fixed by or pursuant to the articles as the necessary quorum of the board of directors, the continuing directors may act for the purpose of increasing the number of directors to that number, or of summoning a general meeting of the company, but for no other purpose.
- 7.7.2.7 The directors may elect a chairman of their meetings and determine the period for which he is to hold office. The chairman shall act as chairman for any meeting of the board held during his term of office. If there is no such chairman or if at any meeting he is not present within 15 (fifteen) minutes after the time appointed for holding the meeting or has notified his inability to be present or is unwilling to act as chairman, the vice chairman shall act as chairman and if he cannot or will not act the members present shall choose one of their number to be chairman of the meeting.
- 7.7.3 The Board of Directors is authorised to allow for the conduct of a meeting entirely by electronic communication as set out in section 73(3) of the Act.
- 7.7.4 The authority of the Company's Board of Directors to determine the manner and form of providing notice of its meetings, as set out in section 73(3) is not limited or restricted by this MOI.
- 7.7.5 The authority of the Company's Board of Directors to proceed with a meeting despite a failure or defect in giving notice of the meeting, as set out in section 73(5) is limited or restricted in that in the event of an equality of votes, the chairman shall not have a casting vote.
- 7.7.6 Questions arising at any meeting shall be decided by a majority of votes.
- 7.7.7 All acts done by any meeting of the directors or a committee of directors or by any person acting as a director shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such directors or person acting as aforesaid or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and were qualified to be a director.
- 7.7.8 It shall, however, be competent for every director, even if he is not a member of the company, to attend general meetings of the company and to take part in the deliberations thereat and to express his views on any matter before the meetings, but he shall not be entitled, unless he is a member or otherwise entitled to vote, to exercise any voting rights at any such general meeting, save as proxy for or representative of a member.

7.8 Written resolutions

Subject to the MOI:

- 7.8.2 a resolution in writing signed by all the members of the board (or their alternates where applicable) for the time being or all the members of a directors' committee shall be as valid and effectual as if it had been passed at a meeting of the board or the committee duly called and constituted. The resolution may consist of several documents, each signed by one or more directors in terms of this article or may consist of one or more facsimiles or emails reflecting signatures of the directors, and shall be deemed to have been taken on the date upon which it has been signed by the director who signed last (unless a statement to the contrary is made in that resolution);
- 7.8.3 in the case of matters requiring urgent resolution or, if for any reason it is impracticable to meet as contemplated in the MOI or pass a resolution as contemplated in 7.8.1 above, proceedings may be conducted by utilising conference telephone facilities, provided that the required quorum is met. A resolution agreed to during the course of such proceedings

shall be as valid and effectual as if it had been passed at a meeting of the directors duly called and constituted. The secretary of the company shall as soon as is reasonably possible after such meeting by telephone has been held, be notified thereof by the relevant parties to the meeting, and the secretary shall prepare a written minute thereof.

7.9 **Committees of the Board**

- 7.9.1 The board may delegate any of its powers to committees consisting of such member or members of their body as they think fit (which shall not necessarily be directors of the company). Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on them by the directors.
- 7.9.2 A committee may elect a chairman of its meetings. If no such chairman is elected, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the meeting, the members present may elect one of their number to be chairman of the meeting.
- 7.9.3 A committee may meet and adjourn as they think proper. Questions arising at any meeting shall be determined by a majority of votes of the members of the committee present and in case of an equality of votes, the matter shall forthwith be referred to the board for decision.
- 7.9.4 In particular, a Marketing Committee and a Development Committee may respectively be formed by the company. Such committee(s) shall furthermore perform the functions and have the powers and authorities as the board may determine from time to time in their discretion. The number of committee members and the period of office shall be determined at the discretion of the board of directors.

7.10 **Delegation of powers to Executive Committee**

- 7.10.1 The board may from time to time entrust to or confer upon one or more directors, an executive director or other official of the company for the time being such of the powers and authorities vested in them as they may think fit, and they may confer such powers and authorities for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restriction as they may think expedient; and they may confer such powers and authorities either collaterally with or to the exclusion of, and in substitution for, all or any of the powers and authorities of the board and may from time to time revoke or vary all or any of such powers and authorities. In particular, all contracts, deeds, cheques and other documents which are required to be signed on behalf of the company, shall be signed in such manner as the board shall from time to time determine.
- 7.10.2 The management and handling of the day to day affairs of the company may be entrusted by the board to an executive committee consisting of at least the chairman, 2 (two) other directors, the executive director or manager or chief executive officer, if there is one, occupying the office from time to time. The chairman of the board shall also act as chairman of the executive committee.

7.11 **Borrowing powers**

- 7.11.1 The Directors may from time to time exercise all the powers of the company to borrow money: Provided that such actions will be executed only in accordance with the main object of the company.
- 7.11.2 The Directors may secure the payment of moneys borrowed in any manner including the mortgaging and pledging of property and, without detracting from the generality thereof, in particular by the issue of any kind of debenture or debenture stock, with or without security: Provided that such actions will be executed only in accordance with the main object of the Company.

7.12 **Indemnification of Directors**

- 7.12.1 The authority of the Company to advance expenses to a director, or indemnify a director, in respect of the defence of legal proceedings, as set out in section 78(4) is not limited, restricted or extended by this MOI.
- 7.12.2 The authority of the Company to indemnify a director in respect of liability as set out in section 78(5) is not limited or restricted by this MOI.
- 7.12.3 The authority of the Company to purchase insurance to protect the Company, or a director, as set out in section 78(7) is not limited, restricted or extended by this MOI.
- 7.12.4 Every director, manager, secretary and other officer or servant of the company shall be indemnified by the company against, and it shall be the duty of the directors out of the funds of the company to pay to him, all costs, losses and expenses including travelling expenses which he may have incurred or become liable for by reason of any contract entered into or act or deed done by him in that capacity or in any way in the bona fide discharge of his duties.
- 7.12.5 No director, manager, secretary or other officer or servant of the company shall be liable for any act, omission or failure of any other director or officer or servant, or for joining in any such act or omission or failure, or for loss or expenses suffered by the company through the inadequate or incomplete title to any property acquired by order of the directors or on behalf of the company, or for insufficient or defective security in or upon which any of the monies of the company have been invested, or for any loss or damage arising from the insolvency, liquidation or delict of any person with whom any monies, securities or effects have been deposited, or for any loss or damage occasioned by any error of judgement or oversight on his part or for any loss, damage or misfortune whatever which took place in the execution of his duties of office, unless he would otherwise be liable in law on the grounds of negligence, default, breach of duty or breach of trust in relation to the company.

7.13 Expenses of directors

Subject to paragraph 4.3 of the MOI of the company and excluding the remuneration payable in terms of 7.5.4 above, the directors may from time to time be paid all reasonable expenses which may be incurred by them in or about the execution of the powers conferred upon them.

7.14 Validity of acts

- 7.14.1 All acts done at or authorised by any meeting of the board or of a committee of the board or by any person acting as a director shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment or continuance in office of any such director or person acting as aforesaid, or that they or any of them were disqualified or had vacated office, be as valid as if every such person had been duly appointed or had duly continued in office, or was qualified and had continued to be a director or had been entitled to vote as a director.
- 7.14.2 No director or intending director shall be disqualified by his office from contracting with the company in any manner whatsoever provided that the director discloses to the remaining directors at the relevant meeting the nature of his/her interest, whether direct or indirect, even if one or more of the directors may know of it already. Such director shall not be entitled to vote at any meeting of the board or otherwise in relation to such contract, but he/she shall be reckoned for the purpose of constituting a quorum of directors.

8. Meetings of the Company

The company is governed by the applicable sections in the Act, in addition to the provisions set out below:

8.1 General meetings

- 8.1.1 The Company shall hold its first annual general meeting within eighteen months after the date of its incorporation and shall thereafter in each year hold an annual general meeting; provided that not more than fifteen months shall elapse between the date of one annual general meeting and that of the next.
- 8.1.2 Other general meetings of the Company may be held from time to time.
- 8.1.3 Annual general meetings and other general meetings shall be held at such time and place as the Directors shall appoint.

8.2 Notice of meetings

Section 62 of the Act applies, in addition to the following –

- 8.2.1 An annual general meeting and a meeting called for the passing of a special resolution shall be called by not less than 15 (fifteen) business days' notice in writing and any other general meeting shall also be called by not less than 15 (fifteen) business days' notice in writing.
- 8.2.2 The notice shall be in writing, exclusive of the day on which it is served or deemed to be served and of the date for which it is given, and shall specify the place, the day and the hour of the meeting and shall be delivered to each member either by electronic communication or by prepaid post addressed to such member at his registered address.
- 8.2.3 Every notice calling an annual general meeting shall specify the meeting as such.
- 8.2.4 The notice convening the meeting shall state:
 - 8.2.4.1 Which directors will be retiring and whether they are offering themselves for re-election as directors;
 - 8.2.4.2 That nominations to fill any vacancies as directors there may then be or will be following the retirement of directors must be made in writing endorsed with the acceptance of the nomination by the nominee and delivered to the registered office of the company or such other address as may be specified in the notice convening the annual general meeting or sent by facsimile transmission to the number specified in that notice no later than 10 clear days before the date of that annual general meeting;
 - 8.2.4.3 Not less than 5 (five) business days before the date of that annual general meeting the company shall give members notice of any nominations made in terms of section 8.2.4.2 (but any failure to do shall not invalidate any such nominations) and shall include in such notice any statement by the nominee not exceeding two hundred words that was submitted with his or her nomination provided that such statement is not in the opinion of the board defamatory or otherwise objectionable.
 - 8.2.4.4 A meeting of the company, notwithstanding that it is called by shorter notice than that specified in this section, shall be deemed to have been duly called if it is so agreed to by a majority in number of the members having the right to attend and vote at the meeting and together representing not less than 95% (ninety-five percent) of the total voting rights of all members having at the said date the right to vote at general meetings of the company.
 - 8.2.4.5 The inadvertent omission to give notice of a meeting to, or the non-receipt of a notice of a meeting by any person entitled to receive such notice, shall not invalidate the proceedings at that meeting.

8.3 Conduct of meetings (Section 63)

- 8.3.1 A members' meeting may only be held in person, by proxy or representative.
- 8.3.2 The annual general meeting shall deal with and dispose of all matters prescribed by the Act, including the consideration of the annual financial statements, the election of directors (where applicable) and other officers in the place of those retiring and the appointment and fixing of remuneration of the auditor and deal with any other business laid before it. All other

- business or business laid before any other general meeting shall be considered special business.
- 8.3.3 No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. Save as herein otherwise provided, the quorum for such meetings shall be 25 % (twenty five percent) in number of members entitled to vote, present in person or by proxy or, if a member is a body corporate, represented at the meeting.
- 8.3.4 If within half an hour after the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week, at the same time and place or, if that day be a public holiday, to the next weekday not being a public holiday, and if at such adjourned meeting a quorum is not present within 15 (fifteen) minutes after the time appointed for the meeting, the members present in person or by proxy shall form a quorum subject to the provisions of section 64 of the Act as regards the requirements for the adoption of a special resolution.
- 8.3.5 Where a meeting has been adjourned as aforesaid or pursuant to 8.3.8 below the company shall, upon a date not later than 3 (three) days after the adjournment, give to members, a notice served in manner hereinafter appearing stating:
- 8.3.5.1 the date, time and place to which the meeting had been adjourned;
- 8.3.5.2 the matter before the meeting when it was adjourned; and
- 8.3.5.3 the ground for the adjournment.
- 8.3.6 The chairman of the board shall preside as chairman at every general meeting of the company.
- 8.3.7 If there is no such chairman or if at any meeting he is not present within 15 (fifteen) minutes after the time appointed for holding the meeting, the vice chairman of the board shall act as chairman or, failing him, the members present shall elect one of their number to be chairman of the meeting.
- 8.3.8 The chairman of the meeting may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned, the provisions of articles 8.3.4 and 8.3.5 above shall mutatis mutandis apply to such adjournment.
- 8.3.9 At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is demanded beforehand or on the declaration of the result of the show of hands:
- 8.3.8.1 by the chairman of the meeting; or
- 8.3.8.2 by at least 5 (five) members present in person or by proxy having the right to vote at the meeting; or
- 8.3.8.3 by any member or members present in person or by proxy having the right to vote at the meeting and representing not less than one-tenth of the total voting rights of all members having the right to vote at the meeting.
- 8.3.9 Unless a poll is demanded, a declaration by the chairman of the meeting that a resolution has, on a show of hands, been carried or carried unanimously or by a particular majority, or lost, and an entry made to that effect in the book of the proceedings of the company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against such resolution.
- 8.3.10 If a poll is duly demanded it shall be taken in such manner as the chairman or the meeting directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. In determining the result of the poll the number of votes to which each member is entitled in terms of the articles shall be taken into account. Scrutineers shall be appointed by the chairman of the meeting to determine the result of the poll, and their decision, which shall be announced by the chairman of the meeting, shall,

- when announced, be deemed to be the resolution of the meeting at which the poll is demanded.
- 8.3.11 A poll, which is demanded on the election of a chairman of the meeting or on a question of adjournment, shall be taken forthwith. A poll demanded on any other question shall be taken at such time as the chairman of the meeting directs. The demand for a poll shall not prevent the continuation of a meeting for the transaction of any business other than the question upon which the poll has been demanded.
- 8.3.12 In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting shall be entitled to a second or casting vote.
- 8.3.13 Subject to 6.6 above in relation to voting by associate members, on a show of hands every member who is not in arrears in payment of his membership fees shall have 1 (one) vote.
- 8.3.14 Subject to 8.3.17 below on a poll the total number of votes in the company shall be equal to the total amount of membership fees due and paid at the relevant date expressed in Rands, adjusted upwards or downwards to the nearest round number, and each member shall have the number of votes equal to his membership fees due and paid at that date, expressed in Rands and *mutatis mutandis* adjusted as aforesaid.
- 8.3.15 The membership fees due and paid by associate members shall not be taken into account in determining the total number of votes.
- 8.3.16 Any member entitled to attend and vote at a meeting of the company shall be entitled to appoint another person who is also a member of the company as his proxy, to attend and vote in his stead on a poll but not on a show of hands, and a proxy appointed to attend and vote instead of a member shall also have the same right as the member to speak at the meetings.
- 8.3.17 On a poll votes may be given either personally or by proxy.
- 8.3.18 The instrument appointing a proxy shall be in writing under the hand of the appointer or of his agent duly authorised in writing or, if the appointer is a body corporate, under the hand of an officer or agent authorised by such body corporate. Every notice convening a meeting of the company shall state that a member entitled to attend and vote is entitled to appoint one or more proxies to attend and speak and, on a poll, vote in his stead, provided that a proxy must also be a member.
- 8.3.19 The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authority shall be deposited at the registered office of the company, not less than 48 (forty-eight) hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument of proxy is to exercise his vote and failing compliance herewith such instrument shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of 6 (six) months from the date when it was signed, unless so specifically stated in the proxy itself.
- 8.3.20 The instrument appointing a proxy may be in any form which the directors may approve and which complies with the provisions of section 189(5) of the Act, and shall be deemed to confer the power to demand or to join in a demand that a poll be taken.
- 8.3.21 A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed, provided that no intimation in writing of such death, insanity or revocation as aforesaid shall have been received by the company at its registered office before the commencement of the meeting or adjourned meeting at which the instrument of proxy is used.
- 8.3.22 No objection may be raised against the authority of a member to vote except during the meeting or adjourned meeting at which the vote objected against is cast or proffered and every vote, which has not been refused during such meeting, shall for all purposes be valid. Any such objection, which had been made timeously, shall be referred to the chairman of the meeting and his decision shall be final and binding.
- 8.3.23 Any corporate body which is a member of the company may by resolution of its directors, or other governing body, authorise such person as it thinks fit to act as its representative at any

meeting of the company and the persons so authorised shall be entitled to exercise the same powers on behalf of the corporate body which he represents as that corporate body could exercise if it were an individual member of the company.

- 8.3.24 All resolutions at any general meeting of the company where a quorum is present shall, subject to the provisions of the Act in relation to special resolutions and unless stipulated to the contrary in the memorandum and articles of association of the company in respect of a particular matter, be taken by a majority vote.

8.4 Meeting quorum and adjournment (Section 64)

- 8.4.1 The annual general meeting shall deal with and dispose of all matters prescribed by the Act, including the consideration of the annual financial statements, the election of directors and the appointment of an auditor, and may deal with any other business laid before it. All business laid before any other general meeting shall be considered special business.
- 8.4.2 No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. Save as herein otherwise provided, 25% (twenty-five percent) in number of members entitled to vote, present in person or by proxy or, if a member is a body corporate, represented at the meeting.
- 8.4.3 If within half an hour after the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of the members, shall be dissolved; in any other case it shall stand adjourned to a day not earlier than seven days and not later than twenty-one days after the date of the meeting and if at such adjourned meeting a quorum is not present within half an hour after the time appointed for the meeting the members present in person or by proxy, or represented shall be a quorum.
- 8.4.4 The chairman, if any, of the Board of Directors shall preside as chairman at every general meeting of the company.
- 8.4.5 If there is no such chairman, or if at any meeting he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairman, the members present shall elect one of their number to be chairman.
- 8.4.6 The chairman may with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting at which the adjournment took place.

8.5 Member resolutions (Section 65)

- 8.5.1 For an ordinary resolution to be approved by members, it must be supported by more than 50% of the voting rights of those present, in person, by proxy or represented.
- 8.5.2 For a special resolution to be approved by members, it must be supported by at least 75% of the voting rights of those present, in person, by proxy or represented.
- 8.5.3 A special resolution adopted at a Members' meeting is not required for a matter to be determined by the Company, except those matters set out in section 65(11), or elsewhere in the Act.
- Section 65(11) A special resolution is required to –
 - d) Amend the company's Memorandum of Incorporation to the extent required by section 16(1)(c);
 - e) Approve the voluntary winding-up of the company, as contemplated in section 80(1); or
 - f) Approve any proposed fundamental transaction, to the extent required by Part A of Chapter 5.

9. Company records

The company will comply with the requirements as contained in section 24 – “Form and Standards for company records”; section 25 – “Location of company records” and section 26 – “Access to company records” of the Act.

9.1 **Inspection of Minutes**

The minutes kept of every general meeting and annual general meeting of the company may be inspected and copied as provided for in sections 24, 25 and 26 of the Act.

9.2 **Minutes and Minute book**

9.2.1 The board shall cause minutes to be kept in books provided for the purpose:

9.2.1.1 of all appointments of officers made by the board of directors;

9.2.1.2 of the names of the members of the board present at each meeting of the board and of any committee of the board of directors; and

9.2.1.3 of all resolutions and proceedings at all meetings of the company and of the board and of the committees of the board of directors, and any such minutes of any meeting of the company, of the board or of any committee, if purporting to be signed by the chairman of such meeting or by the chairman of the next succeeding meeting, shall be receivable as prima facie evidence of the matters of such minutes.

9.2.2 Every member of the board present at any meeting of the board shall sign his name in a book to be kept for that purpose.

10. **Accounting records**

10.1 The board shall cause such accounting records to be kept as are prescribed by section 28 of the Act – Accounting records.

10.2 The company will comply with the requirements, as set out in section 29 of the Act, in respect of financial statements.

10.3 The board shall, in terms of section 30 of the Act, cause to be prepared and laid before the company in general meeting such annual financial statements, group annual financial statements and group reports (if any) as are required by the Act.

10.4 Section 30 of the Act further requires that the company prepare Annual Financial Statements within six months after the end of the company's financial year.

10.5 The accounting records shall be kept at the registered office of the company or at such other place or places as the directors think fit, and shall always be open to inspection by the directors.

10.6 The board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounting records of the company or any of them shall be open to inspection by members not being directors, and no member (not being a director) shall have any right of inspecting any accounting records or document of the company except as conferred by the Act or authorised by the directors or by the company in general meeting.

10.7 A copy of the annual financial statements and group annual financial statements (if any), which is to be laid before the company in general meeting, shall not less than 15 (fifteen) business days before the date of the meeting, be sent to all such persons as are entitled to receive notices of general meetings of the company, provided that this article shall not require a copy of any of the aforementioned documents to be sent to any person of whose address the company is not aware.

10.8 The company will comply with such reporting requirements as may be determined by the Commissioner of the South African Revenue Services from time to time.

11. **Additional accountability requirements**

- 11.1 In terms of section 30(2)(b)(ii)(bb) the company elects to have the annual financial statements of the company independently reviewed in a manner that satisfies the regulations made in terms of section 30(7), subject to subsection 30(2A) of the Act.
- 11.2 In terms of section 34(2) of the Act, the Company does not elect to comply voluntarily with the extended accountability requirements set out in Chapter 3 of the Companies Act, 2008, except to the extent contemplated in section 84(1)(c), or as required by the company's MOI.

Application of Chapter 3 – Enhanced Accountability and Transparency

84(1) This Chapter applies to –

- (c) a private company, a personal liability company or a non-profit company
- (i) if the company is required by this Act or the regulations to have its annual financial statements audited every year: Provided that the provisions of Parts B and D of this Chapter will not apply to any such company; or
- (ii) otherwise, only to the extent that the company's Memorandum of Incorporation so requires, as contemplated in section 34(2).

12. **Pre-acquisition profits**

In the discretion of the board and to the extent that it is lawful, if any asset, business or property is acquired by the company as from a date in the past (whether such date falls before or after the incorporation of the company) on condition that the income and gains and/or expenses thereof shall accrue to the company as from that date, such income/gain or expenses shall be credited or debited, as the case may be, in whole or in part to the income account, and any amount so credited or debited shall for all purposes be dealt with as an income/gain or expense.

13. **Avoidance arrangements**

The company is not knowingly and will not knowingly become a party to, and does not knowingly and will not knowingly permit itself to be used as part of, an impermissible avoidance arrangement contemplated in Part IIA of Chapter III, or a transaction, operation or scheme contemplated in section 103(5) of the Income Tax Act.

14. **Winding-up or Dissolution of the Company**

Despite any provision in any law or agreement to the contrary, upon the winding-up or dissolution of the company –

- 14.1 no past or present member or director of the company, or person appointing a director of the company, is entitled to any part of the net value of the company after its obligations and liabilities have been satisfied; and
- 14.2 the entire net value of the company must be distributed to one or more non-profit companies, registered external non-profit companies carrying on activities within the Republic, voluntary associations or non-profit trusts -
 - 14.2.1 having objects similar to the company's main object; or
 - 14.2.2 another entity approved by the Commissioner of the South African Revenue Services as set out in Section 30B of the Income Tax Act; or
 - 14.2.3 a public benefit organisation approved in terms of section 30 of the Income Tax Act; or
 - 14.2.4 an institution, board or body which is exempt from tax under section 10(1)(cA)(i) of the Income Tax Act; or
 - 14.2.5 the government of the Republic in the national, provincial or local sphere; and
 - 14.2.6 as determined –
 - 14.2.6.1 in terms of the company's MOI;

- 14.2.6.2 by its members, if any, or its directors, at or immediately before the time of its dissolution; or
- 14.2.6.3 by the court, if the MOI, or the members or directors fail to make such a determination.

15. **Application of optional provisions of the Companies Act, 2008**

The Company does not elect, in terms of section 118(1)(c)(ii) to submit voluntarily to the provisions of Parts B and C of Chapter 5 of the Companies Act, 2008, and the Takeover Regulations provided for in that Act.

H Koegelenberg
Director and Chairman of the Board
Date: _____



STELLENBOSCH
ST EL LEN BOSCH • P NIEL • FRA NSCHHOEK
Municipality • Umasipala • Munisipaliteit

APPENDIX A

**APPLICATION: FUNDING OF EXTERNAL BODIES PERFORMING A MUNICIPAL
 FUNCTION 2022/2023**

**NOTE: ONLY APPLICATIONS ON THIS PRESCRIBED FORM SHALL BE
 CONSIDERED**

PLEASE COMPLETE THE FOLLOWING:

A	REGISTERED NAME OF ORGANISATION: FRANSCHHOEK WINE VALLEY TOURISM ASSOCIATION.....								
B	DATE AND YEAR IN WHICH THE ORGANISATION WAS FOUNDED OR INCORPORATED (INCLUDE BRIEF DESCRIPTION OF BUSINESS OR ACTIVITIES OF ORGANISATION): BUSINESS FOUNDED AND REGISTERED IN OCTOBER 2003... INFORMATION CENTRE AND TOURISM SERVICES TO LOCAL AND INTERNATIONAL VISITORS... DESTINATION MARKETING FOR ALL MEMBERS OF ASSOCIATION INCLUDING VIGNERONS DE FRANSCHHOEK, ACCOMMODATION, RESTAURANTS, RETAIL, ART GALLERIES AND SERVICES SOCIAL DEVELOPMENT PROJECTS AND TRAINING ARE UNDERTAKEN								
C	ADDRESS: <table style="width: 100%; border: none;"> <tr> <td style="width: 50%;">(i) Street</td> <td style="width: 50%;">(ii) Postal</td> </tr> <tr> <td>62 HUGUENOT ROAD.....</td> <td>..... PO BOX 178.....</td> </tr> <tr> <td>FRANSCHHOEK.....</td> <td>..... FRANSCHHOEK.....</td> </tr> <tr> <td>7690.....</td> <td>..... 7690.....</td> </tr> </table> Contact details: Name and Surname: ... RUTH McCOURT Title/Position held: CEO Tel: 021 876 2861 E-mail: ceo@franschhoek.org.za.....	(i) Street	(ii) Postal	62 HUGUENOT ROAD..... PO BOX 178.....	FRANSCHHOEK..... FRANSCHHOEK.....	7690..... 7690.....
(i) Street	(ii) Postal								
62 HUGUENOT ROAD..... PO BOX 178.....								
FRANSCHHOEK..... FRANSCHHOEK.....								
7690..... 7690.....								
D	LIST <u>ALL</u> THE BOARD / COMMITTEE MEMBERS OF THE ORGANIZATION: Name and Surname: HEIN KOEGELENBERG Position: CHAIRMAN Contact Address and tel. no: LA MOTTE – 021 876 3119 Name and Surname: JAN VAN HUYSSSTEEN Position: FINANCIAL DIRECTOR Contact Address and tel. no: RICKETY BRIDGE – 021 876 2129								

Name and Surname:**REG LASCARIS**.....

Position:**BOARD MEMBER**.....

Contact Address and tel. no: **ROSE COTTAGE - 0836263618**.....

Name and Surname: **ANN FERREIRA**.....

Position: **BOARD MEMBERS**.....

Contact Address and tel. no: **annferreira01@gmail.com - 0829091116**

Name and Surname: **RAYMOND NDLOVU**.....

Position: **BOARD MEMBER**.....

Contact Address and tel. no: **BLACK ELEPHANT VINTNERS – 021 876 2903...**

Name and Surname: **GORDON FRAZER**.....

Position: **BOARD MEMBER**.....

Contact Address and tel. no: **AUBERGE CLERMONT - 021 876 3700**.....

Name and Surname: **CARLA MALHERBE**.....

Position: **BOARD MEMBER**.....

Contact Address and tel. no: **RUPERT & ROTHSCHILD – 021 874 1648**.....

Name and Surname: **CHRIS MULLINEUX**.....

Position: **BOARD MEMBER**.....

Contact Address and tel. no: **MULLINEUX & LEEU FAMILY WINES – 021 492 2455**

Name and Surname: **AMY KLEINHANS-CURD**.....

Position: **BOARD MEMBER**.....

Contact Address and tel. no: **amy@plp.co.za - 0829941111**.....

Name and Surname: **RYNO BAKKES**.....

Position: **BOARD MEMBER**.....

Contact Address and tel. no: **FRANSCHHOEK CELLAR – 021 876 2086**.....

Name and Surname: **JEREMY DAVIDS**.....

Position: **BOARD MEMBER**.....

Contact Address and tel. no: **FRANSCHHOEK HOSPITALITY ACADEMY – 0824725156**

Name and Surname: **GERARD HOLDEN**.....

Position: **VIGNERONS CHAIR**.....

Contact Address and tel. no: **HOLDEN MANZ - 021 876 2738**.....

E CATEGORY

Please categorise your application (mark with x):

- | | | |
|---|----------|--|
| 1. Local Tourism | X | |
| 2. Management and updating the Stellenbosch
Municipal Heritage Inventory | | <input type="checkbox"/>
<input type="checkbox"/> |
| 3. Training of SMME's and the Updating of the
SMME Database for Stellenbosch
Municipality | X | <input type="checkbox"/> |

Note: For more detail, see attached Funding of External Bodies Performing a Municipal Function Policy. (general guidelines and categories)

Please indicate the specific type of project / programme, as per the Funding of External Bodies Performing a Municipal Function Policy.

IN ORDER TO CREATE A SUSTAINABLE, CREDIBLE AND CARING TOWN BY EMPOWERING AND BUILDING COMMUNITIES, PROMOTING GROWTH AND SHARING THROUGH PARTNERSHIPS, LOCAL ECONOMIC DEVELOPMENT AND TOURISM

F THE FOLLOWING MUST ACCOMPANY THIS APPLICATION:

1. A copy of the latest, audited financial statements.
2. A copy of the Organisation's Constitution or Memorandum of Incorporation as well as the resolutions/minutes adopting the Constitution or Memorandum of Incorporation.
3. A copy of a project / programme description and / or a business plan for the ensuing financial year. Including the following:
 - Full details of the proposal or project / programme including its objectives, the number of people who will benefit and how the project will contribute or enhance the strategic objectives of Stellenbosch Municipality.
 - Commencement and completion dates of the project / programme.
 - Information on the total cost of the project / programme budget, including a breakdown of costs and an outline of any contribution by fundraising and / or own contribution.
 - A list of all other sources of funding together with the assessments.
 - A summary of past achievements.
 - References independent of the applicant and its executive.
4. An original copy of a correctly completed creditors control form of Stellenbosch Municipality.
5. If the Organisation received funding from Stellenbosch Municipality in the preceding financial year, you need to account for the expenditure of the funding received with your new application.
6. If the Organisation received funding from other bodies, please identify and list the amounts received.

7. If the Organisation is a non-profit company as defined in the Section 1 of the Companies Act, 2008, a certificate / letter issued by the Companies and Intellectual Property Commission (CIPC) confirming registration must be attached.
8. If the Organisation has been registered as a "non-profit" organisation in terms of the Non-Profit Organisation Act, 1997, a certificate / letter issued by the Department of Social Development confirming registration as a non-profit organisation must be attached.
9. If the Organisation has been registered as a "Public Benefit Organisation" in terms of the Income Tax Act, 1962, a certificate/letter issued by SARS confirming the Organisation's tax exemption status must be attached.
10. A valid Tax Clearance Certificate issued by SARS.
11. List and contact details of existing SMME's within the database.
12. Proof of hosting or facilitating SMME training sessions (e.g. Photographs, attendance register, etc.)

G THE FOLLOWING SHALL APPLY:

1. The allocation of funds will only be considered if the application document has been fully completed and signed and is accompanied by the required and supporting documentation referred to therein.
Applicants must in their submission clearly indicate / specify and motivate what the funding where and for which purpose the funding will be allocated.
2. The funding must be exclusively used for the purpose defined and motivated, and the successful applicant must submit the necessary undertaking to this effect.
3. Applicants must in their submission satisfy the Council of their ability to execute the project successfully.
4. Organisations who have already received financial or other assistance from the Council during the previous financial year must specify same in their application.
5. No funding will be considered for political groupings, church / sectarian bodies or ratepayers organisations.
6. No funding will be considered where only an individual will benefit or where a member of Council or an official of Stellenbosch Municipality will receive any financial or other gain.
7. Projects outside the boundaries of the Council will not be considered.
8. Subsequent requests from applicants to cover overspending on projects will not be considered.
9. Council will not pay any funds to anyone who has already procured against the perception that they will receive any municipal funds.
10. Successful applicants must at all times comply with the provisions of Section 67(1) of the Municipal Finance Management Act No. 56 of 2003 which *inter alia* stipulates that the organisation or body has to:-
 - Enter into and comply with a Memorandum of Agreement with the Municipality as well as with all reporting, financial management and auditing requirements as may be contained in such agreement. This memorandum of agreement will bind the successful applicant to deliver on what the application speaks to, but also to commit to become involved with municipal programmes of the community where it functions. The Memorandum of Agreement will be made available to successful applicants for completion.

11. The Council reserves the right not to give funding to any or all organisations applying.
12. Having been awarded funding previously does not give an applicant the right to receive a grant/funding again.
13. Funding will not be considered where a project or organisation is already receiving funds from Council in terms of Council's functions. Applicants are required to disclose other sources of funding, failing which such applicant will be disqualified.
14. Funding will not be considered where in Council's opinion, an organisation received sufficient funds from other sources to sustain its activities or the project / programme applied for. For this purpose, organisations must submit financial statements and budget for the ensuing financial year.
15. Organisations who received funding from Stellenbosch Municipality during the previous financial year, are required to attach such proof to the new application, a copy of the financial statements relating to the year in which the funding was received from Council, as required in terms of section 67(1) of the Municipal Finance Management Act, 2003 (MFMA).
16. SMME Training' funding applicants must be able to demonstrate that the following may be achieved within their 2022 / 2023:
 - Minimum of six (6) training opportunities must be held
 - The applicants must possess an existing database of SMME's within the Stellenbosch Municipal Area

(The Funding of External Bodies Performing a Municipal Function Policy must be consulted for the sake of completeness)

H UNDERTAKING:

I/We hereby verify that the information provided in this application is true and correct and that the conditions applicable to the allocation of funds as set out above have been read, understood and will be complied with.

I/We also declare that the organisation implements effective, efficient and transparent financial management and internal control mechanisms to guard against fraud, theft and financial mismanagement and has in the past complied with requirements for similar transfer(s) of funds.

This completed and signed at Stellenbosch on this...10th...day of...May..... 2022



Chairperson / Authorised Representative



Secretary / Duly Authorised Signatory

I PLEASE TAKE NOTE:

- (i) That completed application forms together with all the required documentation must be delivered to:

**Director: Planning and Economic Development (Attention: Ms L van Gensen)
P O Box 17
Stellenbosch
7599**

Or delivered to:

**127 Dorp Street
Stellenbosch
7600**

- (ii) That the closing date for the submission of applications is: at
- (iii) That **neither late nor incomplete applications** shall be considered.



FRANSCHHOEK WINE VALLEY TOURIST ASSOCIATION NPC
(Registration number 2003/06592/08)
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

Franschhoek Wine Valley Tourist Association NPC

(Registration number: 2003/06592/08)

Annual Financial Statements for the year ended 30 June 2021

Contents

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

Contents	Page
Directors' Responsibilities and Approval	2
Independent Auditor's Report	3 - 4
Directors' Report	5 - 6
Statement of Financial Position	7
Statement of Profit or Loss and Other Comprehensive Income	8
Statement of Changes in Equity	9
Statement of Cash Flows	10
Accounting Policies	11 - 14
Notes to the Annual Financial Statements	15 - 18

The following supplementary information does not form part of the annual financial statements and is unaudited:

Detailed Income Statement	19 - 20
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Level of assurance

These financial statements have been audited in compliance with the applicable requirements of the Companies Act of South Africa No. 71 of 2008, as amended.

Preparer

These annual financial statements were prepared by LDP Compliance Proprietary Limited with assistance from JH van Huyssteen.

Franschhoek Wine Valley Tourist Association NPC

(Registration number: 2003/06592/08)

Annual Financial Statements for the year ended 30 June 2021

Directors' Responsibilities and Approval

The directors are required by the Companies Act of South Africa No. 71 of 2008, as amended, 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 their responsibility to ensure that the annual financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities. The external auditor is engaged to express an independent opinion on the financial statements.

The annual financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

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

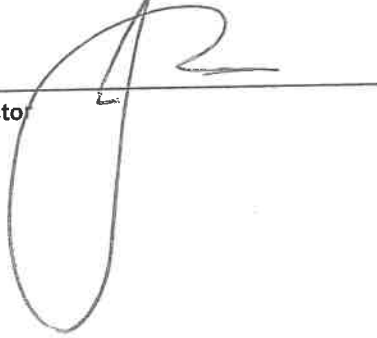
The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial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

The directors have reviewed the company's cash flow forecast for the year to 30 June 2022 and, in the light of this review and the current financial position, they are satisfied that the company has or will have access to adequate resources to continue in operational existence for the foreseeable future.

The external auditor is responsible for independently auditing and reporting on the company's financial statements. The financial statements have been examined by the company's external auditor and their report is presented on pages 3 and 4.

The annual financial statements set out on pages 5 to 20, which have been prepared on the going concern basis, were approved by the directors on and were signed on its behalf by:

Director



Director





AUDIT | ADVISORY | TAX

Independent Auditor's Report

To the members of Franschhoek Wine Valley Tourist Association NPC

Opinion

We have audited the financial statements of Franschhoek Wine Valley Tourist Association NPC set out on pages 7 to 18, which comprise the statement of financial position as at 30 June 2021, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Franschhoek Wine Valley Tourist Association NPC as at 30 June 2021, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa No. 71 of 2008, as amended.

Basis for opinion

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

Material uncertainty related to going concern

We draw attention to note 18 to the financial statements, which indicates that the company incurred a net loss of R1 232 507 during 2020 and is still in the process of recovering from the impact Covid-19 had on the tourism industry. As stated in note 18, these events or conditions, along with other matters as set forth in note 18, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

The directors are responsible for the other information. The other information comprises the Directors' Report as required by the Companies Act of South Africa No. 71 of 2008, as amended, and the supplementary information provided on pages 19 to 20. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

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

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa No. 71 of 2008, as amended, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

LDP Chartered Accountants and Auditors Incorporated

Registered Auditor
HF Joubert
Director

Stellenbosch

Date:.....

10 Helderberg Street
Stellenbosch
7600

Franschhoek Wine Valley Tourist Association NPC

(Registration number: 2003/06592/08)

Annual Financial Statements for the year ended 30 June 2021

Directors' Report

The directors have pleasure in submitting their report on the annual financial statements of Franschhoek Wine Valley Tourist Association NPC for the year ended 30 June 2021.

1. Nature of business

The company is engaged in the promotion of tourism in Franschhoek and the surrounding areas and operates in South Africa.

The operating results and the state of affairs of the company are fully set out in the attached annual financial statements and do not in our opinion require any further comment.

There have been no material changes to the nature of the company's business from the prior year.

2. Directors

The directors in office at the date of this report are as follows:

Directors	Changes
HF Koegelenberg (Chairman)	
GR Frazer	
N Friedman	Resigned Monday, 30 November 2020
L Coltart	Resigned Saturday, 31 October 2020
RGR Lascaris	
RSM Ndlovo	
MT Rutherford	Resigned Sunday, 28 February 2021
CJ Malherbe	
AH Kleinhans-Curd	
C Mullineux	
B Garner	Resigned Monday, 30 November 2020
A Ferreira	
F Schaefer	Appointed Sunday, 01 November 2020
R Bakkes	Appointed Sunday, 01 November 2020
JE Davids	Appointed Sunday, 01 November 2020
JH van Huyssteen	Appointed Monday, 01 March 2021

3. Events after the reporting period

The Covid-19 pandemic continues to have a severe impact on the South African and global economy and will undoubtedly impact the company's operations in the future. The directors are actively monitoring the impact and taking steps to address the risk.

Other than the above the directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

4. Going concern

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis.

The economic impact of the Covid-19 pandemic is still playing out and the directors acknowledge that there is still a possibility of challenges in the 2022 financial year. The directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient cash or borrowing facilities to meet its foreseeable cash requirements. In addition the company has implemented a number of cost saving mechanisms to ensure they are able to remain liquid and solvent. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

The company was able to turn a profit during 2021 in contrast to the net loss of R1 232 507 that was incurred during 2020. The company has undergone significant changes in their strategy to service the tourism industry and stay afloat during these challenging times. The aim of the company has shifted from planning and managing festivals to marketing for the tourism industry. Through cutting costs and managing the cash flows intensively, the company was able to survive the lock downs imposed by the South African Government and is slowly recovering. The directors believe the company will continue to be a going concern in the foreseeable future.

Franschhoek Wine Valley Tourist Association NPC

(Registration number: 2003/06592/08)

Annual Financial Statements for the year ended 30 June 2021

Directors' Report

5. Auditor

LDP Inc. continued in office in accordance with section 90(6) of the Companies Act of South Africa No. 71 of 2008, as amended.

6. Secretary

The company had no secretary during the year.

7. Accounting policies

The International Financial Reporting Standards for Small and Medium-sized Entities was used in the current year. This is consistent with the prior year.

8. Non-current assets

There were no changes in the nature of the non-current assets of the company during the years as well as the policy relating to its use. Additions and disposals during the current period is set out in note 2 to the financial statements.

Franschhoek Wine Valley Tourist Association NPC

(Registration number: 2003/06592/08)

Annual Financial Statements for the year ended 30 June 2021

Statement of Financial Position as at 30 June 2021

Figures in Rand	Notes	2021	2020
Assets			
Non-Current Assets			
Property, plant and equipment	2	24 549	19 360
Intangible assets	3	32 587	29 475
		57 136	48 835
Current Assets			
Inventories	4	20 553	26 030
Trade and other receivables	5	679 250	156 883
Cash and cash equivalents	6	1 371 718	446 213
		2 071 521	629 126
Total Assets		2 128 657	677 961
Equity and Liabilities			
Equity			
Retained income		584 929	292 859
Liabilities			
Current Liabilities			
Trade and other payables	7	1 526 923	202 007
Provisions	8	16 805	183 095
		1 543 728	385 102
Total Equity and Liabilities		2 128 657	677 961

Franschhoek Wine Valley Tourist Association NPC

(Registration number: 2003/06592/08)

Annual Financial Statements for the year ended 30 June 2021

Statement of Profit or Loss and Other Comprehensive Income

Figures in Rand	Notes	2021	2020
Revenue	9	3 624 331	8 022 996
Cost of sales	10	(1 377 426)	(6 303 197)
Gross profit		2 246 905	1 719 799
Other income		170 910	669 625
Operating expenses		(2 147 335)	(3 675 317)
Operating profit (loss)	11	270 480	(1 285 893)
Investment revenue	12	21 590	53 386
Profit (loss) for the year		292 070	(1 232 507)
Other comprehensive income		-	-
Total comprehensive income (loss) for the year		292 070	(1 232 507)

Franschhoek Wine Valley Tourist Association NPC

(Registration number: 2003/06592/08)

Annual Financial Statements for the year ended 30 June 2021

Statement of Changes in Equity

Figures in Rand	Retained income	Total equity
Balance at 01 July 2019	1 525 366	1 525 366
Loss for the year	(1 232 507)	(1 232 507)
Other comprehensive income	-	-
Total comprehensive loss for the year	(1 232 507)	(1 232 507)
Balance at 01 July 2020	292 859	292 859
Profit for the year	292 070	292 070
Other comprehensive income	-	-
Total comprehensive income for the year	292 070	292 070
Balance at 30 June 2021	584 929	584 929

Franschhoek Wine Valley Tourist Association NPC

(Registration number: 2003/06592/08)

Annual Financial Statements for the year ended 30 June 2021

Statement of Cash Flows

Figures in Rand	Notes	2021	2020
Cash flows from operating activities			
Cash receipts from customers		3 101 964	8 884 396
Cash paid to suppliers and employees		(2 170 208)	(9 663 148)
Cash generated from (used in) operations	15	931 756	(778 752)
Interest income		21 590	53 386
Net cash from / (used in) operating activities		953 346	(725 366)
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(14 998)	(9 999)
Purchase of intangible assets	3	(12 843)	-
Net cash used in investing activities		(27 841)	(9 999)
Total cash movement for the year		925 505	(735 365)
Cash at the beginning of the year		446 213	1 181 578
Total cash at end of the year	6	1 371 718	446 213

Franschhoek Wine Valley Tourist Association NPC

(Registration number: 2003/06592/08)

Annual Financial Statements for the year ended 30 June 2021

Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The annual financial statements have been prepared on a going concern basis in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act of South Africa No. 71 of 2008, as amended. The annual financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 Significant judgements and sources of estimation uncertainty

Critical judgements in applying accounting policies

In preparing the financial statements, management is required to make judgements, estimates and assumptions that affect the amounts represented in the financial statements and related disclosures. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results in the future could differ from these estimates which may be material to the financial statements.

Key sources of estimation uncertainty

Useful lives of property, plant and equipment

The company reviews the estimated useful lives of property, plant and equipment when changing circumstances indicate that they may have changed since the most recent reporting date. During the current year, the directors determined that the useful lives of property, plant and equipment remains unchanged.

Financial assets measured at cost and amortised cost

The company assesses its financial assets measured at cost and amortised cost for impairment at each reporting date. In determining whether an impairment loss should be recorded in the statement of profit or loss and other comprehensive income, the company makes judgement as to whether there is observable data indicating a measurable decrease in the estimate future cash flows from a financial asset.

The impairment for the financial assets measured at cost and amortised cost is calculated on a portfolio basis, based on the historical loss ratios, adjusted for national and industry-specific economic conditions and other indicators present at the reporting period that correlate with defaults on the portfolio. These annual loss ratios are applied to loan balances in the portfolio and scaled to the estimated loss emergence period.

1.2 Property, plant and equipment

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

Property, plant and equipment is initially measured at cost.

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

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the company and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the period in which they are incurred.

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

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

Leased assets are depreciated in a consistent manner over the shorter of their expected useful lives and the lease term.

Franschhoek Wine Valley Tourist Association NPC

(Registration number: 2003/06592/08)

Annual Financial Statements for the year ended 30 June 2021

Accounting Policies

1.2 Property, plant and equipment (continued)

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

Item	Depreciation method	Average useful life
Other fixed assets	Straight line	3 years
Office furniture and fixtures	Straight line	3 years
Office equipment	Straight line	6 years
IT equipment	Straight line	3 years

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

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

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

1.3 Intangible assets

Intangible assets are initially recognised at cost and subsequently at cost less accumulated amortisation and accumulated impairment losses.

Research and development costs are recognised as an expense in the period incurred.

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

Item	Depreciation method	Average useful life
Trademarks	Straight line	10 years

1.4 Financial instruments

Initial measurement

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through profit or loss) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial instruments at amortised cost

These include loans, trade receivables and trade payables. Those debt instruments which meet the criteria in section 11.8(b) of the standard, are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

Franschhoek Wine Valley Tourist Association NPC

(Registration number: 2003/06592/08)

Annual Financial Statements for the year ended 30 June 2021

Accounting Policies

1.5 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. All other leases are operating leases.

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term unless:

- another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the payments are not on that basis, or
- the payments are structured to increase in line with expected general inflation (based on published indexes or statistics) to compensate for the lessor's expected inflationary cost increases.

Any contingent rents are expensed in the period they are incurred.

1.6 Inventories

Inventories are measured at the lower of cost and estimated selling price less costs to complete and sell, on the first-in, first-out (FIFO) basis.

1.7 Impairment of assets

The company assesses at each reporting date whether there is any indication that property, plant and equipment or intangible assets may be impaired.

If there is any such indication, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group of assets) in prior years. A reversal of impairment is recognised immediately in profit or loss.

1.8 Employee benefits

Short-term employee benefits

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

1.9 Provisions and contingencies

Provisions are recognised when the company has an obligation at the reporting date as a result of a past event; it is probable that the company will be required to transfer economic benefits in settlement; and the amount of the obligation can be estimated reliably.

Franschhoek Wine Valley Tourist Association NPC

(Registration number: 2003/06592/08)

Annual Financial Statements for the year ended 30 June 2021

Accounting Policies

1.10 Government grants

Grants that do not impose specified future performance conditions are recognised in income when the grant proceeds are receivable.

Grants that impose specified future performance conditions are recognised in income only when the performance conditions are met.

Grants received before the revenue recognition criteria are satisfied are recognised as a liability.

1.11 Revenue

Revenue is recognised to the extent that the company has transferred the significant risks and rewards of ownership of goods to the buyer or has rendered services under an agreement provided the amount of revenue can be measured reliably and it is probable that economic benefits associated with the transaction will flow to the company. Revenue is measured at the fair value of the consideration received or receivable, excluding sales taxes and discounts.

Interest is recognised, in profit or loss, using the effective interest rate method.

1.12 Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

Franschhoek Wine Valley Tourist Association NPC

(Registration number: 2003/06592/08)

Annual Financial Statements for the year ended 30 June 2021

Notes to the Annual Financial Statements

Figures in Rand	2021			2020		
2. Property, plant and equipment						
	2021			2020		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Other fixed assets	-	-	-	114 758	(114 758)	-
Furniture and fixtures	6 436	(5 721)	715	6 436	(3 576)	2 860
Office equipment	50 448	(28 228)	22 220	35 449	(26 561)	8 888
IT equipment	202 143	(200 529)	1 614	202 143	(194 531)	7 612
Total	259 027	(234 478)	24 549	358 786	(339 426)	19 360

Reconciliation of property, plant and equipment - 2021

	Opening balance	Additions	Depreciation	Closing balance
Furniture and fixtures	2 860	-	(2 145)	715
Office equipment	8 888	14 998	(1 666)	22 220
IT equipment	7 612	-	(5 998)	1 614
	19 360	14 998	(9 809)	24 549

Reconciliation of property, plant and equipment - 2020

	Opening balance	Additions	Depreciation	Closing balance
Furniture and fixtures	5 006	-	(2 146)	2 860
Office equipment	907	9 999	(2 018)	8 888
IT equipment	16 472	-	(8 860)	7 612
	22 385	9 999	(13 024)	19 360

3. Intangible assets

	2021			2020		
	Cost	Accumulated amortisation	Carrying value	Cost	Accumulated amortisation	Carrying value
Trademarks	137 735	(105 148)	32 587	124 892	(95 417)	29 475

Reconciliation of intangible assets - 2021

	Opening balance	Additions	Amortisation	Total
Trademarks	29 475	12 843	(9 731)	32 587

Reconciliation of intangible assets - 2020

	Opening balance	Amortisation	Impairment loss	Total
Trademarks	44 750	(12 025)	(3 250)	29 475

4. Inventories

Merchandise	20 553	26 030
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Franschhoek Wine Valley Tourist Association NPC

(Registration number: 2003/06592/08)

Annual Financial Statements for the year ended 30 June 2021

Notes to the Annual Financial Statements

Figures in Rand	2021	2020
5. Trade and other receivables		
Trade receivables	663 168	139 833
Security project	-	1 250
Deposits	8 400	8 400
Bastille 2020	4 000	-
Franschhoek Strenght Together Campaign	-	3 500
Netcash retention	3 682	3 900
	679 250	156 883

6. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	4 425	31 521
Bank balances	1 367 293	414 692
	1 371 718	446 213

7. Trade and other payables

Trade payables	187 594	55 106
Franschhoek Theatre - Movies	-	7 877
Value-added taxation	22 369	932
Dwarsrivier loan account	42 756	35 964
Bastille 2020	-	34 000
Vignerons DSTV Rate Race Video	13 043	-
Winelands Trails	2 309	-
Vignerons Technical Benchmarking	9 835	9 835
Restaurant 2021 Relief Fund	883 726	-
Mystery Weekend	354 410	19 145
Berg River Dam Trails	820	33 500
Mont Rochelle permit sales	4 965	5 648
Christmas Lights Project	5 096	-
	1 526 923	202 007

8. Provisions

Reconciliation of provisions - 2021

	Opening balance	Additions	Utilised during the year	Total
Provisions for leave pay	183 095	16 805	(183 095)	16 805

Reconciliation of provisions - 2020

	Opening balance	Additions	Reversed during the year	Total
Provisions for leave pay	156 225	183 095	(156 225)	183 095

Provision for leave pay is calculated by applying the pay rate per day for each employee to the number of leave days outstanding at year end, as set out in the Company policy.

Franschhoek Wine Valley Tourist Association NPC

(Registration number: 2003/06592/08)

Annual Financial Statements for the year ended 30 June 2021

Notes to the Annual Financial Statements

Figures in Rand	2021	2020
9. Revenue		
Sale of goods	71 760	42 158
Membership fees and other income	1 035 900	1 306 772
Dwarsrivier tourism	276 006	114 388
Municipal grant	1 475 000	1 654 489
Development income	45 000	181 500
Promotions and events	387 130	4 723 689
Mystery weekends	333 535	-
	3 624 331	8 022 996
10. Cost of sales		
Rendering of services		
Overheads	-	17 632
Maps Tourism Routes	3 200	60 494
Marketing	13 461	23 496
E-Commerce	81 223	41 325
Development	82 557	278 100
Promotions and events	885 657	5 293 738
Sundry purchases	11 572	2 384
Dwarsrivier tourism	276 006	586 028
Franschhoek networking	23 750	-
	1 377 426	6 303 197
11. Operating profit (loss)		
Operating profit (loss) for the year is stated after accounting for the following:		
Operating lease charges		
Equipment		
• Contractual amounts	106 135	124 526
Loss on disposal of trademark	-	(2 461)
Amortisation on intangible assets	9 731	12 814
Depreciation on property, plant and equipment	9 809	13 024
Employee costs	1 273 390	2 096 047
12. Investment revenue		
Interest revenue		
Bank	21 590	53 386
13. Taxation		
Major components of the tax expense		
The association is exempt from income tax in terms of section 10(1)(d)(iv)(bb) of the Income Tax Act, 1962 as amended.		
14. Direct marketing costs		
Advertising	9 700	19 015
Members' benefits	-	10 073
Promotion	393	769
Public relations	89 999	253 800
	100 092	283 657

Franschhoek Wine Valley Tourist Association NPC

(Registration number: 2003/06592/08)

Annual Financial Statements for the year ended 30 June 2021

Notes to the Annual Financial Statements

Figures in Rand	2021	2020
15. Cash generated from (used in) operations		
Profit (loss) before taxation	292 070	(1 232 507)
Adjustments for:		
Depreciation and amortisation	19 540	25 838
Loss on sale of assets	-	2 461
Interest received	(21 590)	(53 386)
Movements in provisions	(166 290)	26 870
Changes in working capital:		
Inventories	5 477	(18 408)
Trade and other receivables	(522 367)	861 400
Trade and other payables	1 324 916	(391 020)
	931 756	(778 752)

16. Directors' remuneration

No emoluments were paid to the directors or any individuals holding a prescribed office during the year (2020: RNil).

17. Comparative figures

Certain comparative figures have been reclassified, the effect of which is not material.

18. Going concern

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis.

The economic impact of the Covid-19 pandemic is still playing out and the directors acknowledge that there is still a possibility of challenges in the 2022 financial year. The directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient cash or borrowing facilities to meet its foreseeable cash requirements. In addition the company has implemented a number of cost saving mechanisms to ensure they are able to remain liquid and solvent. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

The company was able to turn a profit during 2021 in contrast to the net loss of R1 232 507 that was incurred during 2020. The company has undergone significant changes in their strategy to service the tourism industry and stay afloat during these challenging times. The aim of the company has shifted from planning and managing festivals to marketing for the tourism industry. Through cutting costs and managing the cash flows intensively, the company was able to survive the lock downs imposed by the South African government and is slowly recovering. The directors believe the company will continue to be a going concern in the foreseeable future.

19. Events after the reporting period

The Covid-19 pandemic continues to have a severe impact on the South African and global economy and will undoubtedly impact the company's operations in the future. The directors are actively monitoring the impact and taking steps to address the risk.

Other than the above the directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

Franschhoek Wine Valley Tourist Association NPC

(Registration number: 2003/06592/08)

Annual Financial Statements for the year ended 30 June 2021

Detailed Income Statement

Figures in Rand	Notes	2021	2020
Revenue			
Sale of goods		71 760	42 158
Membership fees and other income		1 035 900	1 306 772
Dwarsrivier tourism		276 006	114 388
Municipal grant		1 475 000	1 654 489
Mystery weekends		333 535	-
Development income		45 000	181 500
Promotions and events		387 130	4 723 689
	9	3 624 331	8 022 996
Cost of sales			
	10	(1 377 426)	(6 303 197)
Gross profit			
		2 246 905	1 719 799
Other income			
Commissions received		20 049	8 633
Franschhoek networking		8 843	-
Other income		-	299
Tourism levies		142 018	660 693
		170 910	669 625
Expenses (Refer to page 20)			
		(2 147 335)	(3 675 317)
Operating profit (loss)			
	11	270 480	(1 285 893)
Investment income	12	21 590	53 386
Profit (loss) for the year			
		292 070	(1 232 507)

Franschhoek Wine Valley Tourist Association NPC

(Registration number: 2003/06592/08)

Annual Financial Statements for the year ended 30 June 2021

Detailed Income Statement

Figures in Rand	Notes	2021	2020
Operating expenses			
Accounting fees		12 313	4 037
Auditor's remuneration		67 488	65 100
Bad debts		25 439	172 578
Bank charges		25 632	29 664
Cleaning		44 864	44 379
Computer expenses		38 301	57 108
Consulting and professional fees		42 000	41 604
Consumables		4 856	6 474
Depreciation, amortisation and impairments		19 540	25 838
Development and corporate social responsibility		(14)	12 889
Direct marketing cost	14	100 092	283 656
Employee costs		1 273 390	2 096 047
Entertainment		4 744	5 060
Festival expenditures		59 653	264 642
Fines and penalties		221	-
Insurance		15 718	46 668
Lease rentals on operating lease		106 135	124 526
Legal expenses		12 703	51 907
Municipal expenses		24 049	26 957
Postage		130	-
Printing and stationery		8 232	14 650
Profit and loss on sale of assets and liabilities		-	2 461
Rent paid		112 805	119 180
Repairs and maintenance		12 397	13 180
Security		4 973	5 151
Subscriptions		62 232	33 766
Telephone and fax		50 180	63 709
Training		-	2 168
Travel - local		5 527	28 872
Website maintenance		13 735	33 046
		2 147 335	3 675 317



TAX COMPLIANCE STATUS

Verification

FRANSCHHOEK WINE VALLEY TOURIST
ASSOCIATION NPC
P O BOX 178
FRANSCHHOEK
FRANSCHHOEK
7690

Enquiries should be addressed to SARS:

Contact Detail

SARS
Alberton
1528

Contact Centre Tel: 0800 00 SARS (7277)
SARS online: www.sars.gov.za

Details

Taxpayer Reference Number: 7780749422

Always quote this reference
number when contacting SARS

Issue Date: 2022/05/10

Dear Franschhoek Wine Valley Tourist Association Npc

TAX COMPLIANCE STATUS VERIFICATION

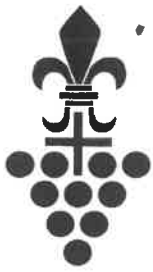
With reference to your tax compliance status (TCS) verification request, the South African Revenue Service (SARS) confirms the following:

TCS Verification	
Taxpayer Name	Franschhoek Wine Valley Tourist Association Npc
Trading Name	FRANSCHHOEK WINE VALLEY TOURIST ASSOCIATION
Tax Reference Number(s)	9121691159
PIN	B53222621R
Date of Verification	2022/05/10
Tax Compliance Status Type	Good Standing
Tax Compliance Status	Compliant
Tax Compliance Status Description	The taxpayer is registered for tax and is currently compliant in respect of filing and payment responsibilities

Should you have any queries please call the SARS Contact Centre on 0800 00 SARS (7277). Remember to have your taxpayer reference number at hand when you call to enable us to assist you promptly.

Sincerely

ISSUED ON BEHALF OF THE SOUTH AFRICAN REVENUE SERVICE



STELLENBOSCH

STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

CREDITOR CONTROL FORM / KREDITEURE KONTROLE VORM

NAAM/NAME Franschhoek Wine Valley Tourist Assoc Municipal Acc

ADRES/ADDRESS 62 Auguend Road
Franschhoek

POSKODE/POST CODE 7690

POSTAL ADRES P.O. Box 178
POSADDRESS Franschhoek

POSKODE/POST CODE 7690

TEL 021 876 2861

FAX/FAKS 021 876 2768

CONTACT PERSON/ KONTAKPERSOON
Ruth H. McCourt

CELL/SEL 083 390 2891

E-MAIL / E-POS ceo@Franschhoek.org.za

BANK: Nedbank

ACCOUNT NO. / REK NR. 1670013243

BRANCH CODE/TAKKODE 167005

BANK ACCOUNT NAME
BANKREKENING NAAM Franschhoek Wine Valley Tourist Assoc Municipal Acc
Money Market

ACCOUNT TYPE / TIPE REK CHEQUE/TJEK SAVINGS/SPAAR TRANSM

VAT REGISTERED / BTW GEREGISTREER YES/JA NO/NEE VAT/BTW NO _____



SIGNATURE / HANDTEKENING Ruth H. McCourt

OFFICE USE/KANTOORGEBRUK

KREDITEUR NR / CREDIT NO

Create a new creditor/Skep van nuwe Krediteur

Changing of creditors details/Verandering op Krediteurinligting

Deleting of creditor/Uitwis van Krediteur

AANGEVRA DEUR
REQUESTED BY: _____ DATE/ DATUM _____

DEPARTEMENT
DEPARTMENT: _____

MOTIVATION
MOTIVERING: _____

ENTERED BY
INGEVOER DEUR: _____ DATE/ DATUM _____

CHECKED BY
GEKONTROLEER DEUR _____ DATE/ DATUM _____



FRANSCHHOEK
VALLEY OF DREAMS

FRANSCHHOEK MANIFESTO

ASPIRATIONAL:

An unrivalled village, offering the very best in food, wine and art. Internationally acclaimed restaurants and chefs will delight your tastebuds with their culinary creations, served together with globally award winning wines grown on the scenic slopes of this beautiful valley.

Alternatively, explore the exclusive shops and boutiques dotted along the picturesque main road, as well as artisanal delights and craft breweries within the valley.

Franschhoek offers unparalleled class and comfort. It's an elegant escape from the city in a place where international excellence and elegance meet small town charm.

ACCESSIBLE:

Tucked away, but easy to get to, Franschhoek is a small town that sits large on the map.

A range of accommodation is available, both within the village itself or in the wider surrounding valley. Enjoy extravagant opulence in some of the best hotels around, or opt for more down-to-earth and quaint accommodation to suit all pockets.

A place to refresh your soul and revive your spirits, far removed from the hustle and bustle of urban life. Embrace nature, whether hitting exquisite mountain trails by bike or foot or taking a more serene approach and absorbing the sights, sounds and smells that permeate the valley.

UNIQUE:

As one of SA's oldest towns and rich in history, it juxtaposes the old and the new - beautiful Cape Dutch Architecture alongside cutting edge wineries - all nestled into a valley of striking natural beauty.

Wonder at the majestic views that the first French settlers saw and stayed to make their home among the rugged mountains on the tip of Africa.

Franschhoek, the Valley of Dreams.

A place like no other.

**TAX EXEMPTION UNIT**

ENQUIRIES
MRS. RM GOMES

TELEPHONE
012 422-8823

FACSIMILE
012 422-8830 / 50

EMAIL

EXEMPTION NO*
930 014 075

OUR REFERENCE NO*

DATE
27 October 2008

Ms. A van Deventer
LDP Business Advisors and Auditors
PO Box 920
STELLENBOSCH
7599

South African Revenue Service

Tax Exemption Unit (TEU)
Pro Equity Court
1250 Pretorius Street
Hatfield, 0083

PO Box 11955
Hatfield, 0028

SARS online: www.sars.gov.za
Email: teu@sars.gov.za
Switchboard: (012) 422 8800

* Please quote both reference numbers in your correspondence with the TEU

Dear Madam

INCOME TAX EXEMPTION: FRANSCHOEK WINE VALLEY TOURISM ASSOCIATION

We write with reference to your facsimile transmission dated 7 October 2008.

The exemption from income tax provided in sections 10(1)(d)(iii) / (iv)(aa) / (iv)(bb) of the Income Tax Act (the Act), which came into operation on 15 July 2001, is subject to approval by the Commissioner and such conditions as the Minister may prescribe by way of regulation. This means the Minister has a discretionary power to publish regulations. To date, no regulations have yet been published. It is, however, the Minister's intention to publish such regulations.

1. In view of the aforementioned it is therefore confirmed that: -

- 1.1 the receipts by or accruals to the Association are exempt from income tax in terms of section 10(1)(d)(iii) of the Act;
- 1.2 donations by or to the Association are exempt from donations tax in terms of section 56(1)(h) of the aforementioned Act.

2. Kindly note that the relevant exemptions are subject to the following conditions:
 - 2.1 Income Tax Returns must be submitted to the Tax Exemption Unit annually, together with financial statements and supporting documentation showing how the income has been expended.
 - 2.2 **The exemptions approved in paragraph 1 above will be reviewed once the regulations and/or possible new legislation relating to section 10(1)(d)(iii) and (iv) of the Act comes into operation.**

Sincerely



Mrs. RM Gomes

Tax Exemption Analyst

for THE COMMISSIONER SOUTH AFRICAN REVENUE SERVICE

**Certificate issued by the Commissioner of Companies & Intellectual
Property Commission on Tuesday, September 18, 2018 at 11:07**



Companies and Intellectual
Property Commission

a member of the dti group

Registration Number: 2003 / 026592 / 08
Enterprise Name: FRANSCHHOEK WINE VALLEY TOURIST ASSOCIATION

ENTERPRISE INFORMATION

Registration Number: 2003 / 026592 / 08
Enterprise Name: FRANSCHHOEK WINE VALLEY TOURIST ASSOCIATION NPC
Registration Date: 23/10/2003
Business Start Date: 23/10/2003
Enterprise Type: Non Profit Company
Enterprise Status: In Business
Compliance Status: Compliant
Financial Year End: June
TAX Number: 9121691159
Addresses: POSTAL ADDRESS ADDRESS OF REGISTERED OFFICE
PO BOX 920 DE WATERKANT BUILDING
SELLENBOSCH 10 HELDERBERG STREET
7599 STELLENBOSCH
7600

ACTIVE MEMBERS / DIRECTORS

Surname and First Names	Type	ID Number / Date of Birth	Contrib. (R)	Interest (%)	Appoint. Date	Address
KENT, MARC CARTER	Director	7011095082087	0.00	0.00	23/10/2003	Postal: P O BOX 433, FRANSCHHOEK, FRANSCHHOEK, WESTERN Residential: BOEKENHOUTSKLOOF, FRANSCHHOEK,
DAVIES, NICHOLAS WETHERLY GEORGE	Director	5208245150085	0.00	0.00	15/10/2005	Postal: PO BOX 211, FRANSCHHOEK, FRANSCHHOEK, WESTERN Residential: 1 FRANSCHHOEK PASS, FRANSCHHOEK, FRANSCHHOEK, WESTERN
COLTART, LINDA	Director	6512070159080	0.00	0.00	20/11/2014	Postal: LE QUARTIER FRANCAIS, PO BOX 237, FRANSCHHOEK, WESTERN CAPE, 7690 Residential: 16 HAUMAN ROAD, FRANSCHHOEK, FRANSCHHOEK, WESTERN
KOEGELEBERG, HEIN FREDERIK	Director	6010155047080	0.00	0.00	01/02/2010	Postal: PO BOX 685, FRANSCHHOEK, FRANSCHHOEK, WESTERN Residential: 491 PEARL VALLEY GOLF ESTATE, PAARL, PAARL, WESTERN CAPE, 7646



**Certificate issued by the Commissioner of Companies & Intellectual
Property Commission on Tuesday, September 18, 2018 at 11:07**



**Companies and Intellectual
Property Commission**

a member of the dti group

Registration Number: 2003 / 026592 / 08

Enterprise Name: FRANSCHHOEK WINE VALLEY TOURIST ASSOCIATION

LASCARIS, REGINALD GEORGE RALPH	Director	1947-08-03	0.00	0.00	01/11/2013	Postal: VERDUN ROAD, FRANSCHHOEK, FRANSCHHOEK, WESTERN Residential: VERDUN ROAD, FRANSCHHOEK, FRANSCHHOEK, WESTERN
NDLOVU, RAYMOND SIBUSISO MBEKI	Director	1966-07-19	0.00	0.00	01/04/2014	Postal: P O BOX 686, FRANSCHHOEK, FRANSCHHOEK, WESTERN Residential: 40A UITKYK STREET, FRANSCHHOEK, FRANSCHHOEK, WESTERN
RUTHERFORD, MALCOLM THOMAS	Director	6106215227082	0.00	0.00	24/11/2008	Postal: PO BOX 426, FRANSCHHOEK, FRANSCHHOEK, WESTERN Residential: MIDDAGKRANS FARM, FRANSCHHOEK, FRANSCHHOEK, WESTERN
WINDVOGEL, DANVER	Director	7811145177098	0.00	0.00	20/11/2014	Postal: 62 HUGUENOT ROAD, FRANSCHHOEK, FRANSCHHOEK, WESTERN Residential: 69 KEEROM STREET, GROENDAL, FRANSCHHOEK, WESTERN CAPE, 7690
SMIT, NIKKI	Director	8211120255083	0.00	0.00	15/11/2012	Postal: PO BOX 114, FRANSCHHOEK, FRANSCHHOEK, WESTERN Residential: MORESON FARM, HAPPY VALLEY ROAD, FRANSCHHOEK, WESTERN
MALHERBE, CARLA JANE	Director	1980-07-04	0.00	0.00	12/11/2015	Postal: BOSCHENDAL ESTATE, FRANSCHHOEK ESTATE, STELLENBOSCH, WESTERN Residential: 3 TWELFTH SLOT, BRANDWACHT AAN RIVIER, STELLENBOSCH, WESTERN
FRAZER, GORDON ROBERT	Director	1965-11-16	0.00	0.00	12/11/2015	Postal: P O BOX 504, FRANSCHHOEK, FRANSCHHOEK, WESTERN Residential: CLERMONT, ROBERTSVLEI ROAD, FRANSCHHOEK, WESTERN
KLEINHANS-CURD, AMELIA HOPE	Director	6807120057080	0.00	0.00	10/11/2016	Postal: P O BOX 558, FRANSCHHOEK, FRANSCHHOEK, WESTERN Residential: 2742 DASSENBERG ROAD, FRANSCHHOEK, FRANSCHHOEK, WESTERN
MULLINEUX, JOHN CHRISTOPHER	Director	7609085037084	0.00	0.00	10/11/2016	Postal: P O BOX 369, RIEBEEK KASTEEL, RIEBEEK KASTEEL, WESTERN CAPE, 7307 Residential: ROUND STONE ESTATE, RIEBEEKSRIVIER ROAD, MALMESBURY, WESTERN CAPE.

Page 2 of 15

Physical Address

the dti Campus - Block F
77 Meintjies Street
Sunnyside 0001

Postal Address: Companies

P O Box 429
Pretoria
0001

Docex: 256

Web: www.cipc.co.za

Contact Centre: 086 100 2472 (CIPC)

Contact Centre (International): +27 12 394 9573



Certificate issued by the Commissioner of Companies & Intellectual Property Commission on Tuesday, September 18, 2018 at 11:07



Companies and Intellectual
Property Commission

a member of the dti group

Registration Number: 2003 / 026592 / 08

Enterprise Name: FRANSCHHOEK WINE VALLEY TOURIST ASSOCIATION

AUDITOR DETAILS

Auditor Name	Type	Status	Appointment Date	Resignation Date	Email Address
BROWN AND COMPANY	Auditor	Name Change			
Profession Number:					
LOUBSER DU PLESSIS INC	Auditor	Current	2008-09-30	ACTIVE	SEK@LDP.CO.ZA
Profession Number: 944270					
BROWN & CO	Auditor	Resign	2006-08-21		
Profession Number: 959758					
MOORES ROWLAND	Auditor	Resign	2006-11-29		
Profession Number: 900222E					

CHANGE SUMMARY

24/10/2003	Registration of CC/CO on 23/10/2003.
15/01/2004	Member Change on 03/12/2003. Change Record Surname = GORDON First Names = PENELOPE ELIZABETH Status = Resigned
15/01/2004	Member Change on 03/12/2003. Change Record Surname = HEYMAN First Names = BRIAN DERRICK Status = Resigned
15/01/2004	Member Change on 03/12/2003. Add Record Surname = SINFIELD First Names = JONATHAN WILLIAM LEWIS Status = Active
15/01/2004	Member Change on 03/12/2003. Add Record Surname = SNYMAN First Names = JEAN-PIERRE Status = Active
28/07/2006	Member Change on 28/07/2006. Surname=HUXTER Full ForeNames=SUSAN Id No=5701190006086 Status :ACTIVENature of Change=NO CHANGE
28/07/2006	Member Change on 28/07/2006. Surname=KENT Full ForeNames=MARC CARTER Id No=7011095082087 Status :ACTIVENature of Change=NO CHANGE
28/07/2006	Member Change on 28/07/2006. Surname=MCNAUGHT Full ForeNames=NIGEL AUSTEN CRAIG Id No=5502025009085 Status :ACTIVENature of Change=NO CHANGE

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Development Members

Cape Winelands Biosphere Reserve	Mark Heistein	797474632	info@capewinelandsbiosphere.co.za / cwbioreserve@gmail.com
Die Teesakkie	Ruth Paulse	021 876 3751	ruthpaulse1@gmail.com
First Class Tours	Joshua Juries	723005165	info@firstclasstours.co.za
Foto Artist Studio	Eddie Wilson	823944423	eddie@fotoartiststudio.com
Franschhoek High School		218762079	admin@franschhoekhs.wcape.school.za
Franschhoek Hospitality School	Michaela Julian	810095157	michaela@fhalc.co.za
Franschhoek Live Craft		218764029	benjif@absamail.co.za
Franschhoek Medicinal Garden	Judah	072 46 92240	No email
Groot Drakenstein Games Club	Richard von Hoesslin	845101496	grootdrak@telkomsa.net
Hugeunot Memorial Museum		218762532	admin@museum.co.za
Mary's Kitchen	Mary Arendse	021 876 3623	maryarendse54@gmail.com
Mont Rochelle Nature Reserve	Rosanna Lambrechts	824808037	Lambrechts <rnl@telkomsa.net>
The Franschhoek Trust	Siegfried Schafer	823915327	siegfried.schafer@gmail.com
Trevor Jefthas Transport	Trevor Jefthas	822566784	tjafthas@gmail.com

FRANSCHHOEK WINE VALLEY MUNICIPAL GRANT IN AIDE 2021/2023

Municipal Grant 2022 / 2023	
R 2 424 149	
REVENUE : GRANTS	2 424 149
Grants	2 424 149
TOTAL INCOME	2 424 149
EXPENDITURE	
ADMINISTRATION	658 446
Audit	80 250
Computer Maintenance & Expenses	130 295
Electricity, Water & Refuse	68 500
Telephone and Fax	91 164
Rent, security & maintenance	153 906
Rental - Office Equipment	134 331
LED	483 231
Development Tourism Route	96 600
Franschhoek Choir Project	54 837
Emerging Businesses Mentorship	145 000
School Projects	35 000
Community Festival Development	41 793
Hospitality Tourism Training & Dev	110 000
MARKETING	410 048
Brochures & Maps	76 505
Outdoor Routes Project	34 606
Website & Digital Management	144 100
Trade Shows	100 000
Signage & Branding	54 837
STAFF COSTS	872 424
Salaries	689 069
SDL & UIF & PAYE	156 058
Staff training and other	14 000
Staff Expenses	6 000
Workmens Compensation	7 297
TOTAL EXPENDITURE	2 424 149
Net Profit / (Loss)	0

ANNEXURE A: TOURISM PERFORMANCE INDICATORS FOR 2021/22 FINANCIAL YEAR - YEAR END FINANCIALS 2022

Note: By mutual agreement of the parties this annexure will be interpreted as only requiring a single project plan for each Key Strategic Objective and not for each Key Activity

KEY STRATEGIC OBJECTIVE 1: BRANDING

STRATEGIC GOALS	PERFORMANCE TARGETS	DELIVERABLES	KEY ACTIVITIES	TIMEFRAME	APR 2022 PROGRESS	BUDGET SPENT
Increase Franschhoek Brand Awareness	Create destination brand awareness with: <ul style="list-style-type: none"> Stakeholders Core trade Core domestic consumers Core foreign consumers 	Marketing collateral i.e. of leisure and events Website re-development to integrate social media, measure social media, better visuals, mobi-site, online brochure using latest technology	Project Plan of activities and timeframes on how to create marketing and branding awareness	All Project Plans due end November Execution of projects to commence and end in line with each initiative	Strategic planning meeting took place in November; reviewed in March/April	
			Number of production and distribution of marketing collateral to key international and domestic market.	Project Plan of interaction and liaison with international and domestic market due December 2021	Launched Brand Manifesto and Valley of Dreams on 24 March at Le Franschhoek Hotel & Spa – 120 of our members attended Launched new video and Franschhoek Branded Clothing We are proud of the fact that everything will be locally manufactured and designed by community members	
			Number of events calendars produced and distributed to tourism, events and hospitality to promote the Greater Stellenbosch as a key events destination exposing the brand to various markets.	Project plan of timeframe for producing events calendars and distribution list due October / November 2021 All festival dates have been finalized	Festival dates for 2022 finalised Format of festivals changed due to Covid FH Lit Festival – 13 – 15 May 2022 All accommodation establishments offering	R60000

					festival goers 10-15% discount on rates	
	Number of social media targets	Maintenance of website, reporting on number of hits per month, the most visited section Fam Trip – North American Journalist as arranged during Indaba 2022	Project Plan due October 2021 to June 2022 6 USA journalist together with SATSA representative will spend Monday 9 May in Franschhoek and will also Visit Warwick Itinerary – Babylonstoren Anthonij Rupert Motor Museum Wine Tram Lunch and wine tasting at Grande Provence and wine tastings at Rickety Bridge and Franschhoek Cellar	Ongoing; New website designed – website will go live on 21 Jan 2022 Newsletter format changed as well as layout Reached 50 000 followers in November Instagram followers: 50200 Reach 306376 Facebook: 24613 Engagements 663189 New website is live and migration is completed Hosted SATSA tour operator group on 5th March Franschhoek Chamber Music festival hosted in February was a huge success Literary Festival 13 – 15 May 2022		R 156112.19
Franschhoek PR and Media.	Number of events awareness	Identify events and awareness Franschhoek Cap Classique & Champagne Festival Franschhoek Summer Wines Franschhoek Literary Festival Bastille Festival	Action plan due October 21 / May 2022 Various live interviews on Cape Talk as well as Breakfast TV show	Festivals are to resume from July 2022. Summer wines held on the 5 th March 22 was a huge success with 700 attendees		

			<p>Culinary Collective</p> <p>Restaurant Week – date to be confirmed 26 – 28 August 2022</p> <p>Winter Wines</p> <p>Art in Wine together with Open Gardens</p> <p>Classic Car Festival – hosted at L'Ormarins Motor Museum as well as in the town</p> <p>Roof Top Event in Johannesburg</p> <p>Media Educational on the 27th</p> <p>May – 3 media personalities has been invited and will be hosted by FWV PR</p> <p>The theme of this year media educational is Food and Wine</p>		<p>Bastille Festival 14-15</p> <p>July – new format with smaller numbers than previous year – instead of large marquees it will take place in and along Huguenot Road</p> <p>Currently awaiting permission to close Huguenot Road for 2 hours for barrel- and waiters race</p> <p>2 new events planned for June and October</p> <p>Culinary Collective with all top chefs participating</p> <p>On 16 & 17 June</p> <p>Art in Wine – 27 Oct to coincide with Open Gardens Festival</p> <p>Cap Classique & Champagne Festival 4 – 5 Dec 22</p> <p>Roof Top event in Hyde Park in Johannesburg 3-4 Nov 22</p> <p>FWV secured stands at Bastille festival for a number of our SMME food vendors to showcase their fare</p> <p>Event will take place in the main road with different pods at</p>	
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					<p>Franschhoek Square and Franschhoek Cellar to adhere to Covid protocols</p> <p>Hosting the festival in the main road will ensure that all Franschhoek businesses benefit from the festival</p> <p>FWV have contracted with Dogs and All for extra security throughout the 2 days and in the evening</p> <p>Extra ablution facilities will be set up throughout the area. Medical staff will also be on hand throughout the day</p>	
		<p>Production and dissemination of brochures</p>	<p>Develop and updating of brochures</p> <p>Live video feeds available on the website and the Chat Box is also live on the website</p>	<p>Action plan on development of brochures due Nov 21 April 2022</p>	<p>All route maps have now been digitized and available for download from our new website</p> <p>Office prints maps for tourist walking into office</p>	

<p>To profile the Greater Stellenbosch as a tourism destination internationally and domestically through exhibitions and tradeshow</p>	<p>Schedule of Tradeshow and exhibitions attended and type of exposure created and number of engagements</p>	<p>Schedule of tradeshow and events envisaged to attend with budget implications Getaway Show Somerset West WTM Africa Cape Town Indaba Durban Provide feedback report on tradeshow and events attended, indicating the number of engagements and envisaged outcomes and possible media exposure in international editorial pieces such as programmes, radio slots, website magazine etc.</p>	<p>Action plan on envisaged tradeshow and events to attend due November 21 /May 2022 Action plan of including SMME's and emerging entrepreneurs to the events and tradeshow All SMME's will be invited to showcase their products at the festivals Monthly print advertising in Franschhoek Life as well as Tatler All social media platforms will be ringfenced to ensure we reach a larger audience Currently discussing contract with Social media expert to increase our footprint</p>	<p>Vignerons members participating in Cape Wine 2022 – 8 slots have been booked for smaller wineries Franschhoek Fridays has become very popular with locals and visitors. Wine estates pouring on the evening get the opportunity to showcase their wines at the newly refurbished Franschhoek Square Participating at Wesgro stand at WTM as well as Indaba 2 x new videos to showcase what Franschhoek has on offer Have received a many meeting requests for WTM from European as well as Arab countries Africa's Tourism Indaba was a huge success for Franschhoek and surrounds 42 meetings with buyers in 3 days Requests from Lodge owners in Botswana (Maun) and Lagos for wines from our region</p>	
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					Wine tasting at activation stand at Indaba generated a number of requests for a continued supplied of top of the range wines	
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KEY STRATEGIC OBJECTIVE 2: SUSTAINABLE DEVELOPMENT – JUNE 2022

STRATEGIC GOALS	PERFORMANCE TARGETS	DELIVERABLES	KEY ACTIVITIES	TIMEFRAME	APR 2022 PROGRESS	BUDGET SPENT
An inclusive tourism industry by facilitating tourism development and growth	Develop/ maintain 8 community tourism products / projects	Re-establish tourism route in the area – Rond en Bont Heritage & Culture Celebration Farmworker of the Year Awards Hospitality training with current matriculants in March 2022	Research on development support provided to tourism entrepreneurs and the development of a plan of action on how marketing support can and will be provided Maintenance of hiking and cycling trails around the BergRiver Dam –	Action plan on marketing support initiatives and implementation plan due GoogleAds funding established to assist members. Training sessions will be set up during April to teach members on how to utilise the funding	Preparation for Farm Workers Awards and prizegiving awards for 2022 This year event will be hosted by Paul Siqqua from Klein Goederust – first black owned wine estate in Franschoek – will be a great incentive for all farm worker participants	R352665

			<p>Supplied Golden Leaf Trail Builders uniforms and equipment</p>	<p>Connect Media has been contracted for the training Social Sustainability will be our focus going forward creating a market to reduce unemployment</p>	<p>Hosting a learner workshop for matriculants interested in Tourism industry at the Academy during March/April school holidays – Jeremy Davids assisted with the training at the Franschoek Hospitality Academy Exco meeting with Chamber of Commerce to create a synergy to benefit the entire community</p>	
	<p>Create a marketing platform for emerging entrepreneurs, facilitating enterprise growth and development.</p>	<p>A focused programme of action to create a marketing platform for emerging enterprises to access markets i.e. access to tradeshows and event, facilitation and assistance with deals etc. Rond en Bont Tourism Route Trails SA will assist with the training of 3 Guides from the previously disadvantage community FWV will then assist them with setting up small businesses and will be promoting their business to our visitors</p>	<p>Co-ordination and facilitating emerging tourism entrepreneur participation with tourism business forum partners and the establishment of a focussed programme of action to create a marketing platform.</p>	<p>Action plan on marketing platform development and an implementation plan due November 21 / April 2022</p>	<p>Re-establishment of Rond & Bont is a work in progress which will require extensive review post COVID-19 Assisting with re-design of route Committee to be established to assist SMME with management of project CPUT student currently doing his thesis on Rond and Bont and will come up with a proposal Joshua Juries Shuttles have been brought into</p>	

the FWV fold as an L
member

KEY STRATEGIC OBJECTIVE 3: VISITOR INFORMATION CENTRE AND MEMBER LIAISON - JUNE 2022

STRATEGIC GOALS	PERFORMANCE TARGETS	DELIVERABLES	KEY ACTIVITIES	TIMEFRAME	APR 2022 PROGRESS	BUDGET SPENT
World Class Visitor information Centre	Increase tourist enquiries by 15%	Increased visitor bookings and walk in, by 10%	Identification of possible partners. FWV Audit Computer maintenance Office rental Electricity, Water and Refuse Salaries Vaccination Drive with assistance of DOH and private partners, Clicks and Incon.	Partnership establishment for joint marketing initiatives Currently in negotiations with Stellenbosch for new FWV offices which is more visible and accessible from street Level It has been agreed in principle that the office will move to the current Live Craft Centre FWV will be responsible for the costs of refurbishing of the building to ensure a World Class visitors centre New company have been contracted to ensure Hiking and Cycling trails are of world class standards	We have definitely noticed an influx of foreign visitors to Franschhoek. Looking at the trends as far as bookings are concerned we are hoping for a bumper winter season Currently the American market is heading up the list off tourists entering Franschhoek Wine ambassador training (tasting room staff) started on 1 March 2022 and will continue until end April 2022 The very popular Mystery Weekend dates for 2022 has been set and already we have received many reservations – this	R2131356

					<p>initiative include all the sectors in Franschhoek</p> <p>First Mystery Weekend will take place on 3-5 June – thus far 50 couples have booked for the experience</p>
Membership	Networking functions	<p>Identification of 4 joint marketing initiatives and an implementation plan.</p> <p>Members Forum</p> <p>Monthly sector meetings</p>	<p>Increase networking functions and must include all members and non-members</p>	<p>Action plan of possible activities to ensure spread of visitors-</p> <p>Monthly sector meetings as well as one on one meetings with members as well as non-members</p> <p>Exco was formed in March 2021 and meet once a month to discuss and implement new initiatives</p> <p>Sector Committees Meeting monthly to discuss sector specific initiatives</p> <p>Monthly cocktail parties hosted by FWV board to interact with members/non members</p>	<p>Marketing efforts ongoing</p> <p>Snapscan Restaurant initiative was a huge success and generate above expectation results for our restaurant sector</p> <p>Franschhoek Friday initiative started on 21 January until end March to assist Vignerons in marketing their wines to public</p> <p>FF will resume later in 2022 again</p> <p>FWV has seen an increase in membership numbers for the 21/22 FY</p> <p>New CEO are hosting monthly tea parties with small groups to listen and discuss FWV vision going forward</p> <p>Country Grand opened on 25 March at Dieu Donne Kilmana – 5* guest house opened in Roux Street</p> <p>Checkers opened in Huguenot Street on 31</p>

					March – employment for local residents	
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KEY STRATEGIC OBJECTIVE 4: LEGISLATIVE COMPLIANCE – JUNE 2022

STRATEGIC GOALS	PERFORMANCE TARGETS	DELIVERABLES	KEY ACTIVITIES	TIMEFRAME	MAR 2022 PROGRESS	BUDGET SPENT
Compliance Policy for Bodies Performing a Municipal Function	Compliance to terms and conditions as per Policy for the funding of External Bodies performing a municipal function	<p>The head of the organisation/body must acknowledge in writing to the Municipal Manager that the money allocated was received in its bank account and that the money will be utilised in accordance with the completed and signed MOA, the submitted application and this Policy.</p> <p>The organisation/body shall submit monthly reports on actual expenditure against such transfer, the ward within which activities are conducted as well as the number of people benefiting from the activity to the Municipal Manager.</p>	Activities that will ensure compliance with the Policy for Bodies Performing a Municipal Function.	July 2021 – June 2022	<p>Audit completed and Financial Statements discussed with members and board. Copy of Financial emailed to Municipal Manager.</p> <p>Currently busy with interviews for new auditing firm as the cost of the current auditor has become unsustainable for the organisation.</p> <p>Had discussion with 3 auditing firms and a decision will be made shortly.</p>	R90895

APPENDIX 3A



STELLENBOSCH
ST EL LEN BOSCH • P NIEL • FRA NSCHHOEK
Municipality • Umasipala • Munisipaliteit

APPENDIX A

**APPLICATION: FUNDING OF EXTERNAL BODIES PERFORMING A MUNICIPAL
 FUNCTION 2022/2023**

**NOTE: ONLY APPLICATIONS ON THIS PRESCRIBED FORM SHALL BE
 CONSIDERED**

PLEASE COMPLETE THE FOLLOWING:

A REGISTERED NAME OF ORGANISATION:

..... Visit Stellenbosch NPC

B DATE AND YEAR IN WHICH THE ORGANISATION WAS FOUNDED OR INCORPORATED (INCLUDE BRIEF DESCRIPTION OF BUSINESS OR ACTIVITIES OF ORGANISATION):

..... 2019/304510/08

..... Visitor Information Service

C ADDRESS:

(i) Street

(ii) Postal

..... 47 Church Str

..... Suite 224

..... Stellenbosch

..... Posnet X 5061

..... 7600

..... Stellenbosch

..... 7599

Contact details:

Name and Surname:

..... Jeanneret Momborg

Title/Position held:

..... CEO

Tel:

..... 028264310

E-mail:

..... jeanneret@visitstellenbosch.org

D LIST ALL THE BOARD / COMMITTEE MEMBERS OF THE ORGANIZATION:

Name and Surname:

..... Michael Stansfield Ratcliffe

Position:

..... Chairperson

Contact Address and tel. no:

..... Little Wedge farm, Idas Valley

..... Stellenbosch

Name and Surname:

..... Jeanneret Momborg

Position:

..... Board Member

<p>Contact Address and tel. no: <u>Middelwei Wynlandgoed</u></p> <p>Name and Surname: <u>Jakobus Wilhelm Bussen</u></p> <p>Position: <u>Board Member</u></p> <p>Contact Address and tel. no: <u>Kleine Zalze Estate, STB</u></p> <p>Name and Surname:</p> <p>Position:</p> <p>Contact Address and tel. no:</p> <p>Name and Surname:</p> <p>Position:</p> <p>Contact Address and tel. no:</p> <p>Name and Surname:</p> <p>Position:</p> <p>Contact Address and tel. no:</p>
<p>D INDICATE IN WHICH WARD THE ORGANISATION IS ACTIVE:</p> <p>Ward: <u>W024</u></p> <p>Is the organisation a non-profit company? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If yes, provide company registration number: <u>2019/304610/08</u></p> <p>Is the organisation a non-profit organisation as contemplated in section 13 of the Non-Profit Organisation Act, 1997? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If yes, provide registration number: _____</p> <p>Is the organisation a public benefit organisation as contemplated in terms of the Income Tax Act, 1962? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If yes, provide registration number: <u>9597737189</u></p> <p>Is funding required for a specific project / programme? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If yes, attach details separately.</p> <p>Budget amount of projects / programmes: <u>R4,808,000</u></p> <p>Duration of project / programme: <u>2022 - 2023</u></p> <p>Is funding required for general support? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If yes, attach a copy of the organisation's overall budget and business plan.</p>

	<p>E CATEGORY</p> <p>Please categorise your application (mark with</p> <p>1. Local Tourism <input checked="" type="checkbox"/></p> <p>2. Management and updating the Stellenbosch Municipal Heritage Inventory <input type="checkbox"/></p> <p>3. Training of SMME's and the Updating of the SMME Database for Stellenbosch Municipality <input type="checkbox"/></p> <p>Note: For more detail, see attached Funding of External Bodies Performing a Municipal Function Policy. (general guidelines and categories)</p> <p>Please indicate the specific type of project / programme, as per the Funding of External Bodies Performing a Municipal Function Policy.</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>F THE FOLLOWING <u>MUST</u> ACCOMPANY THIS APPLICATION:</p> <p>1. A copy of the latest, audited financial statements.</p> <p>2. A copy of the Organisation's Constitution or Memorandum of Incorporation as well as the resolutions/minutes adopting the Constitution or Memorandum of Incorporation.</p> <p>3. A copy of a project / programme description and / or a business plan for the ensuing financial year. Including the following:</p> <ul style="list-style-type: none"> • Full details of the proposal or project / programme including its objectives, the number of people who will benefit and how the project will contribute or enhance the strategic objectives of Stellenbosch Municipality. • Commencement and completion dates of the project / programme. • Information on the total cost of the project / programme budget, including a breakdown of costs and an outline of any contribution by fundraising and / or own contribution. • A list of all other sources of funding together with the assessments. • A summary of past achievements. • References independent of the applicant and its executive. <p>4. An original copy of a correctly completed creditors control form of Stellenbosch Municipality.</p> <p>5. If the Organisation received funding from Stellenbosch Municipality in the preceding financial year, you need to account for the expenditure of the funding received with your new application.</p> <p>6. If the Organisation received funding from other bodies, please identify and list the amounts received.</p>
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	<ol style="list-style-type: none"> 7. If the Organisation is a non-profit company as defined in the Section 1 of the Companies Act, 2008, a certificate / letter issued by the Companies and Intellectual Property Commission (CIPC) confirming registration must be attached. 8. If the Organisation has been registered as a "non-profit" organisation in terms of the Non-Profit Organisation Act, 1997, a certificate / letter issued by the Department of Social Development confirming registration as a non-profit organisation must be attached. 9. If the Organisation has been registered as a "Public Benefit Organisation" in terms of the Income Tax Act, 1962, a certificate/letter issued by SARS confirming the Organisation's tax exemption status must be attached. 10. A valid Tax Clearance Certificate issued by SARS. 11. List and contact details of existing SMME's within the database. 12. Proof of hosting or facilitating SMME training sessions (e.g. Photographs, attendance register, etc.)
<p>G</p>	<p>THE FOLLOWING SHALL APPLY:</p> <ol style="list-style-type: none"> 1. The allocation of funds will only be considered if the application document has been fully completed and signed and is accompanied by the required and supporting documentation referred to therein. Applicants must in their submission clearly indicate / specify and motivate what the funding where and for which purpose the funding will be allocated. 2. The funding must be exclusively used for the purpose defined and motivated, and the successful applicant must submit the necessary undertaking to this effect. 3. Applicants must in their submission satisfy the Council of their ability to execute the project successfully. 4. Organisations who have already received financial or other assistance from the Council during the previous financial year <u>must</u> specify same in their application. 5. No funding will be considered for political groupings, church / sectarian bodies or ratepayers organisations. 6. No funding will be considered where only an individual will benefit or where a member of Council or an official of Stellenbosch Municipality will receive any financial or other gain. 7. Projects outside the boundaries of the Council will not be considered. 8. Subsequent requests from applicants to cover overspending on projects will not be considered. 9. Council will not pay any funds to anyone who has already procured against the perception that they will receive any municipal funds. 10. Successful applicants must at all times comply with the provisions of Section 67(1) of the Municipal Finance Management Act No. 56 of 2003 which <i>inter alia</i> stipulates that the organisation or body has to:- <ul style="list-style-type: none"> • Enter into and comply with a Memorandum of Agreement with the Municipality as well as with all reporting, financial management and auditing requirements as may be contained in such agreement. This memorandum of agreement will bind the successful applicant to deliver on what the application speaks to, but also to commit to become involved with municipal programmes of the community where it functions. The Memorandum of Agreement will be made available to successful applicants for completion.

11. The Council reserves the right not to give funding to any or all organisations applying.
12. Having been awarded funding previously does not give an applicant the right to receive a grant/funding again.
13. Funding will not be considered where a project or organisation is already receiving funds from Council in terms of Council's functions. Applicants are required to disclose other sources of funding, failing which such applicant will be disqualified.
14. Funding will not be considered where in Council's opinion, an organisation received sufficient funds from other sources to sustain its activities or the project / programme applied for. For this purpose, organisations must submit financial statements and budget for the ensuing financial year.
15. Organisations who received funding from Stellenbosch Municipality during the previous financial year, are required to attach such proof to the new application, a copy of the financial statements relating to the year in which the funding was received from Council, as required in terms of section 67(1) of the Municipal Finance Management Act, 2003 (MFMA).
16. SMME Training' funding applicants must be able to demonstrate that the following may be achieved within their 2022 / 2023:
 - Minimum of six (6) training opportunities must be held
 - The applicants must possess an existing database of SMME's within the Stellenbosch Municipal Area

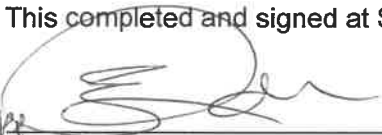
(The Funding of External Bodies Performing a Municipal Function Policy must be consulted for the sake of completeness)

H UNDERTAKING:

I/We hereby verify that the information provided in this application is true and correct and that the conditions applicable to the allocation of funds as set out above have been read, understood and will be complied with.

I/We also declare that the organisation implements effective, efficient and transparent financial management and internal control mechanisms to guard against fraud, theft and financial mismanagement and has in the past complied with requirements for similar transfer(s) of funds.

This completed and signed at Stellenbosch on this...13...day of...May.....2022



Chairperson / Authorised Representative

Secretary / Duly Authorised Signatory

I PLEASE TAKE NOTE:

- (i) That completed application forms together with all the required documentation must be delivered to:

**Director: Planning and Economic Development (Attention: Ms L van Gensen)
P O Box 17
Stellenbosch
7599**

Or delivered to:

**127 Dorp Street
Stellenbosch
7600**

- (ii) That the closing date for the submission of applications is: at
- (iii) That **neither late nor incomplete applications** shall be considered.



VISIT STELLENBOSCH NPC
(Registration number 2019/304510/08)
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

Visit Stellenbosch NPC

(Registration number: 2019/304510/08)

Annual Financial Statements for the year ended 30 June 2021

Contents

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

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Independent Auditor's Report	2 - 3
Directors' Responsibilities and Approval	4
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Statement of Financial Position	6
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Statement of Changes in Equity	8
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The following supplementary information does not form part of the annual financial statements and is unaudited:

Detailed Income Statement	19 - 20
Tax Computation	21

Level of assurance

These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act of South Africa No. 71 of 2008, as amended.

Preparer

These annual financial statements have been prepared by LDP Compliance Proprietary Limited



Independent Auditor's Report

To the members of Visit Stellenbosch NPC

Opinion

We have audited the financial statements of Visit Stellenbosch NPC (the company) set out on pages 6 to 18, which comprise the statement of financial position as at 30 June 2021, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Visit Stellenbosch NPC as at 30 June 2021, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa No. 71 of 2008, as amended.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The directors are responsible for the other information. The other information comprises the Directors' Report as required by the Companies Act of South Africa No. 71 of 2008, as amended and the supplementary information as set out on pages 19 to 21, which we obtained prior to the date of this report. The other information does not include the annual financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not and will not express an audit opinion or any form of assurance conclusion thereon.

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

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa No. 71 of 2008, as amended, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

LDP Chartered Accountants and Auditors Incorporated

Registered Auditor
J Goosen
Director

Stellenbosch

Date:.....

10 Helderberg Street
Stellenbosch
7600

Visit Stellenbosch NPC

(Registration number: 2019/304510/08)

Annual Financial Statements for the year ended 30 June 2021

Directors' Responsibilities and Approval

The directors are required by the Companies Act of South Africa No. 71 of 2008, as amended, 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 their responsibility to ensure that the annual financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

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


The directors are of the opinion, based on 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 loss.

The directors have reviewed the company's cash flow forecast for the year to 30 June 2022 and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditor is responsible for independently auditing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditor and this report is presented on pages 2 and 3.

The annual financial statements set out on pages 5 to 21, which have been prepared on the going concern basis, were approved by the directors on and were signed on their behalf by:

MS Ratcliffe



J Momborg

JW Basson

Visit Stellenbosch NPC

(Registration number: 2019/304510/08)

Annual Financial Statements for the year ended 30 June 2021

Directors' Report

The directors have pleasure in submitting their report on the annual financial statements of Visit Stellenbosch NPC for the year ended 30 June 2021.

1. Nature of business

Visit Stellenbosch NPC was incorporated in South Africa and is engaged in the marketing and development of tourism and visitor information services of Stellenbosch. The company operates in South Africa.

There have been no material changes to the nature of the company's business from the prior year.

2. Review of financial results and activities

The annual financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa No. 71 of 2008, as amended. The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the company are set out in these annual financial statements.

3. Directors

The directors in office at the date of this report are as follows:

Names

MS Ratcliffe

J Momberg

JW Basson

There have been no changes to the directorate for the period under review.

4. Events after the reporting period

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

5. Going concern

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

6. Auditors

LDP Chartered Accountants and Auditors Incorporated continued in office in accordance with section 90(6) of the Companies Act of South Africa No. 71 of 2008, as amended.

Visit Stellenbosch NPC

(Registration number: 2019/304510/08)

Annual Financial Statements for the year ended 30 June 2021

Statement of Financial Position as at 30 June 2021

Figures in Rand	Notes	2021	2020
Assets			
Non-Current Assets			
Property, plant and equipment	2	14 175	23 058
Intangible assets	3	30 537	53 871
Deferred tax	4	33 168	-
		77 880	76 929
Current Assets			
Trade and other receivables	5	471 634	1 130 169
Cash and cash equivalents	6	2 385 793	2 121 396
		2 857 427	3 251 565
Total Assets		2 935 307	3 328 494
Equity and Liabilities			
Equity			
Accumulated loss		(159 713)	(237 846)
Liabilities			
Non-Current Liabilities			
Loan from group company	7	2 402 695	1 930 871
Current Liabilities			
Trade and other payables	8	652 107	1 634 511
Current tax payable		9 018	958
Provisions	9	31 200	-
		692 325	1 635 469
Total Liabilities		3 095 020	3 566 340
Total Equity and Liabilities		2 935 307	3 328 494

Visit Stellenbosch NPC

(Registration number: 2019/304510/08)

Annual Financial Statements for the year ended 30 June 2021

Statement of Profit or Loss and Other Comprehensive Income

Figures in Rand	Notes	2021	2020
Revenue	10	5 089 960	3 903 557
Cost of sales	11	-	(26 809)
Gross profit		5 089 960	3 876 748
Other income	12	-	1 760
Operating expenses		(5 035 971)	(4 115 396)
Operating profit / (loss)	13	53 989	(236 888)
Profit / (loss) before taxation		53 989	(236 888)
Taxation	14	24 144	(958)
Profit / (loss) for the year		78 133	(237 846)
Other comprehensive income		-	-
Total comprehensive income / (loss) for the year		78 133	(237 846)

Visit Stellenbosch NPC

(Registration number: 2019/304510/08)

Annual Financial Statements for the year ended 30 June 2021

Statement of Changes in Equity

Figures in Rand	Accumulated loss	Total equity
Loss for the year	(237 846)	(237 846)
Other comprehensive income	-	-
Total comprehensive loss for the year	(237 846)	(237 846)
Balance at 01 July 2020	(237 846)	(237 846)
Profit for the year	78 133	78 133
Other comprehensive income	-	-
Total comprehensive income for the year	78 133	78 133
Balance at 30 June 2021	(159 713)	(159 713)

Visit Stellenbosch NPC

(Registration number: 2019/304510/08)

Annual Financial Statements for the year ended 30 June 2021

Statement of Cash Flows

Figures in Rand	Notes	2021	2020
Cash flows from operating activities			
Cash (used in) / generated from operations	15	(206 463)	295 475
Tax paid		(964)	-
Net cash (used in) / from operating activities		(207 427)	295 475
Cash flows from investing activities			
Purchase of property, plant and equipment	2	-	(34 950)
Purchase of other intangible assets	3	-	(70 000)
Net movement in loan from group company		471 824	1 930 871
Net cash from investing activities		471 824	1 825 921
Total cash movement for the year		264 397	2 121 396
Cash at the beginning of the year		2 121 396	-
Total cash at end of the year	6	2 385 793	2 121 396

Visit Stellenbosch NPC

(Registration number: 2019/304510/08)

Annual Financial Statements for the year ended 30 June 2021

Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The annual financial statements have been prepared on a going concern basis in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act of South Africa No. 71 of 2008, as amended. The annual financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 Property, plant and equipment

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

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

Property, plant and equipment is initially measured at cost.

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

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment is capitalised if it is probable that future economic benefits associated with the expenditure will flow to the company and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the period in which they are incurred.

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

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

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

Item	Depreciation method	Average useful life
IT equipment	Straight-line	3 years

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

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

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

Visit Stellenbosch NPC

(Registration number: 2019/304510/08)

Annual Financial Statements for the year ended 30 June 2021

Accounting Policies

1.2 Intangible assets

An intangible asset is an identifiable non-monetary asset without physical substance.

Intangible assets are initially recognised at cost and subsequently at cost less accumulated amortisation and accumulated impairment losses.

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

Item	Depreciation method	Average useful life
Website	Straight-line	3 years

In cases where management is unable to make a reliable estimate of the useful life of an intangible asset, its best estimate is applied, limited to 10 years.

The residual value, amortisation period and amortisation method for intangible assets are reassessed when there is an indication that there is a change from the previous estimate.

1.3 Financial instruments

Initial measurement

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through profit or loss) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial instruments at amortised cost

These include loans, trade receivables and trade payables. Those debt instruments which meet the criteria in section 11.8(b) of the Standard, are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

Financial instruments at cost

Equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably without undue cost or effort are measured at cost less impairment.

1.4 Tax

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

The tax liability reflects the effect of the possible outcomes of a review by the tax authorities.

Tax expenses

A tax expense is recognised in the same component of total comprehensive income or equity as the transaction or other event that resulted in the tax expense.

Visit Stellenbosch NPC

(Registration number: 2019/304510/08)

Annual Financial Statements for the year ended 30 June 2021

Accounting Policies

1.5 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. All other leases are operating leases.

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term unless:

- another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the payments are not on that basis, or
- the payments are structured to increase in line with expected general inflation (based on published indexes or statistics) to compensate for the lessor's expected inflationary cost increases.

Any contingent rents are expensed in the period they are incurred.

1.6 Impairment of assets

The company assesses at each reporting date whether there is any indication that an asset may be impaired.

If there is any such indication, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group of related assets) in prior years. A reversal of impairment is recognised immediately in profit or loss.

1.7 Employee benefits

Short-term employee benefits

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

1.8 Provisions and contingencies

Provisions are recognised when the company has an obligation at the reporting date as a result of a past event; it is probable that the company will be required to transfer economic benefits in settlement; and the amount of the obligation can be estimated reliably.

Provisions are measured at the present value of the amount expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as interest expense.

Provisions are not recognised for future operating losses.

1.9 Government grants

Grants that do not impose specified future performance conditions are recognised in income when the grant proceeds are receivable.

Grants that impose specified future performance conditions are recognised in income only when the performance conditions are met.

Grants received before the revenue recognition criteria are satisfied are recognised as a liability.

Grants are measured at the fair value of the asset received or receivable.

Visit Stellenbosch NPC

(Registration number: 2019/304510/08)

Annual Financial Statements for the year ended 30 June 2021

Accounting Policies

1.10 Revenue

Revenue is recognised to the extent that the company has transferred the significant risks and rewards of ownership of goods to the buyer, or has rendered services under an agreement provided the amount of revenue can be measured reliably and it is probable that economic benefits associated with the transaction will flow to the company. Revenue is measured at the fair value of the consideration received or receivable, excluding sales taxes and discounts.

Visit Stellenbosch NPC

(Registration number: 2019/304510/08)

Annual Financial Statements for the year ended 30 June 2021

Notes to the Annual Financial Statements

Figures in Rand

2021

2020

2. Property, plant and equipment

	2021			2020		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
IT equipment	34 950	(20 775)	14 175	34 950	(11 892)	23 058

Reconciliation of property, plant and equipment - 2021

	Opening balance	Depreciation	Closing balance
IT equipment	23 058	(8 883)	14 175

Reconciliation of property, plant and equipment - 2020

	Opening balance	Additions	Depreciation	Closing balance
IT equipment	-	34 950	(11 892)	23 058

3. Intangible assets

	2021			2020		
	Cost	Accumulated amortisation	Carrying value	Cost	Accumulated amortisation	Carrying value
Website	70 000	(39 463)	30 537	70 000	(16 129)	53 871

Reconciliation of intangible assets - 2021

	Opening balance	Amortisation	Total
Website	53 871	(23 334)	30 537

Reconciliation of intangible assets - 2020

	Opening balance	Additions	Amortisation	Total
Website	-	70 000	(16 129)	53 871

Visit Stellenbosch NPC

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Annual Financial Statements for the year ended 30 June 2021

Notes to the Annual Financial Statements

Figures in Rand	2021	2020
4. Deferred tax		
The major components of the deferred tax balance are as follows:		
Deferred tax asset		
Arising as a result of temporary differences on:		
Income received in advance	24 432	-
Provisions	8 736	-
Total deferred tax asset	33 168	-
Reconciliation of deferred tax asset		
Recognised in profit or loss:		
Movement in temporary differences on income received in advance	24 432	-
Movement in temporary differences on provisions and accruals	8 736	-
	33 168	-
At the end of the year	33 168	-
5. Trade and other receivables		
Trade receivables	354 100	1 026 375
Support Stellenbosch	117 534	-
Other receivable	-	103 794
	471 634	1 130 169
6. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Cash on hand	2 646	1 646
Bank balances	2 383 147	2 119 750
	2 385 793	2 121 396
7. Loans from group company		
Other group company		
Die Stellenbosse Wynroetes NPC	(2 402 695)	(1 930 871)
The unsecured loan bears interest as agreed upon by the parties from time to time and has no fixed terms of repayment. No capital repayments are required in the next 12 months.		
8. Trade and other payables		
Trade payables	422 468	112 411
Income received in advance	87 253	142 896
Value-added taxation	96 486	99 204
Stellenbosch Unite	-	1 200 000
Safety Control Reserve	45 900	-
Cape Winelands District Municipality - deferred funding	-	80 000
	652 107	1 634 511

Visit Stellenbosch NPC

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Annual Financial Statements for the year ended 30 June 2021

Notes to the Annual Financial Statements

Figures in Rand	2021	2020
9. Provisions		
Reconciliation of provisions - 2021		
	Opening balance	Additions
		Total
Provision for audit fees	-	31 200
		31 200
10. Revenue		
Sale of merchandise	2 255	20 805
Funding received - Cape Winelands District Municipality	84 082	44 000
Membership fees	332 060	133 587
Funding received - Dwarsrivier Municipality	502 000	-
Funding received - The Municipality of Stellenbosch	3 090 000	2 528 511
SWR funding	200 000	320 000
Stay funding	753 945	800 000
Commissions received	-	56 654
Other income	125 618	-
	5 089 960	3 903 557
11. Cost of sales		
Sale of goods		
Cost of merchandise sold	-	26 809
12. Other income		
Other income	-	1 760
13. Operating profit / (loss)		
Operating profit / (loss) for the year is stated after accounting for the following:		
Operating lease charges		
Premises		
• Contractual amounts	143 966	124 369
Amortisation on intangible assets	23 333	16 129
Depreciation on property, plant and equipment	8 883	11 892
Employee costs	2 032 153	2 067 491

Visit Stellenbosch NPC

(Registration number: 2019/304510/08)

Annual Financial Statements for the year ended 30 June 2021

Notes to the Annual Financial Statements

Figures in Rand	2021	2020
14. Taxation		
Major components of the tax (income) expense		
Current taxation		
South African normal tax	9 024	958
Deferred taxation		
South African deferred tax - current year	(33 168)	-
	(24 144)	958
Reconciliation of the tax expense		
Reconciliation between accounting profit and tax expense.		
Accounting profit (loss)	53 989	(236 888)
Tax at the applicable tax rate of 28% (2020: 28%)	15 117	(66 329)
Tax effect of adjustments on taxable income		
Exempt income		
Donations	750	27 276
Income received in advance - prior year	(40 011)	40 011
	(24 144)	958
15. Cash (used in) generated from operations		
Profit / (loss) before taxation	53 989	(236 888)
Adjustments for:		
Depreciation and amortisation	32 217	28 021
Movements in provisions	31 200	-
Changes in working capital:		
Trade and other receivables	658 535	(1 130 169)
Trade and other payables	(982 404)	1 634 511
	(206 463)	295 475
16. Related parties		
Relationships		
Directors	MS Ratcliffe J Momberg JW Basson	
Company with mutual directors	Die Stellenbosse Wynroetes NPC	
Related party balances		
Loan accounts - Owing to related parties		
Die Stellenbosse Wynroetes NPC	2 402 695	1 930 871

Visit Stellenbosch NPC

(Registration number: 2019/304510/08)

Annual Financial Statements for the year ended 30 June 2021

Notes to the Annual Financial Statements

Figures in Rand	2021	2020
17. Directors' remuneration		
Executive		
2021		
J Momberg	Emoluments 681 813	Total 681 813
2020		
J Momberg	Emoluments 551 636	Total 551 636

18. Going concern

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

Visit Stellenbosch NPC

(Registration number: 2019/304510/08)

Annual Financial Statements for the year ended 30 June 2021

Detailed Income Statement

Figures in Rand	Notes	2021	2020
Revenue			
Sale of merchandise		2 255	20 805
Funding received - Cape Winelands District Municipality		84 082	44 000
Membership fees		332 060	133 587
Funding received - Dwarsrivier Municipality		502 000	-
Stay funding		753 945	800 000
Commissions received		-	56 654
Other income		125 618	-
Funding received - The Municipality of Stellenbosch		3 090 000	2 528 511
Income received - SWR		200 000	320 000
	10	5 089 960	3 903 557
Cost of sales			
	11	-	(26 809)
Gross profit		5 089 960	3 876 748
Other income			
Other income		-	1 760

Visit Stellenbosch NPC

(Registration number: 2019/304510/08)

Annual Financial Statements for the year ended 30 June 2021

Detailed Income Statement

Figures in Rand	Notes	2021	2020
Operating expenses			
Accommodation booking expenses		69	-
Accounting fees		227 904	17 220
Advertising		1 032 507	701 216
Auditor's remuneration		61 200	-
Bad debts		40 734	-
Bank charges		6 796	11 049
Cape Winelands District Municipality General Projects		60 102	43 689
Cape Winelands District Municipality Project Expenses		72 763	-
Consumables		29 215	49 724
Depreciation and amortisation		32 217	28 021
Donations		2 683	97 415
Dwarsrivier Municipality Project Expenses		363 950	-
Employee costs		2 032 153	2 067 491
Entertainment		51 630	81 720
Event expense		320 000	450 000
General expense		3 835	1 212
Insurance		19 622	16 606
Lease rentals on operating lease		143 966	124 369
Legal expenses		-	43 074
Office expense		23 239	51 015
Parking		12 000	-
Printing and stationery		27 787	23 791
Professional fees - consulting		11 000	176 353
Professional fees - general		18 602	14 069
Rent paid: Storage		14 348	-
Repairs and maintenance		5 853	26 675
Security		21 726	28 395
Social Economic Development costs		333 042	-
Staff welfare		16 830	1 097
Subscriptions		9 100	-
Telephone and internet		29 419	41 545
Training		-	370
Travel - foreign		3 348	-
Travel - local		8 330	19 280
		5 035 970	4 115 396
Profit / (loss) before taxation		53 990	(236 888)
Taxation	14	24 144	(958)
Profit / (loss) for the year		78 134	(237 846)

Visit Stellenbosch NPC

(Taxpayer reference number 9597737189)

(Registration number: 2019/304510/08)

Annual Financial Statements for the year ended 30 June 2021

Tax Computation

Figures in Rand	2021
Net profit per income statement	53 989
Permanent differences (Non-deductible/Non taxable items)	
Donations	2 683
Income received in advance - prior year	(142 896)
	<u>(140 213)</u>
Temporary differences	
Provisions not deductible current year	31 200
Income received in advance - current year	87 253
	<u>118 453</u>
Taxable income for 2021	<u>32 229</u>
Tax thereon @ 28% in the Rand	<u>9 024</u>
Reconciliation of tax balance	
Amount owing/(prepaid) at the beginning of year	958
Prior year interest	6
Amount refunded/(paid) in respect of prior year	(964)
Amount owing/(prepaid) in respect of prior year	<u>-</u>
Tax owing/(prepaid) for the current year:	
Normal tax	
Per calculation	9 024
1st provisional payment	-
2nd provisional payment	-
Amount owing/(prepaid) at the end of year	<u>9 024</u>

MEMORANDUM OF INCORPORATION

of

VISIT STELLENBOSCH NPC

A NON-PROFIT COMPANY WITH MEMBERS




(hereinafter "the Company")

1. OBJECTS OF THE COMPANY

The Company is a non-profit company with members, with the objects as set out in Schedule A hereto.

2. ADOPTION OF MEMORANDUM OF INCORPORATION

This Memorandum of Incorporation was adopted by the incorporators of the Company, in accordance with section 13(1), as evidenced by the following signatures made by each of them, or on their behalf.

NAME OF INCORPORATOR	IDENTITY NUMBER	SIGNATURE	DATE
Michael Stansfield Ratcliffe	721030 5173 08 8		14 JUN 2019
Jeanneret Momberg	680716 0026 08 6		14 JUN 2019
Jakobus Wilhelm Basson	580704 5119 08 1		14 JUN 2019

3. INTERPRETATION

3.1 In this Memorandum of Incorporation –

- 3.1.1 a reference to a section by number refers to the corresponding section of the Companies Act, No. 71 of 2008 (as amended) (hereinafter "the Act");
- 3.1.2 words that are defined in the Act bear the same meaning in this Memorandum as in the Act; and
- 3.1.3 words appearing to the right of an optional check line are void unless that line contains a mark to indicate that it has been chosen as the applicable option.

3.2 The Schedule(s) attached to this Memorandum are part of the Memorandum of Incorporation.

4. INCORPORATION AND JURISTIC PERSONALITY

- 4.1 The Company is incorporated as a Non-Profit company, as defined in the Act.
- 4.2 The Company is incorporated in accordance with, and governed by–
- 4.2.1 the unalterable provisions of the Companies Act, 2008 that are applicable to Non-Profit companies;
 - 4.2.2 the alterable provisions of the Companies Act, 2008 that are applicable to Non-Profit companies, subject to any limitation, extension, variation or substitution set out in this Memorandum; and
 - 4.2.3 the provisions of this Memorandum of Incorporation.

5. POWERS OF THE COMPANY

- 5.1 The Company has all of the legal powers and capacity contemplated in the Act, and no provision contained in this Memorandum of Incorporation should be interpreted as limiting or restricting those powers in any way whatsoever.
- 5.2 The legal powers and capacity of the Company are not subject to any restrictions, limitation or qualifications, as contemplated in section 19(1) (b) (ii).
- 5.3 The company is not subject to any provisions contemplated in Section 15(2) (b) or (c).
- 5.4 Upon winding up, deregistration or dissolution, the assets of the Company remaining after satisfaction of all its liabilities shall be transferred to some other association or intuition having similar objects, or failing such determination, by the Court.
- 5.5 The power of the Company is limited by the tax conditions as contemplated in terms of section 30 of the Income Tax Act of 1962 (hereinafter "ITA") in terms whereof the Company will:
- 5.5.1 submit to the Commissioner for the South African Revenue Service a copy of any amendment to the Memorandum of Incorporation for the Company within 30 (thirty) days of such amendment;
 - 5.5.2 not pay any remuneration to any employee, office bearer, member or other person, which is excessive, having regard to what is generally considered reasonable in the sector and in relation to the service rendered;

- 5.5.3 has not and will not use its resources directly or indirectly to support, advance or oppose any political party; and
- 5.5.4 comply with such reporting requirements as may be determined by the Commissioner for the South African Revenue Service.
- 5.6 The Company is not knowingly and will not knowingly become a party to, and does not knowingly and will not knowingly permit itself to be used as part of an impermissible avoidance arrangement contemplated in Part IIA of Chapter III, or a transaction, operation or scheme contemplated in section 103(5) of the ITA.

6. OPTIONAL PROVISIONS

The Company does not elect, in terms of Section 34(2), to comply voluntarily with the extended accountability provisions set out in Chapter 3 of the Act.

7. MEMBERS OF THE COMPANY

The Company has members who are all in a single class, being voting members, each of whom has one vote in any matter to be decided by the members of the Company.

8. MEMBERS' AUTHORITY TO ACT

If, at any time, every member of the Company is also a director as contemplated in section 57(4), the authority of the members to act without notice or compliance with any other internal formalities is not limited or restricted by this Memorandum of Incorporation.

9. MEMBERS' RIGHT TO INFORMATION

In addition to the rights to access information set out in section 26 (1), membership shall confer upon each member the right to:

- 9.1 nominate and elect the directors of the Company;
- 9.2 receive copies of the annual financial statements of the Company; and
- 9.3 receive notice of, attend, speak and vote at a general meeting of the Company.

10. PROXIES AND REPRESENTATIVES

- 10.1 A member entitled to vote at a meeting may at any time appoint one or more persons in the alternative to each other as his proxy to attend, speak and vote at a meeting on his behalf.
- 10.2 A proxy need not be a member of the Company.
- 10.3 The instrument appointing a proxy shall be in writing or, if the appointer is a body corporate, under the hand of the authorised representative. A proxy need not be witnessed. Whether he is himself a member or not, the holder of a general or special power of attorney given by a member shall, if duly authorised under that power to attend and take part in meeting and proceedings of the Company, be entitled to attend general meeting and to vote thereat.
- 10.4 A form of proxy may be issued at the company's expense only if it is sent to all members who are entitled to attend and vote at a meeting to which the proxy form relates.
- 10.5 The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed, (or a notarially certified copy of such power of authority, shall be deposited at the office not less than 48 (forty-eight) hours before the time for the holding of the meeting. A form of power of attorney or proxy shall be invalid if the Article is not complied with.
- 10.6 Unless the contrary is stated, the form appointing a proxy shall be valid for each adjournment of a meeting to which it relates.
- 10.7 No instrument appointing a proxy shall be valid after the expiration of 6 (six) months from the date on which it was signed unless specifically states to the contrary in the instrument of proxy itself.
- 10.8 The instrument appointing a proxy may be in any usual or common form approved by the directors but shall be so worded that the holder thereof may vote for, against or abstain from voting on any one or more of the resolutions proposed at the meeting at which the proxy is to be used.
- 10.9 A members' proxy may delegate the proxy's power to another person as set out in section 58(3)(b).
- 10.10 The authority of a member's proxy to decide without direction from the member whether to exercise, or abstain from exercising any voting right of the member, as set out in section 58 (7) is not limited or restricted by this Memorandum of Incorporation.

11. RECORD DATE FOR EXERCISE OF MEMBERS RIGHTS

If, at any time, the Company's Board of Directors fails to determine a record date as contemplated in section 59, the record date for the relevant matter is as determined in accordance with section 59 (3).

12. MEMBERS ACTING OTHER THAN AT A MEETING

Subject to the provisions of the Act, a resolution in writing signed by the majority of the member entitled to receive notice and to attend and vote at the meeting shall be as valid and effective as if it had been passed at a meeting duly called and constituted. A resolution in terms of this Article may consist of several documents of the same form, each of which is signed by one or more members in terms of this Article and shall be deemed to have been passed on the date of signature thereof by the last member entitled to sign same.

13. REQUIREMENT TO HOLD MEETINGS

The Company is required to hold an Annual General Meeting not later than 6 (six) months after the end of each financial year of the Company.

14. MEMBERS RIGHT TO REQUIRE A MEETING

The right of members to require a meeting, as set out in Section 61(3), may be exercised by at least 10% of the voting members, as provided for in that section.

15. LOCATION OF MEMBERS MEETINGS

The authority of the Company's Board of Directors to determine the location of any members meeting as set out in section 61(9) is not limited or restricted by this Memorandum of Incorporation.

16. NOTICE OF MEMBERS MEETINGS

The minimum number of days for the Company to deliver a notice of a members meeting to the members, as required by section 62, is 15 business days before the meeting is to begin.

17. ELECTRONIC PARTICIPATION IN MEMBERS MEETING

The authority of the Company to conduct a meeting entirely by electronic communication, or to provide for participation in a meeting by electronic communication as set out in section 63 is not limited or restricted by this Memorandum of Incorporation.

18. QUORUM FOR MEMBERS MEETINGS

18.1 The quorum requirements for any members meeting to begin, or for a matter to be considered are 25 (twenty five percent) members present and entitled to vote, of which at least 2 (two) shall be directors of the Company.

18.2 If within half an hour after the time appointed for the meeting a quorum is not present, the meeting shall be adjourned to 7 (seven) days later.

18.3 The authority of a meeting to continue to consider a matter, as set out in section 64(9) is restricted.

18.4 The maximum period allowable for an adjournment of a members meeting is as set out in section 64 (12).

19. MEMBERS RESOLUTIONS

19.1 For an ordinary resolution to be adopted at a members meeting, it must be supported by more than 50% of the members who voted on the resolution, as provided in section 65 (7).

19.2 For a special resolution to be adopted at a members meeting, it must be supported by at least 75% of the members who voted on the resolution, as provided in section 65(7).

19.3 No matters, except for those matters set out in section 65(11) require a special resolution adopted at a Members' meeting of the Company.

- 19.4 Subject to the provisions of this Memorandum of Incorporation, no person other than a duly registered member who has paid every sum, if any, which is due and payable to the Company in respect of or arising out of his membership and who is not under suspension, shall be entitled to present or vote on any question at any general meeting.

20. COMPOSITION AND POWERS OF THE BOARD OF DIRECTORS

- 20.1 The Board of Directors of the Company shall comprise of not less than 3 (three) each of whom is to be appointed by the members at the Annual General meeting.
- 20.2 A director need not be a member of the Company.
- 20.3 Each appointed director shall hold office from the date of his appointment until the Annual General meeting following his appointment, at which meeting each director shall be deemed to have retired from office but shall, subject to nomination by a member of the company, be eligible for re-election to the Board of Directors.
- 20.4 In addition to the appointed directors there will be no appointed or ex officio directors as contemplated in section 66 (4).
- 20.5 Apart from satisfying the qualification and eligibility requirements set out in section 69, a person need not satisfy any further eligibility requirements or qualifications to become or remain a director or a prescribed officer of the Company.

21. AUTHORITY OF THE BOARD OF DIRECTORS

The authority of the Company's Board of Directors to manage and direct the business and affairs of the Company, as set out in section 66 (1) is not limited or restricted by the Memorandum of Incorporation.

22. BOARD OF DIRECTORS MEETINGS

- 22.1 The Board has the power to consider any matter and adopt any resolution other than at a meeting as set out in section 74 and, accordingly, any decision that could be voted on at a meeting of the Board may instead be adopted by the written consent of a majority of the Directors, provided that each Director has received notice of the matter to be decided.
- 22.2 The Board of the Company must call a meeting if required so by at least two directors.

- 22.3 The Board has the power to conduct a meeting entirely by Electronic Communication, as set out in section 73(3) provided that the electronic communication facility enables all persons participating in the meeting to communicate concurrently with each other.
- 22.4 The Board may determine the manner and form of providing notice of its meeting as set out in section 73 (4), provided that the notice period for the convening of any meeting of the Board will be at least 7 (seven) days unless the decision of the Directors is required on an urgent basis and agreed on by all directors, in which event the meeting may be called on shorter notice.
- 22.5 The authority of the Company's Board of Directors to proceed with a meeting despite a failure or defect in giving notice of the meeting, as set out in section 73 (5), is not limited or restricted by this Memorandum of Incorporation.
- 22.6 A majority of directors must be present at a meeting before a vote may be called at any meeting and each director has 1 (one) vote on a matter before the Board.

23. INDEMNIFICATION OF DIRECTORS

The Company may:

- 23.1 advance expenses to a Director or prescribed officer or directly or indirectly indemnify a director in respect of the defence of legal proceedings, as set out in Section 78(4);
- 23.2 indemnify a director or prescribed officer in respect of liability as set out in section 78(5); and
- 23.3 purchase insurance to protect the company or a director or prescribed officer as set out in section 78(7).

24. OFFICERS AND COMMITTEES OF THE BOARD

- 24.1 The Board of Directors may appoint any officers it considers necessary to better achieve the objects of the Company.
- 24.2 The authority of the Company's Board of Directors to appoint committees of directors and delegate to any such committee any of the authority of the Board as set out in Section 72(1), or to include in any such committee persons who are not directors, as set out in section 72(2)(a), is not limited or restricted by this Memorandum of Incorporation.

- 24.3 The authority of a committee appointed by die Board as set out in section 72(2) (b) and (c) is not limited or restricted by the Memorandum of Incorporation.

25. ANNUAL FINANCIAL STATEMENTS

A copy of the annual financial statement shall be tabled at the Annual General meeting and shall, not less than 15 (fifteen) days before the date of that meeting, be sent to every member of the Company.

26. NON-PROFIT AND PUBLIC BENEFIT STATUS OF THE COMPANY

- 26.1 The Company's income and property are not distributable to its members or office-bearers, except as reasonable compensation for services rendered.
- 26.2 Subject to the provisions of the Act, the Company's members and office-bearers have no rights in the property or other assets of the organisation solely by virtue of their being members or office-bearers.
- 26.3 The Company's financial transactions must be conducted by means of a banking account held with a bank registered under the Banks Act, 94 of 1990.
- 26.4 Notwithstanding any other provision of this Memorandum, the Company must at all times have at least three directors.
- 26.5 No Director may be a connected person (as contemplated in the ITA) in relation to another Director.
- 26.6 The Company may not directly or indirectly distribute any of its funds to any person otherwise than in the course of undertaking any public benefit activity as defined in the ITA and is required to utilise its funds solely for the object for which it has been established.
- 26.7 The Company may not accept any donation which is recoverable at the instance of the donor for reasons other than a material failure to conform to the designated purposes and conditions of such donation, including any misrepresentation with regard to the tax deductibility thereof in terms of Section 18A of the ITA; provided that a donor (other than a donor which is an approved public benefit organisation as defined in the ITA or an institution board or body which is exempt from tax in terms of Section 10(1)(cA)(i) of the ITA, which has as its sole or principal object the carrying on of any

public activity as defined in the ITA) may not impose conditions which could enable such donor or any connected person in relation to such donor (as contemplated in the ITA) to derive some direct or indirect benefit from the application of such donation.

- 26.8 The Company must submit a copy of each amendment of this Memorandum of Incorporation to the Commissioner of the South African Revenue Service.

27. MEMORANDUM OF INCORPORATION AND COMPANY RULES

- 27.1 This Memorandum of Incorporation of the Company may be altered or amended only in the manner set out in section 16, 17 or 152 (6) (b).
- 27.2 In addition to the above, the Memorandum of Incorporation and Company Rules adopted from time to time may be amended from time to time on an Annual or Special General Meeting.
- 27.3 Subject to any restriction imposed or direction given at an annual general meeting of the Company, the directors may from time to time make rules as set out in Art 15(3) to (5).
- 27.4 The Company may in general meeting vary or modify any rules made by it or by the directors from time to time.
- 27.5 The Board must publish any rules made in terms of Section 15(3) to (5) by delivering a copy of those rules to each member electronically or by ordinary mail.
- 27.6 The Company must publish a notice of any alteration of the Memorandum of Incorporation or the Rules, made in terms of section 17 (1), by delivering a copy of those rules to each director and member by ordinary mail.

SCHEDULE A – OBJECT AND NATURE OF THE COMPANY

A.1 Object and Policies of the Company

A.1.1 The Main Object of the Company will be to perform the functions of the local Tourism Marketing, Tourism Development and Visitor Information Services for Stellenbosch. The objective of the company will focus on an inclusive and future-focused tourism plan for Stellenbosch town and surrounding areas (collectively "Stellenbosch") which will include but not be limited to the following:

- To enhance and uphold the national and international reputation of Stellenbosch.
- To build mutually beneficial strategic, operational and thematic partnerships for Stellenbosch.
- To actively market the town to both local and international visitors and to ensure a quality visitor experience.
- To cultivate visitor satisfaction and loyalty by creating a physical environment that is focused on delivering a quality experience.
- To actively assist all stakeholders (attractions, accommodation providers, conferences, businesses and educational institutions) with excellent service delivery, to become highly competitive and to adopt sustainable practices.
- To provide a world-class visitor information service.
- To build a culture of organisational excellence through strategic management, research, development and stakeholder relations.
- To encourage stakeholders to contribute to a sustainable funding model for the Stellenbosch Brand.
- To promote social cohesion to ensure financial, environmental and social sustainability of Stellenbosch.

A.1.2 The Object of the company complies with the requirements as set out in Section 1(a) of Schedule 1 of the Act being:

A.1.2.1 a public benefit object; or

- A.1.2.2 an object relating to one or more cultural or social activity, or communal or group interest; and
 - A.1.2.3 is consistent with the principles set out in this Schedule and the Memorandum of Incorporation.
 - A.1.3 The Company applies all of its assets and income, however derived, to advance the main object, as stated, and may:
 - A.1.3.1 acquire and hold securities issued by a profit company; or
 - A.1.3.2 directly or indirectly, alone or with any other person, carries on any business trade of undertaking consistent with of ancillary to its stated object.
 - A.1.4 The Company may not, directly or indirectly, pay any portion of its income or transfer any assets, regardless of how the income or asset was derived, to any incorporator, member, director or person appointing a director of the company, except in the following situations:
 - A.1.4.1 As reasonable remuneration for goods delivered or services rendered to, or at the direction of the company; or
 - A.1.4.2 Reasonable payment of, or reimbursement for, the expenses incurred to advance the stated object of the company;
 - A.1.4.3 As a payment of an amount due and payable by the company in terms of a bona fide agreement between the company and that person;
 - A.1.4.4 As a payment in respect of any rights of that person, to the extent that such rights is administered by the company in order to advance the stated object of the company;
 - A.1.4.5 In respect of any legal obligation binding on the company.
 - A.1.5 Substantially the whole of the Company's funding must be derived from its annual or long-term Members or from appropriation by the government of the Republic in the national, provincial or local sphere.
 - A.1.6 The Company may not have a share or other interest in any business, profession or occupation which is carried on by its Members.

GEREGISTREERDE WOON- EN POSADRES

1. Bewaar die bewys van u GEREGISTREERDE WOON- EN POSADRES in hierdie sakkie.

2. Indien u van adres verander het, of indien besonderhede van u huidige adres, bv. straatnaam en/of -nommer, ens. verander het, moet die vorm KENNISGEWING VAN ADRESVERANDERING, wat in die sakkie agter in die identiteitsdokument is, gebruik word om die verandering aan te meld en moet dit ingedien word by of gepos word aan die naaste streek- distrikkantoor van die DEPARTEMENT VAN BINNELANDSE SAKE.

REGISTERED RESIDENTIAL AND POSTAL ADDRESS

1. Keep the proof of your REGISTERED RESIDENTIAL AND POSTAL ADDRESS in this pocket

2. If you have changed your address, or, if particulars of your present address, e.g. name of street and/or street number, etc., have been changed, the NOTICE OF CHANGE OF ADDRESS form in the pocket at the back of the identity document must be used to report the change and it must be handed in at or posted to the nearest regional district office of the DEPARTMENT OF HOME AFFAIRS

1
ID.No. 721030 5173 08 8



S.A. BURGER/S.A. CITIZEN

VAN/SURNAME
RATCLIFFE

VOORNAME/FORENAMES
MICHAEL STANSFIELD

GEBORTE/DISTRIK OF LAND
DISTRICT OR COUNTY OF BIRTH
SOUTH AFRICA

GEBORTE/DOB
DATE OF BIRTH

1972-10-28



OP/UITGEREK
DATE ISSUED

2009-06-30

AFKOPPIE VAN DIE
DIEPSTRAAL-IDENTITEITS
BINNELANDSE SAKE

MAKKE BY OUKANTOOR VAN DIE
DEPARTAMENT VAN BINNELANDSE SAKE

... (COPY) OF THE
... AUTHENTICATION
... AMENDMENT OR A
... DOCUMENT

[Signature]

HANDTEKENS/INITIALES

PERSONAL NUMBER: 20951466 RANK: SGT.

NAME IN PRINT: W.T. TWASA

SOUTH AFRICAN POLICE SERVICE
CLOETENHALL
COMMUNITY SERVICE CENTRE

14 JUN 2019

GEMEENSKAP DIENSTENTRUM
CLOETENHALL

SUID-AFRIKAANSE POLISIEDIENS

NOTICE OF PERSONAL PARTICULARS

1. Any changes to the personal particulars in your ID Book must be communicated to all relevant parties.

NOTICE OF CHANGE OF ADDRESS

1. Keep the NOTICE OF CHANGE OF ADDRESS form in this pocket to report a change of address or a change in particular of your present address e.g. name of street and/or street number etc.

2. Hand in at or post to the nearest regional/district office of the DEPARTMENT OF HOME AFFAIRS

I.D. No. 680716 0026 086



S.A. CITIZEN

SURNAME
MOMBERG

FORE NAMES
JEANNERET

COUNTRY OF BIRTH
SOUTH-WEST AFRICA

DATE OF BIRTH
1968-07-16



DATE ISSUED
2013-06-25

ISSUED BY AUTHORITY OF
THE DIRECTOR-GENERAL
HOME AFFAIRS



BEATRICE HILL
KOMMISSARIS VAN EDE
COMMISSIONER OF OATHS
CLUVER MARKOTTER ING/INC
PRAKTISERENDE PROKUREUR RSA/ PRACTICING ATTORNEY RSA
NR 22952
CLUVER MARKOTTER GEBOU / BUILDING
MEULSTRAAT / MILL STREET
STELLENBOSCH

14 JUN 2019

GESERTIFISEER 'N WARE AFSKRIF VAN DIE OORSPRONKLIKE.
CERTIFIED A TRUE COPY OF THE ORIGINAL.



REPUBLIC OF SOUTH AFRICA
NATIONAL IDENTITY CARD

Surname:
BASSON
Name:
JAKOBUS WILHELM
Sex:
M
Nationality:
RSA
Identity Number:
6807045119081
Date of Birth:
04 JUL 1968
Country of Birth:
RSA
Status:
CITIZEN



Signature
[Handwritten Signature]



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For enquiry or verification purposes contact 0800 90 11 90

Date of Issue:
17 APR 2019



110477878



[Handwritten Signature]

BEATRICE HILL
KOMMISSARIS VAN EDE
COMMISSIONER OF OATHS
CLUVER MARKOTTER ING/INC
PRAKTISERENDE PROKUREUR RSA/ PRACTICING ATTORNEY RSA
NR 22952
CLUVER MARKOTTER GEBOU / BUILDING
MEULSTRAAT / MILL STREET
STELLENBOSCH

14 JUN 2019

GESERTIFIEER 'N WARE AFSCRIF VAN DIE OORSPRONKLIKE.
CERTIFIED A TRUE COPY OF THE ORIGINAL.



**REPUBLIC OF SOUTH AFRICA
NATIONAL IDENTITY CARD**

Surname:
VAN ZIJL
Names:
JOHANNA JACOMINA
Sex:
F
Nationality:
RSA
Identity Number:
7710190003084
Date of Birth:
19 OCT 1977
Country of Birth:
RSA
Status:
CITIZEN



Signature:

M. Zijl



Conditions.

Date of Issue:
22 SEP 2018

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Gesertifiseer 'n ware afskrif van die oorspronklike dokument. Daar is geen aanduiding dat die oorspronklike dokument deur onregmatige persone gewysig is nie.

Certified a true copy of the original document. There is no indication that the original document had been altered by unauthorized persons.

Signature: *J. Wilkins*
Kommissaris van eede / Commissioner of oaths
Edith Jessie Wilkins (Bestuurder / Manager)
Bldg 30, Ground Floor, Oxford Business Park
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Date: _____

10 APR 2019



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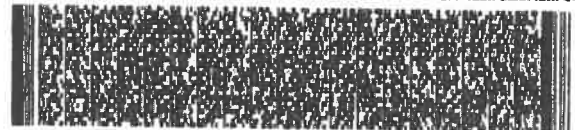
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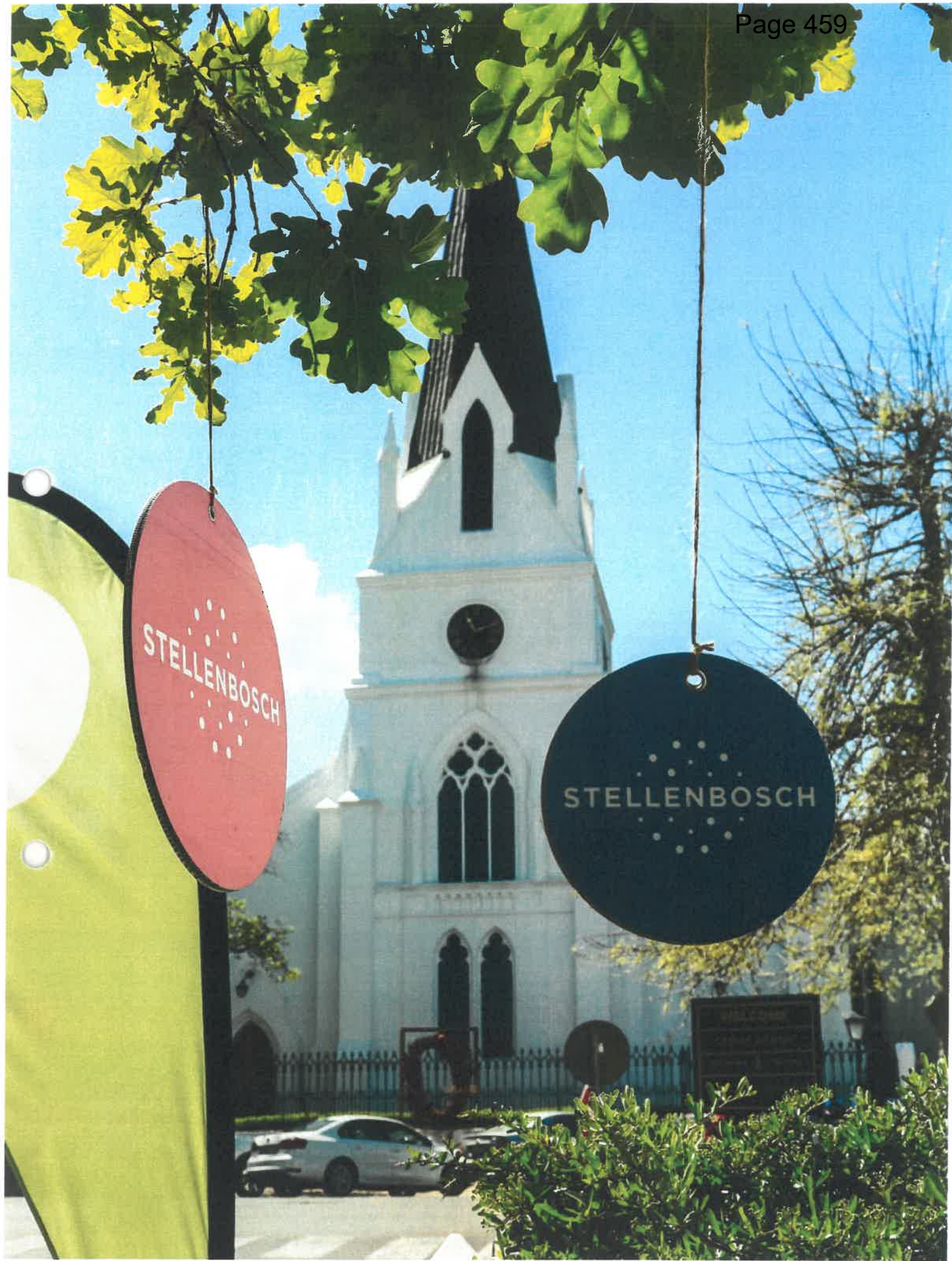


A DYNAMIC DESTINATION
MARKETING APPROACH
FOR STELLENBOSCH

2022/2023

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STELLENBOSCH

STELLENBOSCH

VISIT STELLENBOSCH

About

Visit Stellenbosch, the official DMO for Stellenbosch, **connects, supports and promotes** all tourism sectors, **creating** a compelling and unique place experience for locals and visitors throughout the year.

Centralising the operational functions and resources of Stellenbosch stakeholders in wine, food, accommodation, experiences, Visit Stellenbosch's long-term tourism plan is aimed at improving service excellence, driving business support and development, unlock economic opportunities, promoting and marketing the tourism destination and enhancing the place experience for locals and visitors alike.

At the heart of this lies a determined, focus on tourism-led social solutions, specifically for the benefit of tourism enterprise support and growth.

Visit Stellenbosch is committed to bringing about **sustainable and measurable economic progress through tourism**. An enlarged and accelerated tourism sector will support more enterprises and subsequently more employment and trade opportunities.

Our goal is to create an enabling environment for increased job opportunities and economic advancement. This can be achieved, not only by inspiring visitors to stay longer, do more and visit us again, but by driving targeted and focussed efforts to support and promote all tourism businesses.

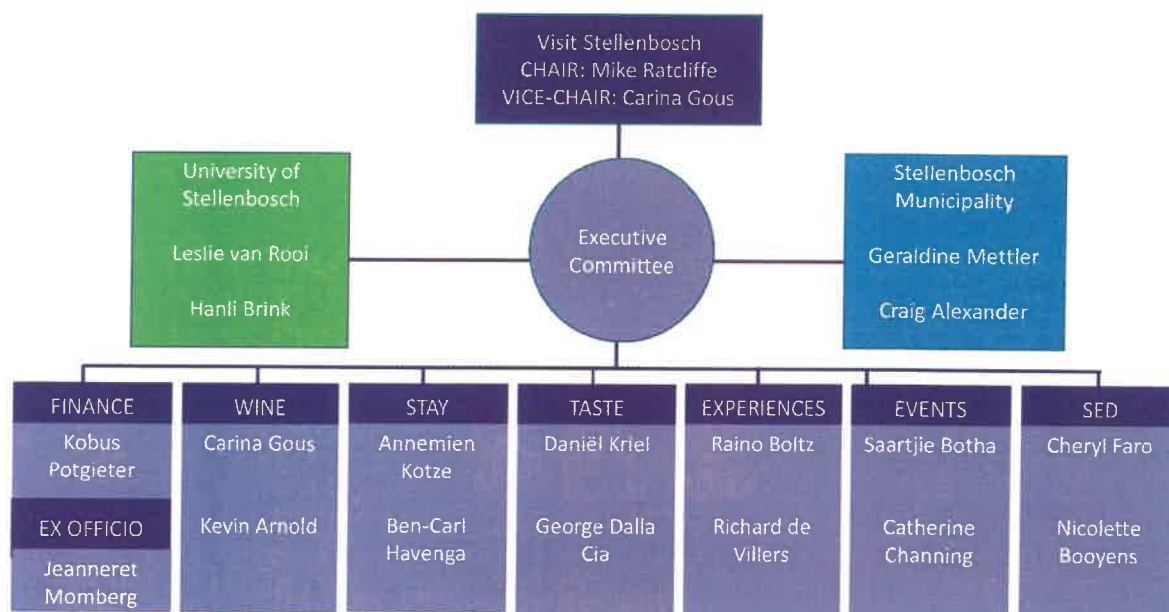
Visit Stellenbosch implemented a long-term destination strategy to maximise the tourism potential with concrete and realistic metrics/milestones for monitoring and evaluation over time. These measures-of-success / KPIs (for sectors, stakeholders, residents and visitors) will guide the effective planning of programmes and activities to ensure that we meaningfully invest resources for maximum impact.



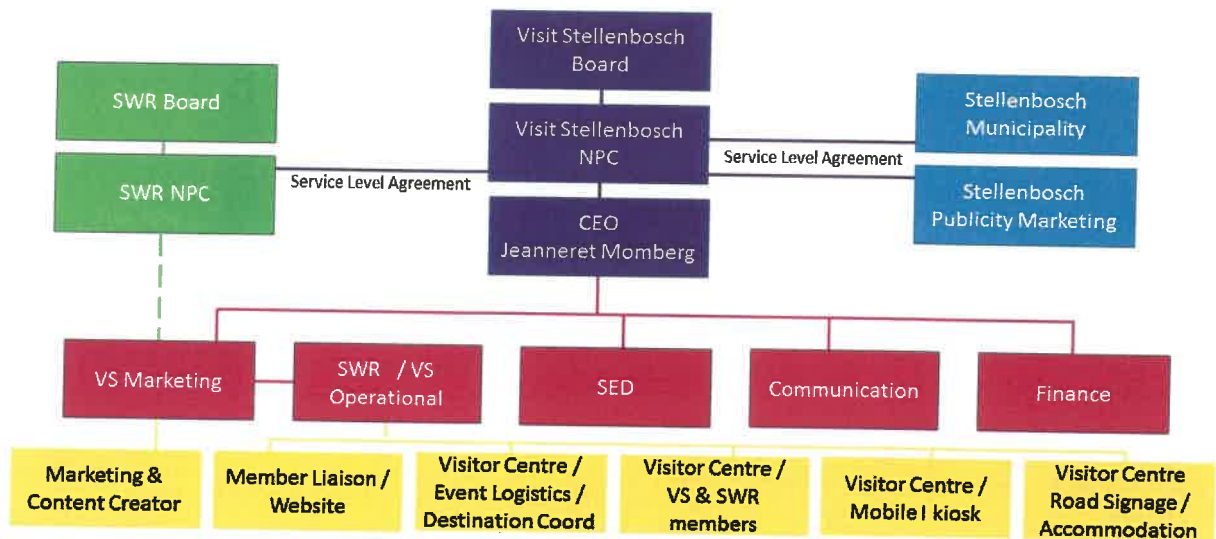
Corporate Governance and Institutional Development

Visit Stellenbosch has a healthy financial cash flow status and is overseen by a financial committee represented on the board. The board of directors represents each sector as well as our two strategic partners, Stellenbosch Municipality and Stellenbosch University. Board meetings are held quarterly and monthly Management Reports are circulated to the board.

Visit Stellenbosch Board Structure



Stellenbosch is a diverse, authentic destination, which exudes tangible warmth and generosity, and is driven by a focused vision to ensure sustainable growth and benefits to all communities.



Visit Stellenbosch meaningfully invests resources with board approval, supporting thriving projects which are enabling productive team dynamics.

Visit Stellenbosch adheres to all labour and operational requirements and continually review and enhance HR policies.

Visit Stellenbosch continues to deliver industry orientation and service excellence training through reputable service providers for the skills development programmes we promote.

Visit Stellenbosch continues to work with educational institutions by providing opportunities for their students to do either job shadowing or in-service training.



Our Vision for Stellenbosch

Visit Stellenbosch provides a destination marketing function and brand that encompasses all aspects of the tourism economy in Stellenbosch.

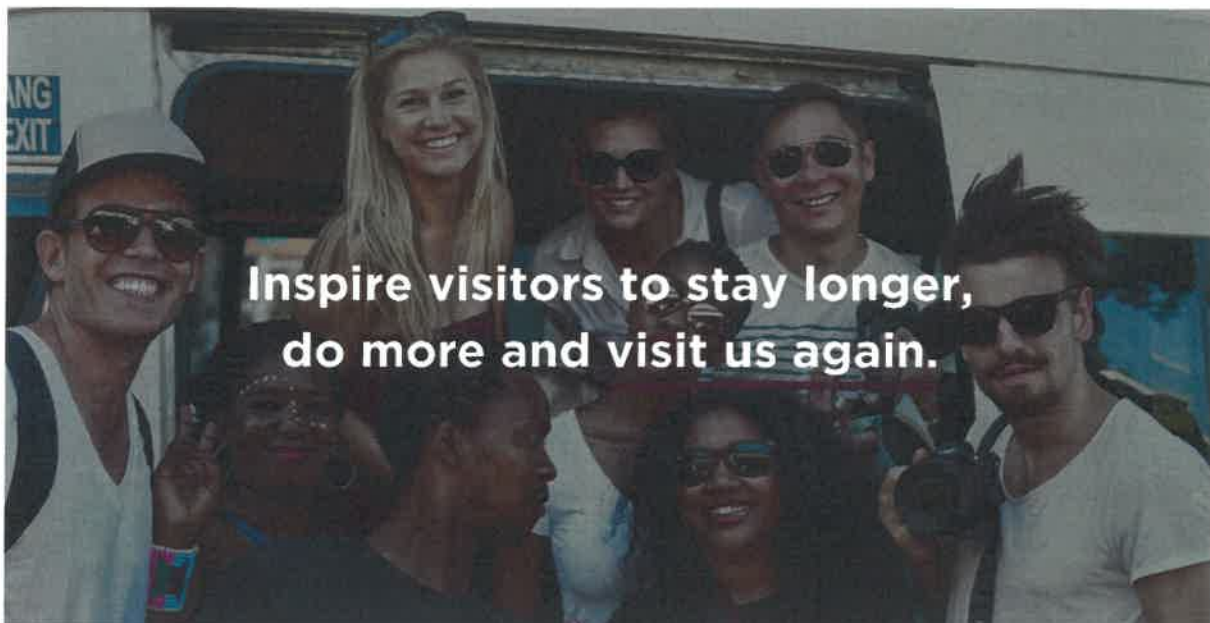
This brand goes beyond our history and scenery and captures the energy and soul of Stellenbosch – a place where people come to discover, learn, create, start up, launch and bring into being.

Visit Stellenbosch embraces this spirit of advancement by creating shareable moments for locals and visitors, representative of a town that celebrates its past, but is also passionate about its future as a dynamic, youthful hub of innovation.

Visit Stellenbosch aims to find ways to connect, equip, and bring about sustainable and measurable growth through tourism, as economic opportunities are not absorbed equally by community based, previously disadvantaged and marginalised enterprises. Our goal is to widen the tourism economic stream and bring about systemic change in our town through deliberate efforts to drive tourism-led solutions for the benefit of all tourism sectors.

Our goal is to create an enabling environment for increased job opportunities and economic advancement.

Mission



Brand Positioning Statement

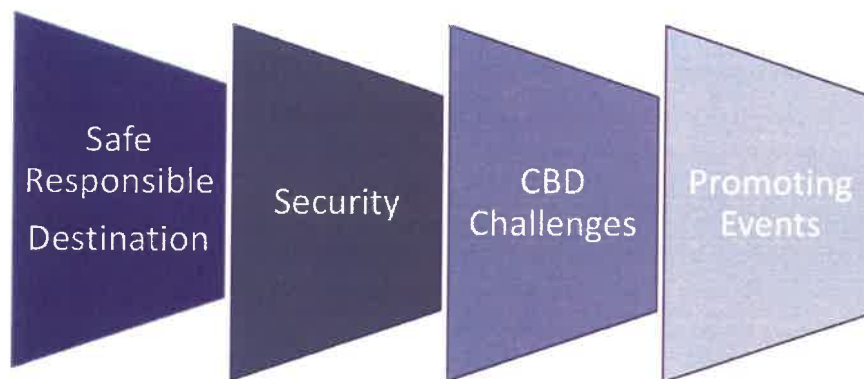
Stellenbosch is a vibrant, university town, surrounded by majestic mountains, that offers a rich history with wine, culture and outdoor experiences that inspire and exceeds expectations to local and international, discerning consumers.

Mandate

The primary mandate for Visit Stellenbosch remains the implementation of an integrated, strategic **marketing** plan focussing on sustainable and scalable solutions aligned with National, Provincial and Municipal tourism policies. Our aim is to mobilise all available resources with one goal: marketing and promoting brand Stellenbosch and as a result growing the tourism economy for all.

We continue with our **business support** mandate by creating an enabling environment for economic growth and recovery. Although the Stellenbosch tourism sector is bouncing back, full recovery - reaching pre-covid levels – will not be achieved in the near future. Our immediate focus is to revive, rebuild and recover.

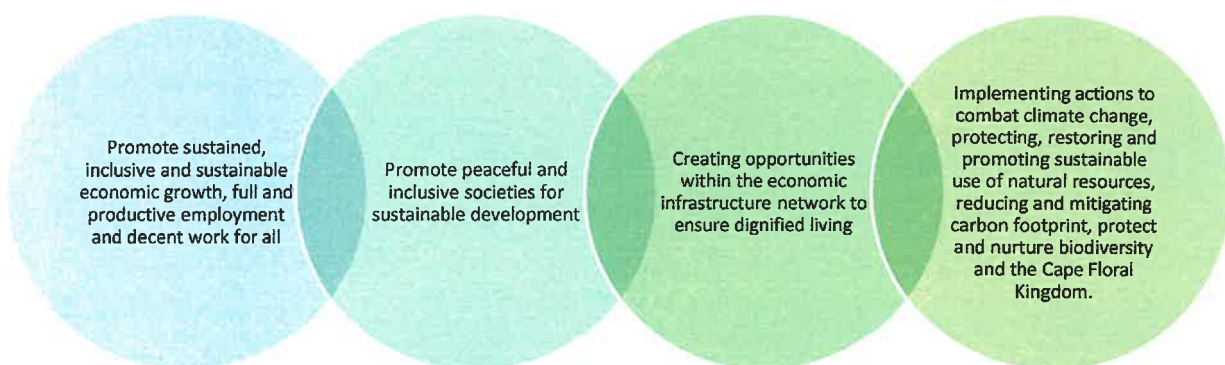
Road To Economic Recovery



Alignment with the Strategic Objectives of Local, Regional, Provincial and National Governments

The Visit Stellenbosch strategy is **aligned with the strategic objectives of the Stellenbosch Municipality**, reinforcing the vision of positioning Stellenbosch as Innovation Capital of South Africa.

Visit Stellenbosch supports the Municipality's drive for dynamic, efficient, accountable and quality service delivery, underpinned by a passion for excellence, innovation and good governance. Our organisation is committed to making a positive impact, harnessing tourism's benefits to achieving sustainable development goals, and stimulate job creation to improve the quality of life in Stellenbosch, for all its people.



As part of the National Tourism directive, Visit Stellenbosch supports and encourages the tourism development agenda. In conjunction with this approach, we primarily concentrate our efforts on tourism marketing and visitor services delivery to drive awareness and demand for Stellenbosch. If we can attract more visitors to Stellenbosch, we can increase spend and positively impact the lives of people sustained by tourism.

The Visit Stellenbosch tourism marketing strategy is also aligned with the Local Economic Development Strategy objectives. We work with the Stellenbosch Municipality to improve the dispersal of visitors across Stellenbosch, beyond the traditional tourism sites to include townships and community-based offerings.

Our plan is also aligned with the vision of the Western Cape Tourism Blueprint 2030: "to boldly build a thriving visitor economy that increases its contribution to the provincial economy while creating a sustainable and competitive destination for years to come."

Strategic Relations

Partnerships and collaboration are essential to ensure that opportunities and resources are maximised. Visit Stellenbosch's strategic partners include:

- Regional and Local Tourism Organisations
- SA Tourism (and their country offices worldwide)
- Wesgro (Western Cape Destination Marketing, Investment and Trade Promotion Agency)
- Western Cape Department of Economic Development and Tourism (DEDAT)
- WOSA (Wines of South Africa)
- Vinpro (Industry association driving Wine Tourism)
- SA embassies
- Cape Winelands District Municipality
- SATSA (Inbound Tourism Industry Body)
- Fedhasa (Federated Hospitality Association of SA)
- Sporting / Service Clubs & community organisations
- Stellenbosch University and other Tertiary Institutions
- Business Chambers
- Event/Festival organisers
- Property developers, investors
- Media
- Stellenbosch Network
- Stellenbosch Unite

Dwarsrivier Tourism

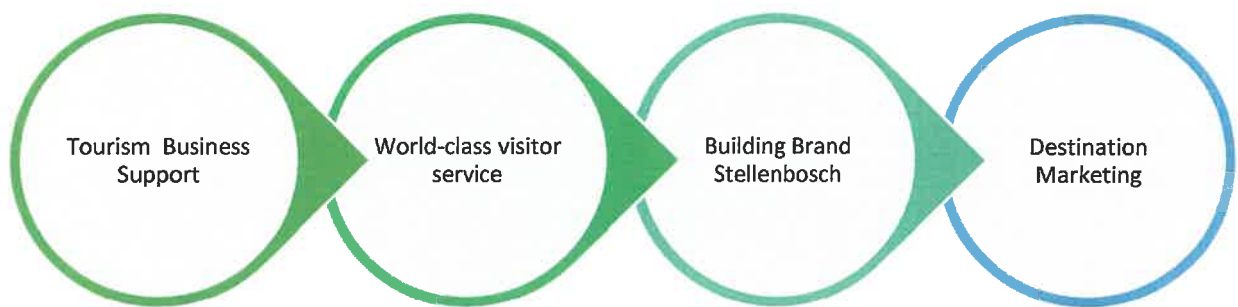
Visit Stellenbosch is responsible for the destination marketing and management of Dwarsrivier. The complexity of their past socio-political relationship with Stellenbosch is recognised and through extensive consultation and a sensitive and inclusive approach, great advances have been made to lay a solid foundation to unlock the tourism potential of this budding destination. We are focused on realising meaningful social impact through economic development objectives which will hold notable benefit for all the Dwarsrivier communities.

Dwarsrivier tourism enterprises are developed and supported to become thriving and sustainable businesses, keeping the distinct Dwarsrivier personality and charm of their offerings intact. This process is guided by the Dwarsrivier Brand Strategy (Annexure A) The products and stories of Dwarsrivier and its people are told with authenticity and compassion.

VISIT STELLENBOSCH: STRATEGIC OBJECTIVES AND DELIVERABLES

The Visit Stellenbosch strategic plan is a “living document” and does not stand in isolation. Various national, provincial, regional and local legislations, policies, and plans were analysed and considered in drafting and implementation of the strategy.

The high-level vision for tourism and economic growth in all Stellenbosch communities provide the focus and framework of the following strategic objectives:



Tourism Business Support

Effective tourism business support will not only result in more visitors, but more investment, more sustainable jobs and ultimately a better place to live for all the people of Stellenbosch.

- Support stakeholders under a joint destination strategy.
- To bring about opportunities by growing the total value of the tourism sector in Stellenbosch and creating more economic opportunities.
- To offer support and a marketing platform to community-based tourism entrepreneurs through various partnerships and networks as aligned with our Socio-Economic Development strategy. (Annexure B)
- To facilitate employment access for youth by connecting employers with our partner training colleges, advancing employer-led training and offering ongoing on-the-job development for youth employees.
- To actively pursue social cohesion across the greater Stellenbosch region through activities and engagements that promote inter-cultural dialogue, commercial opportunities and a spirit of solidarity.
- To develop, support and grow the Dwarsrivier tourism sector, cultivating social cohesion and integrating the regions' personality and products with the greater Stellenbosch tourism offering.
- Present and promote events as a driver for positive economic impact, amplified by integrated promotion strategy to boost the destination's image and the lives of the people of Stellenbosch.
- Position Stellenbosch as a dynamic destination for business tourism with a good selection of venues, access to infrastructure and proximity to airport and Cape Town.

World-class visitor service.

There is a strong correlation between Visit Stellenbosch's success and great guest services. Visit Stellenbosch continues to ensure that we meet a high standard of customer service and provide memorable visitor experiences that will generate new and repeat visitation. Satisfied customer service cycle generates increased customer loyalty.

- To improve every touchpoint of the customer journey and help locals and visitors to have an experience worth travelling for and raving about.
- Pulling the buying power of locals to support community and small businesses across the tourism sector.
- Inspires a culture of solidarity, community and unity through its Support Stellenbosch platform and specific campaigns, such as Stay & Play Stellenbosch, I am a Boscher and Things you didn't know – rediscovery campaign.
- Positive personal travel experiences, will help to tell the right stories to the right people who will share them with the world.

Building Brand Stellenbosch

Visit Stellenbosch adopted a communication strategy (Annexure C) that creates a unifying destination brand with which all stakeholders can engage, and which successfully translates the destination's value proposition vs its competitors'.

- Enhance our national and international image
- Create awareness of Stellenbosch as an innovation hub and an outstanding place to visit and live.
- Impact visitor brand perception by investing in improving products through mentorship, education and sharing of resources.
- Support the inclusive co-creation of our destination
- Extract value from the visitors already visiting our region.
- Support the common goals and principles that unite stakeholders and produce a long-term destination strategy.
- Position Stellenbosch as a preferred tourism destination that leverages on our strong brand recognition as a leading wine tourism region.
- Capitalising on the youthful, innovative spirit of Stellenbosch – a juxtaposition of the existing reputation that Stellenbosch has as an historic destination. Goodbye 'City of Oaks', hello 'Forever Young'.

Destination Marketing

Visit Stellenbosch broke away from traditional destination marketing, taking Stellenbosch into a new era with innovative, marketing done in partnership with the private and public sectors.

- Implement plans and campaigns, generating value for the tourism economy all-year-round
- Capitalise on Stellenbosch's proximity to Cape Town.
- Collaborate with tourism role players to optimally amplify the Stellenbosch message
- Position Stellenbosch as the hub from where to explore the surrounding Cape Winelands.
- Spotlight local communities to unlock the unique selling points and stories of the different clusters and niche sectors in the greater Stellenbosch.
- Package experiences in an attractive way that will encourage visitors to explore Stellenbosch beyond the obvious and well-established tourism routes.



Marketing Objectives

-  Increased brand awareness among chosen segments and source markets
-  Improve seasonality
-  Stellenbosch beyond the half-day visit
-  Align and leverage collective marketing for benefit of Destination Stellenbosch
-  Make it easier and more attractive for audience to access the destination
-  Achieve good balance between international and domestic travel base

Strategic Programmes

To deliver on the strategic objective and deliverables, Visit Stellenbosch will focus on the following key programmes:

Key Strategic Programmes



VISIT STELLENBOSCH STRATEGIC PROGRAMMES

Tourism Business Support / Stakeholder Support Programme

BUSINESS SUPPORT PROGRAMMES AND CAMPAIGNS			
AIM / OBJECTIVE	PERFORMANCE TARGETS	TIMELINE	BUDGET
Business support programme is a mentoring, assessment and booster programme designed for tourism stakeholders to build resilient, sustainable tourism businesses and take steps towards recovering from economic insecurity.	Revive, support and mentor specialised tourism products, focussing on walking tours in Jamestown and Ida's Valley. Analyse the product, invest in shaping the scripts on local history, geology and tourism for a cohesive narrative; provide marketing support and collateral; focussed campaign for cultural niche products	July 2022 - December 2022	R 40,000
	Professional tour guides are assets and ambassadors to a destination and is employed by individuals and travel companies to conduct tours of the area, historical sites and attractions. The services of a local community guide will enhance a visitor experience and need to be polished on an ongoing basis. It is further essential to ensure the guides properly trained by an accredited service provider and registered accordingly. Assessments programme and sharpening of product knowledge.	January 2023 - June 2023	R 60,000
	First Aid refresher courses: registered guides have to complete first aid training every three years to retain their registrations. Maintain accreditation of existing guides. 10 Guides @ R2800 each	January 2023 - June 2023	R 28,000
	Tourism professionalism coaching: essential to tailor customer service to achieve specific objectives and fix issues related to service delivery and tourism products. Coaching for 20 tourism entrepreneurs @ R1 500 each	January 2023 - June 2023	R 30,000
	Direct sales and hosting of tourism educationals. Direct sales to 60 new potential clients including schools, corporates and tourism companies	July 2022 - October 2022	R 30,000
	Website directory and product info pages for qualifying tourism business integrated with primary Visit Stellenbosch website; appropriate marketing material.	July 2022 - June 2023	R 15,000
	Bags4Bread: Dedicated campaigns to collect bags; and then to package, market and sell the products, include in Business tourism	July 2022 - June 2023	R 20,000

	bid documents to support sustainability narrative.		
	Ida's Valley marketplace Ida's Valley marketplace consultation and business plan development	July 2022 - March 2023	R 40,000
SUB TOTAL – BUSINESS			R 263,000
SOCIAL COHESION			
AIM / OBJECTIVE	PERFORMANCE TARGETS	TIMELINE	BUDGET
Social Cohesion: Addressing social cohesion is particularly critical in South Africa given the context of widening inequality, growing unemployment, and persistent racial inequalities. Use events and activations to unite communities around a central theme and goal and start the redress journey	Host two historical tours each in Kayamandi, Dwarsrivier, Die Vlakte, Stellenbosch University, Ida's Valley and Jamestown @ R5 000 each	July 2022 - June 2023	R 60,000
	Hope and Healing social justice walks incorporating elements of fund raising, involving stakeholders from different communities to spend time together and start building bridges and address the divides.	August 2022, September 2022, June 2023	R 45,000
	Stellenbosch FC watch parties at Amazink. Host and promote two Amazink Stellenbosch FC watch parties in Kayamandi	July 2022 – June 2023	R 30,000
SUB TOTAL – SOCIAL COHESION			R 135,000
TOTAL – BUSINESS / STAKEHOLDER SUPPORT			R 398,000

Events and Projects

EVENTS: WINE TOWN STELLENBOSCH			
AIM / OBJECTIVE	PERFORMANCE TARGETS	TIMELINE	BUDGET
Wine Town Stellenbosch is a decentralised wine festival, creating opportunities for all tourism sectors, such as wine, restaurants, accommodation and experiences. The event is planned for 5-9 August and will attract visitors and guests to Stellenbosch in the slow season as part of the long-	Logistics and coordination of a programme of events, activations and offerings across tourism sectors which will attract visitors to Stellenbosch in the low-season and the Wine Routes for the benefit of all.	August 2022	R 50,000
	Stellenbosch Wine Festival hosted in the Stellenbosch Town Hall is a two-day celebration of the best that Stellenbosch has to offer. Strategically positioned between lunch and dinner times, will	August 2022	R 150,000

term economic and tourism stimulation strategy.	leave time for festival goers to still go to restaurants before or after the event. The festival aims to provide a platform for 50-60 producers to show their wines and will make 500+ tickets available to be sold.		
	Extensive marketing and communication plan, position Wine Town Stellenbosch as the annual must-do event. This year targeting wine loving / lifestyle niche audiences across the country and preparing the foundation to promote this globally in the years to come.	June 2022 - August 2022	R 50,000
SUB TOTAL WINE TOWN STELLENBOSCH			R 250,000

LIFESTYLE EVENTS: STELLENBOSCH STREET SOIREE AND OTHER EVENTS			
AIM / OBJECTIVE	PERFORMANCE TARGETS	TIMELINE	BUDGET
<p>Events have the potential to attract high-value tourism. They provide opportunities for marketing, employment and promotion of products and services.</p> <p>The close links and benefits between events and tourism are clear to see so Stellenbosch Wine Routes are hosting various events to create economic opportunities and to remain visible and top of mind as a destination brand and to drive the wine tourism narrative.</p>	<p>Stellenbosch Street Soirees: these popular, bi-weekly, pop-up wine festivals held during the summer months earning a lot of publicity, create economic opportunities for wine farms, provide jobs and stimulate the restaurant industry.</p>	November 2022 - March 2023	R 80,000
	<p>Woordfees activations: Annually, the Stellenbosch Wine Routes collaborates with the Woordfees to offer and host a range of events during the festival. These events include a Street Soiree, Wynskool (wine edutainment at its best – local personality leads a panel of winemakers to discover everything wine) and the tasting safari benefits a range of wine bars and restaurants when passport holders hop between different restaurants to taste wine paired with a snack.</p>	October 2022	R 50,000
	<p>Harvest Parade: Annual parade celebrating the upcoming harvest and the contributions made by agri-workers. The event remains a high-light on the annual calendar and provides a lot of marketing coverage.</p>	January 2023 - February 2023	R 120,000
SUB TOTAL - LIFESTYLE EVENTS			R 250,000

EVENTS: BUSINESS OF WINE TOURISM CONFERENCE			
AIM / OBJECTIVE	PERFORMANCE TARGETS	TIMELINE	BUDGET
<p>Host destination of choice for the Business of Wine Tourism Conference bid. Bring the conference to Stellenbosch.</p>	<p>Bring the Business of Wine Tourism Conference back to Stellenbosch. The content specialised in the business of wine tourism,</p> <p>The conference attracts a number of international speakers and is attended by 100+ delegates plugging into the circular economy. Travelling to Stellenbosch, some of them will stay over, eat at our restaurants and support our wine farms.</p>	May 2023	R 50,000

	Delegates can also join virtually from all over the world which will keep Stellenbosch region and brand top of mind.		
TOTAL - STELLENBOSCH WINE			R 550,000.00

EVENT: GARDEN TOWN STELLENBOSCH

AIM / OBJECTIVE	PERFORMANCE TARGETS	TIMELINE	BUDGET
Linked to the established national activation Garden Day, Stellenbosch will coordinate a programme of events under Garden Town Stellenbosch, enabling visitors to celebrate the beautiful public and private gardens and parks and drive interest / demand for overnight stays paired with programme events and dining in Stellenbosch. The event will aim to drive social cohesion and encourage all the communities of Stellenbosch to come together.	Coordinate a 10-day programme of Garden Tours, Open Gardens, Activations in the CBD and Speakers Programme, tours and walks, providing support to private gardens that open for visitors. The potential of Garden Town Stellenbosch is enormous as it unlocked a niche for our beautiful town.	October 2022	R 100,000
			Los in
	Package Stellenbosch: Create packages with accommodation, meals and activities from the programme to make it easy for visitors to stay over and experience Stellenbosch (stay longer, do more).	September 2022 - October 2022	R 20,000
	Community teas: Several dorpias will host a tea for community groups and link to the Best Garden Competition.	October 2022	R 10,000
	Extensive Marketing programme: Press releases, social media, digital campaigns, Influencer engagement, etc.	August 2022 - October 2022	R 50,000
SUB TOTAL - GARDEN TOWN			R 180,000

PROJECT: STAY IN STELLENBOSCH

AIM / OBJECTIVE	PERFORMANCE TARGETS	TIMELINE	BUDGET
Increase over-night stays in Stellenbosch during peak and off-peak periods.	Stay Stellenbosch Campaign: Dedicated marketing campaign to encourage overnight stays and promote the Stay Stellenbosch activation. Packaging Stellenbosch, making it easier for visitors to stay longer and do more.	Ongoing 2022/2023	R 50,000
	Increased and accelerated hosting of inbound tour operators. In order to promote and position Stellenbosch as a multiday destination. It is crucial to host inbound tour operators and inbound operators. Invite groups of operators, to experience Stellenbosch educational style to understand how they can sell Stellenbosch to their groups and clients.	Ongoing 2022 / 2023	R 70,000
	Stay and Play Campaigns Marketing campaigns to drive the message that Stellenbosch is a convenient	Ongoing 2022/2023	R 50,000

	and warm-hearted destination for hyper locals to visit, stay and play. The campaigns will bring digital and social media exposure for maximum benefit of all the tourism sectors of Stellenbosch		
SUB TOTAL – STAY STELLENBOSCH			R 170,000

PROJECT: TASTE STELLENBOSCH

AIM / OBJECTIVE	PERFORMANCE TARGETS	TIMELINE	BUDGET
Promote and position Stellenbosch as the leading culinary destination in South Africa. More than 200 eateries to choose from, in the town and surrounding areas to enjoy anything from a hearty feast to a fine-dining culinary experience or simply to enjoy a cup of coffee. The wineries in Stellenbosch are famed for their hospitality, and many have restaurants and bistros onsite to get the full winery experience	Restaurant Focus: create top of mind awareness and maximise support and interest for the Taste Stellenbosch Restaurant activation and its related activities. Maximise exposure prior to, during and after the promotional events in print and electronic media (including blogs) to ensure good support and awareness of the Stellenbosch culinary focus; the wine region as one of the country's finest wine and food destinations; the participating restaurants (highlighting the diversity and quality), and the chefs.	July 2022 - August 2022	R 80,000
SUB TOTAL – TASTE STELLENBOSCH			R 80,000

EXPERIENCE STELLENBOSCH

AIM / OBJECTIVE	PERFORMANCE TARGETS	TIMELINE	BUDGET
<p>Make Stellenbosch <u>the</u> destination of choice for sport, adventure and outdoor enthusiasts.</p> <p>Research shows that visitors and tourists prefer outdoor activities, fresh air and wide open spaces. Stellenbosch has this in abundance, it's a great USP and an activity available throughout the year.</p>	Digital campaign to position Stellenbosch as the destination for outdoor adventures, adrenalin junkies, mountain bikers and casual cyclists. Stellenbosch boasts more than 500km of mountain bike trails, running trails and hiking trails.	Ongoing 2022/2023	R 80,000
	Expand collaboration with cycling clubs, bringing together cycling initiatives and organisations to promote cycling activities and events in and around town.	Ongoing 2022/2023	R 80,000
	Large event bid support. Supporting event organisers with destination concierge, pulling in accommodation, restaurants and wine farm experiences.	Ongoing 2022/2023	R60,000
SUB TOTAL			R 220,000

MEET IN STELLENBOSCH			
AIM / OBJECTIVE	PERFORMANCE TARGETS	TIMELINE	BUDGET
Continue to capitalise on 2 nd tier status to Cape Town for MICE and increase to top 5 in Africa in ICCA ranking.	Host Business Tourism Showcase reintroducing Stellenbosch as a Business Tourism Destination. Invite PCO's and service providers to a 2-day educational introducing all the facilities Stellenbosch has to offer including accommodation, restaurants, venues, etc. Includes a speaking programme, educational and networking.	May 2023 - June 2023	R 150,000
	Host more DMC Familiarisation trips to Stellenbosch. DMCs are essentially a link to Stellenbosch guests and clients, so building a relationship with them will be key to making sure travellers understand the value and benefits of choosing Stellenbosch.	Ongoing 2022/2023	R 50,000
SUB TOTAL			R 200,000
TOTAL EVENTS & PROJECTS			R 1,798,000

Visit Stellenbosch Visitor Centre

STELLENBOSCH VISITOR INFORMATION CENTRE			
AIM / OBJECTIVE	PERFORMANCE TARGETS	TIMELINE	BUDGET
Offer and operate a Visitor Information Centre providing a frictionless visitor Experience	<p>Operate a visitor centre 362 days of the year: The Visitor services centre provide information and aid to any current or potential tourists within a destination and its surrounding areas.</p> <p>The centre acts as the main point of contact for tourists' travel planning inquiries, as well as a place where local businesses and travel agencies can go to promote their products and services.</p> <p>The visitors centre is staffed by four Visitor Information Liaison, all upskilled to provide additional admin and event support.</p> <p>The visitor centre collects key data (visitor numbers, requirements, destination of origin, etc)</p> <p>Shared operational costs including premises, telephone, internet, cleaning, security, etc.</p>	Ongoing 2022/2023	R 1,950,000

	High-Level international marketing campaign to promote Stellenbosch to key source markets, including Germany, UK, USA, etc. Develop messaging and collateral, including video and photography elements for different target audiences, rolled out on digital platforms; market access opportunities, tour operator and trade show activations.	Ongoing 2022/2023	R 350,000
TOTAL VISITOR CENTRE			R 2,300,000

DWARSRIVIER PROJECTS / VISITOR CENTRE

DWARSRIVIER TOURISM RESEARCH, COMMUNICATION			
AIM / OBJECTIVE	PERFORMANCE TARGETS	TIMELINE	BUDGET
Offer and operate a Visitor Information Centre providing a frictionless visitor Experience	Develop full marketing and communication plan based on the brand plan. Implement and roll out brand elements and assets, complete marketing toolkit.	September 2022	R 100,000
	Revamp social media channels and drive digital presence and advancement.	September 2022	R 50,000
TOTAL RESEARCH AND DEVELOPMENT			R 150,000

Dwarsrivier: Information Centre

DWARSRIVIER INFORMATION CENTRE			
AIM / OBJECTIVE	PERFORMANCE TARGETS	TIMELINE	BUDGET
Offer and operate a Visitor Information Centre providing a frictionless visitor Experience	Operate a visitor centre: The Visitor services centre provide information and aid to any current or potential tourists within a destination and its surrounding areas. The centre acts as the main point of contact for tourists' travel planning inquiries, as well as a place where local businesses and travel agencies can go to promote their products and services. The visitors centre is staffed by a Visitor Information Liaison, all upskilled to provide additional admin and event support. The visitor centre collects key data (visitor numbers, requirements, destination of origin, etc)	Ongoing 2022/2023	R 250,000

	Shared operational costs including telephone, internet, cleaning, security, etc.		
	Marketing: invest in marketing opportunities, printed and digital collateral to support the promotion of Destination Dwarsrivier	July 2022	R 100,000
TOTAL VISITOR CENTRE			R 350,000

Dwarsrivier: Projects – Garden Week & Other Events

EVENT: GARDEN WEEK			
AIM / OBJECTIVE	PERFORMANCE TARGETS	TIMELINE	BUDGET
Linking in with garden day and Garden Week Stellenbosch, Dwarsrivier plans to activate on various fronts. Using events to create economic opportunities and showcase the treasures of the valley.	Garden Tours: Assist and support private gardeners to get their gardens ready to be included in the Private Garden Tours, signage, collateral, maps, admin and logistical assistance.	October 2022	R 50,000
	Programme and workshops: Offer a speaking programme and several showcases such a chrysanthemum growing workshop, open garden at Johannesdal and other well-known gardens in the area.		R 20,000
	Community social cohesion: Activate several celebratory events, celebrating gardening on 17 September. Invite members of the communities and general public to attend an event to share cultures and experiences and customs.	August 2022- October 2022	R 20,000
SUB TOTAL – GARDEN WEEK			R 90,000

EVENT: OTHER EVENTS			
AIM / OBJECTIVE	PERFORMANCE TARGETS	TIMELINE	BUDGET
Use events to drive positioning, economic opportunities and destination visibility for Dwarsrivier.	Adam Small Festival: A celebration of Small's contribution to Afrikaans; paying tribute to the life and times of Adam Small and celebrating Small's contribution to Afrikaans by various poets, writes and more. Event logistics and collateral, marketing, photography, speakers programme	January 2023 - February 2023	R 35,000
	Chrysanthemum Festival: A highlight on the Dwarsrivier calendar - young and old, should attend the Chrysanthemum Exhibition held at the Pniel Tea Garden and Museum. The day includes the exhibition and selling of the beautiful chrysanthemums, info sessions and delicious home-made treats for sale.	April 2023 - May 2023	R 35,000

	Event logistics and collateral, marketing, photography, speakers programme.		
	Slawedag / Slaveday: Create a three-day event to showcase the history and culture introduced by early-day slave settlements and mix with lifestyle activities such as a walk, cycling, dining events all blended with storytelling and sharing of stories and cultures. Event logistics and collateral, marketing, photography, speakers programme.	November 2022 - December 2022	R 50,000
SUB TOTAL			R 120,000
TOTAL DWARSRIVIER			R 710,000

BUDGETS AND RESOURCES

Sources of Income

The following are the anticipated trends and assumptions in Visit Stellenbosch's main sources of income which form the basis for the budget projections.

Grants and Donations

- Stellenbosch Municipality operational grant funding of **R 4,808,000** in 2022/2023 is required, thereafter the grant funding should be sustained and increased for expansion.
- Visit Stellenbosch will on an ongoing basis engage various for-good organisation, foundations and corporates to fund the growth and success of the organisation. It is estimated that the value of donations received form for 2022/2023 will total **R 250,000**.
- Cape Winelands District Municipality (grants) ringfenced for specific projects and not part of operation income/expenditure of **R 250,000** for Stellenbosch and **R200,000** for Dwarsrivier.

Marketing Sponsorships

- Project sponsorships are actively being sought. Covid-19 legislation will determine to what extent events are permitted. Sponsorships and supplementary funding are sought on event or project basis.

Members

- The total income from Wine Tourism Membership for 2022/2023 is estimated to be **R 800,000**.
- Income from **other members** (accommodation, restaurants, local business etc) is estimated to reach **R 350,000**
- **R 800,000** Contribution form SPM (Stellenbosch Publicity Marketing)

Commercial Activities

Unfortunately, the scope for income from commercial activities is remains weak in the 2022/2023 financial year.

Total Estimated Income For 2022/2023: R7,458 000

Commercial Income Development:

The following areas of activity seem to have the greatest potential for growth in income for Visit Stellenbosch. These channels remain under pressure as businesses are still in a reviving and rebuilding cycle:

- o Increased membership participation in product programmes
- o Event packaging
- o Website Sales (commission, packages, deals, events) - SUSPENDED
- o Stellenbosch specific merchandising and retail
- o Commercial marketing partners

Budget Overview

The budget in this proposal reflects the 3-year budget and funding requirement from Stellenbosch Municipality to execute and implement the key programmes which will support the delivery of the key priorities and objectives of the integrated destination marketing plan for Visit Stellenbosch.

PROJECTED INCOME:

2022/2023

Municipal Funding / Grant	R	4,098.000
Municipal Grant (Dwarsrivier)	R	710.000
Donations	R	250.000
Grands (CWDM / Wesgro)	R	250.000
Grands (CWDM / Wesgro) for Dwarsrivier	R	200.000
Marketing Sponsorships	R	-
Wine Members: Contributions	R	800.000
Other Members: Contributions	R	350.000
Stellenbosch Publicity Marketing	R	800.000
Commercial Activities	R	-
Total Income	R	7,458,000

ESTIMATED PROGRAMME EXPENSES

Visitor Information Centre	R	2,300,000
Business Support & Programmes	R	398,000
Stellenbosch Wines (Wine Route)	R	550,000
Dwarsrivier	R	710,000
Taste Stellenbosch (Restaurants)	R	80,000
Stay in Stellenbosch (Accommodation)	R	170,000
Garden Week Stellenbosch	R	180,000

Experience Stellenbosch (Sport, Outdoor & Adventure)	R	220,000
Meet in Stellenbosch (Business Tourism)	R	200,000
	R	4,808,000

ESTIMATED OPERATING EXPENSES

Management, Programme Delivery & Administration	R	932,000
Operating Expenses	R	733,000
Marketing & Communication	R	935,000
Miscellaneous	R	80,000
	R	2,680,000

Surplus / Shortfall	R	- 30.000,00
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Business Support		
Operating Expenses	R	263,000
Marketing & Communication	R	135,000
Total	R	398,000

Dwarsrivier, Events & Projects		
Research, Comms Plan implementation	R	150,000
Events & Experiences	R	210,000
Marketing, Communication & Promotions	R	100,000
Operations & Logistics	R	250,000
Total	R	710,000

Stay in Stellenbosch (Accommodation)		
Collateral	R	40,000
Marketing, Communication & Promotions	R	100,000
Operations & Logistics	R	30,000
Total	R	170,000

Tasting Stellenbosch (Restaurants)		
Collateral	R	10,000
Marketing, Communication & Promotions	R	60,000
Operations & Logistics	R	10,000
Total	R	80,000

Experience Stellenbosch (Adventure & Sport)		
Collateral, Large bid support	R	80,000
Marketing, Communication & Promotions	R	90,000
Operations & Logistics	R	50,000

Total	R	220,000
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Meet in Stellenbosch (Business Tourism)		
Events & Experiences	R	100.000
Marketing, Communication & Promotions	R	50.000
Operations & Logistics	R	50.000
Total	R	200,000

Garden Town		
Collateral	R	50,000
Marketing, Communication & Promotions	R	50,000
Operations & Logistics	R	80,000
Total	R	180.000

Visitor Information		
Events & Experiences	R	100.000
Marketing, Communication & Promotions	R	100.000
Operations & Logistics	R	-
Programme Execution: Consulting & Administration	R	50.000
Total	R	2,300,000

MONITORING & EVALUATION

The following factors are fundamental in order for this integrated plan to succeed:

- Support and buy-in of Stellenbosch Municipality and top management at all stakeholder organisations is essential;
- Sufficient budget allocation coupled with proper planning;
- Adequate resources to drive tourism development in the Stellenbosch region;
- Full participation of all stakeholders in the tourism development process;
- The marketing plan must be consistently implemented over the stipulated timeframes and according to the SDBIP if it is to achieve the desired outcomes.

LEGISLATION

The following legislation is considered in all planned tourism initiatives and activities for Visit Stellenbosch:

National Development Plan (NDP)

SA Tourism is entrusted with a critical mandate of contributing towards creating an environment for sustainable employment and inclusive economic growth through tourism. SA Tourism has specifically interrogated and aligned its role to the National Development Plan 2030.

National Tourism Sector Strategy (NTSS)

The NTSS was approved by Cabinet and launched in March 2011. It sets bold commitments for the tourism sector. The NTSS advocates the development of a Domestic Tourism Growth Strategy aimed at increasing domestic tourism's contribution to the economy. The achievement of the NTSS's objectives is dependent on a collaborative effort between government and the private sector.

Domestic Tourism Growth Strategy (DTGS)

The Domestic Tourism Growth Strategy (DTGS) outlines practical measures to address the lack of a tourism culture in South Africans – particularly from previously disadvantaged communities. The strategy is aimed at achieving set targets through education and awareness-raising across the country, as well as by promoting affordable and accessible travel and tourism opportunities.

Western Cape Tourism Blueprint 2030

The Western Cape Tourism Blueprint 2030 (TBP) is the destination management and comprehensive long-term strategy for tourism that provides a structural framework for success in the development, marketing, management and monitoring of tourism while pre-empting problems and mitigating impacts. The Tourism Blueprint is an essential component of Western Cape as a sustainable tourism destination, and looks at the 'big picture', providing a blueprint to bring individual strategies together to serve one vision.

CONCLUSION

This strategic plan serves as a working document which should be consistently re-evaluated.

Each suggested strategic objective can be revised and needs to be considered in detail pending budget allocations from Stellenbosch Municipality and other stakeholders.

Collectively these strategic actions present a road map of how Visit Stellenbosch can further grow the tourism economy and create opportunities for locals to be part of the industry and increase economic activity to our area.

Stakeholder involvement and improved planning and budgeting for tourism development will be critical to the successful implementation of this plan.

Simply put: we will be stronger when we join forces.





STELLENBOSCH

STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNISIPALITEIT • UMASIPALA • MUNICIPALITY

CREDITOR CONTROL FORM / KREDITEUR KONTROLE VORM

COMPANY DETAILS		CREDITOR CONTACT DETAIL / KREDITEUR KONTAK BESONDERHEDE (Supplier / Verskaffer, Organization / Organisasie)	
REGISTERED NAME / GEREISTREERDE NAAM	Visit Stellenbosch NPC		
PHYSICAL STREET ADDRESS / FISIESE STRAAT ADRES:	47	POSTAL ADDRESS / POS ADRES:	(If different to physical address)
STREET NAME:	Church Street	PO BOX	
SUBURB:	Stellenbosch	TOWN	
TOWN:		POSTAL CODE:	
POSTAL CODE:	7600	POSTAL CODE:	
TEL:	021 8864310	FAX / FAKS:	
PERSON		CREDITOR CONTACT PERSON DETAIL / KREDITEUR KONTAK PERSOON BESONDERHEDE	
NAME AND SURNAME / NAAM EN VAN	Jeanneet Namborg		
TEL:	021 8864310	FAX / FAKS:	CELL / SEL:
EMAIL / EPOS:	jeanneet@visitstellenbosch.org		
BANK DETAILS		CREDITOR BANKING DETAIL / KREDITEUR BANK BESONDERHEDE:	
NAME OF BANK / NAAM VAN BANK	Nedbank		
BANK ACCOUNT NAME / BANK REKENING NAAM	Visit Stellenbosch NPC		
BANK ACCOUNT NUMBER / BANK REKENING NOMMER	1191201414		
BRANCH NUMBER / TAKKODE:	198765		
ACCOUNT TYPE / TIPE REKENING	CHEQUE / TJEK	<input checked="" type="checkbox"/>	
	SAVING / SPAAR	<input type="checkbox"/>	
	TRANSM	<input type="checkbox"/>	
VAT REGISTERED / BTW GEREISTREER	YES / JA	<input checked="" type="checkbox"/>	VAT /
	NO / NEE	<input type="checkbox"/>	BTW NO: 4710289002

SIGNATURE / HANDTEKENING:

OFFICE USE / KANTOOR GEBRUIK		
CREDITOR NO / KREDITEUR NO:		
Create a new creditor / Skep van nuwe Krediteur Changing of creditors details / Verandering op Krediteur inligting Deleting of creditor / Uitwis van Krediteur		
REQUESTED BY: AANGEVRA DEUR:	DATE: DATUM:	DEPARTMENT: DEPARTEMENT
MOTIVATION: MOTIVERING:		
ENTERED BY: INGEVOER DEUR:	DATE: DATUM:	



Stellenbosch Municipality

Reporting Summary of events until end April 2022

1. Events: Wine Tourism

Events: Wine Tourism	Budget for the period 01/07/2021 to 30/06/2022	Actual for the period 01/07/2021 to 30/04/2022
Municipal grant	R145 000.00	R145 000.00
Expenses	R - 145 000.00	R- 145 000.00
Net income / (loss)	-	-

Breakdown of Wine Town Expenses included the following:

- Operating Costs: Municipality Events Application, Liquor Applications for Events licence, glasses, armbands, Tokens
- Staffing: Security at 3 different events, Covid Officers, Waiters, Ambulance Services
- Rental: Venues, Furniture and Decor
- PR and Marketing: Press Releases, social media promotions, Printing, website design, photographers

PR Exposure: The advertising value equivalent (AVE) stated below equate to what it would have cost if the space was paid for. PR value on the other hand is calculated at four times the AVE value, as editorial exposure holds far more credibility than paid for material, carrying strong editorial endorsement from trusted journalists/publications.

This is usually space, which cannot be bought

Grand Total AVE: R 305 837.96 | Grand Total PR Value: R1 223 351.84

2. Events: Stellenbosch Street Soiree and Other Events

Events: Stellenbosch Street Soiree and Other Events	Budget for the period 01/07/2021 to 30/06/2022	Actual for the period 01/07/2021 to 30/04/2022
Municipal grant	R180 000.00	R180 000.00
Expenses	R - 180 000.00	R- 180 000.00
Net income / (loss)	-	-

The Grant received was used for the following expenses on events:



STELLENBOSCH STREET SOIREES:

- Operating costs: Municipality Events Application, Liquor Applications for Events licence, glasses, armbands, Tokens
- Staffing: Security Officers and Manager, Covid Marshalls, Staffing Runners, Musicians, Photographer, Ambulance Service
- Rental: Furniture and Fencing
- PR and Marketing: Press Releases, social media promotions, Printing, photographers

PR Exposure: The advertising value equivalent (AVE) stated below equate to what it would have cost if the space was paid for. PR value on the other hand is calculated at four times the AVE value, as editorial exposure holds far more credibility than paid for material, carrying strong editorial endorsement from trusted journalists/publications. This is usually space, which cannot be bought

Grand Total AVE: R 414 545.94 | Grand Total PR Value: R1 658 183.76

WOORDFEES ACTIVATIONS

Stellenbosch Wine Routes made a documentary in celebration of their 50th Birthday for the Woordfees Pop Up channel on DSTV 150 called, *Pioniers Stellenbosch Wyn Roete*. Here is a link to their full programme: <https://www.woordfees.co.za/eng/woordfees-tv-program/pioniers-stellenbosch-wynroete-1971-2021/>

PR Exposure for the Total Editorial 50th Anniversary Coverage: The advertising value equivalent (AVE) stated below equate to what it would have cost if the space was paid for. PR value on the other hand is calculated at four times the AVE value, as editorial exposure holds far more credibility than paid for material, carrying strong editorial endorsement from trusted journalists/publications. This is usually space, which cannot be bought

Grand Total AVE: R1 866 849.09 | Grand Total PR Value: R7 467 396.36

HARVEST PARADE

- Production Expenses: 8 Entertainment Groups, 3 Audio Technicians, Prizes
- Staffing: 10 Security Officers and Manager, Covid Marshalls, 10 Staffing Runners, 1 Photographer, Ambulance Service
- Catering: Refreshments
- PR and Marketing: Press Releases, diary notices, social media, printing

PR Exposure: The advertising value equivalent (AVE) stated below equate to what it would have cost if the space was paid for. PR value on the other hand is calculated at four times the AVE value, as editorial exposure holds far more credibility than paid for material, carrying strong editorial endorsement from trusted journalists/publications. This is usually space, which cannot be bought

Grand Total AVE: R352 329.26 | Grand Total PR Value: R1 409 317.04



3. Events: Garden Week Stellenbosch

Events: Garden Week Stellenbosch	Budget for the period 01/07/2021 to 30/06/2022	Actual for the period 01/07/2021 to 30/04/2022
Municipal grant	R100 000.00	R100 000.00
Expenses	R - 100 000.00	R- 100 000.00
Net income / (loss)	-	-

Breakdown of Garden Week Expenses included the following:

- Production Expenses for the Flower Parade: Entertainment, Audio Technicians, Master of Ceremonies, Prizes
- Staffing: 10 Security Officers and 1 Manager, 10 Covid Marshalls, 10 Staffing Runners, 15 Open Garden Ambassadors, Photographers, Ambulance Service, Entertainment
- Audio and Visual Expenses: Garden Week Flag Banners, Printing, T shirts, signage, website and map design
- Events: Support on the Rama School Program, community teas,
- Marketing: Press Releases, diary notices, influencer invites, social media promotions, prizes

PR Exposure: The advertising value equivalent (AVE) stated below equate to what it would have cost if the space was paid for. PR value on the other hand is calculated at four times the AVE value, as editorial exposure holds far more credibility than paid for material, carrying strong editorial endorsement from trusted journalists/publications. This is usually space, which cannot be bought

Grand Total AVE: R 1 885 139.44 | Grand Total PR Value: R 7 540 557.76

DWARSRIVIER PROJECTS / VISITOR CENTRE

4. Dwarsrivier Projects – Garden Week and Other Events

Dwarsrivier Projects – Garden Week and Other Events	Budget for the period 01/07/2021 to 30/06/2022	Actual for the period 01/07/2021 to 30/04/2022
Municipal grant	R 30 000.00	R 30 000.00
Expenses	R - 30 000.00	R- 30 000.00
Net income / (loss)	-	-

Breakdown of Dwarsrivier Garden Week and Other Events Expenses included the following:

- Event Expenses: Assisted 7 different Programmes and workshops for the Valley as part of the programs., supported private gardeners to get the gardens ready



- Staffing: 10 Security Officers and 1 Manager, 10 Covid Marshalls, 10 Staffing Runners, 15 Open Garden Ambassadors, Photographers, Ambulance Service, Entertainment
- Audio and Visual Expenses: Garden Week Flag Banners, Printing, T shirts, signage, website and map design
- Marketing: Press Releases, diary notices, influencer invites, social media promotions, prizes

5. Other Events within the Dwarsrivier Region

Other Events within the Dwarsrivier Region	Budget for the period 01/07/2021 to 30/06/2022	Actual for the period 01/07/2021 to 30/04/2022
Municipal grant	R 67 000.00	R 67 000.00
Expenses	R - 67 000.00	R - 67 000.00
Net income / (loss)	-	-

ADAM SMALL FESTIVAL EXPENSES BREAKDOWN:

- Entertainment: 10 Speakers, Musicians,
- Staffing: Security Officers, Covid Marshalls, Runners, Photographer, Ambulance Service
- Audio and Visual Expenses: Programs and Flyers designing, T shirts, signage, website design, social media promotions, Printing,
- Catering: Refreshments
- Marketing: Press Releases, diary notices, influencer invites, prizes

CHRYSANTHEMUM FESTIVAL EXPENSES BREAKDOWN:

- Event Expenses: Assisted 7 different Programmes and workshops for the Valley as part of the programs., supported private gardeners to get the gardens ready
- Staffing: 10 Security Officers and 1 Manager, 10 Covid Marshalls, 10 Staffing Runners, 15 Open Garden Ambassadors, Photographers, Ambulance Service, Entertainment
 - Audio and Visual Expenses: Garden Week Flag Banners, Printing, T shirts, signage, website and map design
 - Marketing: Press Releases, diary notices, influencer invites, social media promotions, prizes



VISIT STELLENBOSCH:
MUNICIPALITY REPORT

JANUARY TO MARCH 2022



January to March 2022 report - Stellenbosch Municipality

1. Socio Economic Development Programmes

Trade and enterprise development for emerging community-based tourism service providers/entrepreneurs. Joint strategy with education partners and employers.

- Completion of market readiness development of 14 products/service providers

Actively develop tourism products and gain market access for participating service providers/entrepreneur.

- Design and launch international and local promotional campaigns focussed on the sale and promotion of our niche products
- Initiate a direct sales service to procure group and event bookings

Introduction

The report is written to illustrate progress in each of the categories specified in the SLA. The VS enterprise development project is delivered by Visit Stellenbosch in partnership with the Township and Village tourism social enterprise. Herewith an update on our progress to date and an overview of our planning for the remainder of the grant period.

Overview

With Covid-19 being less of an international threat and focus, we have seen an increase in tourism in Stellenbosch. The more relaxed regulations are also allowing for bigger events numbers and less reluctance on the side of organisers. Having said this, we are still a long way away from the tourism levels that first attracted our development in this sector.

Psychologically the tourism entrepreneurs are feeling more optimistic, and we are thankful for having survived the pandemic with all the participants that we had when going into it. Our focus is now on a full recovery and reaching financial sustainability.

In 2022 we have seen individual travellers booking online, usually in groups of 2. In addition, we have had several events and group booking enquiries that seem to be planned for later in the year and 2023.

Herewith find a summary of the development highlights:

- In the last quarter we have developed two new products in Dwarsrivier, including a Living History walking tour, and a range of custom nature hikes.



- We hosted a tour guide training workshop and networking event where all the guides, (from 6 different communities) shared their historical knowledge and insight into the various histories that our tours represent.
- Dr. Leslie van Rooi and our team of tour guides have walked both the Vlakte and Redress tours together as part of their training. Dr. van Rooi will also be walking the Kayamandi on Foot tour with the team, and collectively we are integrating all the historical pictures together, to help the guides to formulate a complete history of Stellenbosch, across cultural lines.
- We entered a partnership with Co-Create Hub and two tours will start and end at this venue. In addition, we will include the Co-Create Hub in our corporate marketing, as an events and group venue.
- Our online booking service is showing positive results, showing that our wider tourism marketing efforts are starting to pay off.
- Our website has evolved and the tourism resources that are available for visitors are growing into a very professional and comprehensive offering. We continue to build onto this offering.
- We started the Bread Bag project, where crafters are crocheting lanyard strings, water bottle holders and wine bottle holders for conferences and events. These products are crocheted from bread bag plastic and is creating a direct income for crafters in our programme.
- Our social media offering has grown as we are now able to publish more regularly due to regular tour groups using our services.

Please find a report below, based on the deliverables stipulated in the grant.

Herewith a summary of progress to date.

Direct Sales	<p>We are progressing with this initiative and is currently working through a direct marketing project. We have designed specific marketing material for each of the target audiences, which is being used to directly reach the following marketing targets:</p> <p>Schools (60),</p> <p>Travel operators (30)</p> <p>Corporate companies (60)</p> <p>All the targeted organisations are entered into our data base for follow up once initial contact is concluded.</p>
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<p>Design and launch international and local promotional campaign</p>	<p>We have integrated the Township and Village offering into the overall VS promotional campaign.</p> <p>The offering is being promoted locally and internationally as a core part of the promotion of Stellenbosch.</p> <p>A range of dedicated marketing collateral, photos, maps, and booklets have been produced to enable the ongoing promotion of the Township and Village products.</p>
<p>Product Market Readiness</p>	<p>This entails the completion of the market readiness development of our products, including compliancy, tour scripts, host/guide development and related activities. To date we have developed 21 products.</p> <p>There are several factors that guide the delivery of this component. VS conducted a product readiness 'audit' on the T&V products and graded them in three categories of readiness. Based on this assessment a process was initiated to develop the needed components for all products to be deemed 'market ready'.</p> <p>We aim to complete this process by June 2022</p> <p>Herewith a summary of the products and their current grading.</p> <p>Grading guide: A – Market Ready, enter further development B – Progressing well, specific development elements identified for finalisation C – In development – product is new or in specific project phase</p> <p>Township and Village Products:</p> <p>Tours and Experiences Kayamandi on Foot – A Although finalised and popular, this tour is being researched deeper and a few additions will be made. Dr. Leslie van Rooi will be joining our</p>



Kayamandi tour, together with all our other tour guides to learn and experience Kayamandi in a deeper way and to integrate this piece of history, with the bigger Stellenbosch history. This product is well tested and market ready.

Pniel on Foot – A

This product is well tested and market ready.

University Redress Walking Tour A – Upgraded from a B to an A in this quarter. Dr. Leslie van Rooi lead a tour as the final part of the tour guide training process and this product is completed.

Vlakte on Foot- A Upgraded from a B to an A in this quarter. The Vlakte Forum signed off on our tour script and Dr. Leslie van Rooi co-hosted a tour, together with Vlakte Forum, as the final part of the tour guide training.

Stellenbosch Wine Walks – A. This product is developed and have been sold regularly, we are however busy researching deeper into the Ida's Valley Nature Area history and the Ida's Valley Community Trails team have indicated that they want to work closer with Township and Village. We are currently building relationship with them.

Local is Lekker – A

Journey of Hope and Healing- A

Gembe Drumming – A

Living History Tour – B

This is a new product that is in the final stages of development.

Custom Hikes – B

This is a new product that is in the final stages of development.

Amazink Cast – B

New outfits and a refreshed show design is needed for this performing group.

Home Dining

Kayamandi Home Dining - A

Kylemore Home Dining - A

Pniel Home Dining - A



	<p>Spice Experience - B</p> <p>Corporate and Group Events - A We placed a big focus on this in the last quarter and have designed an enhanced offering. Please see: https://townshipandvillage.co.za/corporate-events-and-conferences/</p> <p>Schools and Educational Institutions – A We created a new combined product offering – see: https://townshipandvillage.co.za/school-and-educational-experiences/</p> <p>Amazink – A We have made great strides with Amazink’s development. Amazink has been selected to receive a “make over” on Bertus Bassons’s reality programme “In die Sop”. In addition, we have procured grants to the value of R190 000, which are being applied as follows:</p> <ul style="list-style-type: none"> - R100 000 - Renovation of Amazink (fridges, electricity, plumbing, stoves, gas lines etc) - R30 000 – development of craft and info kiosk inside Amazink - R60 000 – Installation of TV screens to enable FC Stellenbosch soccer viewing of away games <p>Pniel Tea Garden – B Although still rated a B, we are making good progress. PEKT have appointed a new operator of the Pniel Museum Tea Garden. We have procured a grant of R25 000 for marketing and equipment and is busy working with their team towards operating the tea garden sustainably. The tea garden is currently open four days a week.</p> <p>Co-create Hub – A The Co-Create Hub is a new partner and we have agreed to let two tours start and end at this venue (Vlakte and University Redress). In addition, we will also be promoting their conference and group offering.</p> <p>SEED Beads – B This project will be further developed once the Amazink craft centre is finalised.</p>
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2. Events: Wine Tourism

Wine Town Stellenbosch will coordinate a programme of events both across the Stellenbosch CBD as well as winelands. The content will showcase innovation and leadership of the Stellenbosch wine industry through a series of smaller events and affirm the message that Stellenbosch is the wine (wine tourism) capital of South Africa.

- Coordinate a Wine Town programme including sporting events, big bottle party, Braai broodjie competition and a selection of daily events organised by various industry partners, members of the Stellenbosch Wine Routes, and the restaurant sector to create demand over a focussed 10-day period.
- Stellenbosch Fine Wine and Food Showcase: an upmarket activation specifically showcasing the best of Stellenbosch wines with the best of Stellenbosch dining. The event will cater for an intimate audience in a modern (anti-covid) format
- Extensive marketing and communication plan, position Wine Town Stellenbosch as the annual must-do event. This year targeting wine loving / lifestyle niche audiences across the country and preparing the foundation to promote this globally in the years to come.

o Wine Town – project completed

WineTown was a focused celebration of wine in and around Stellenbosch and occurred from the 3rd until the 7th of November 2021.

Events included the following and many more:

- ✓ Stellenbosch Wine Routes 5 Decades Tasting at Spier (Private invite only event)
- ✓ Stellenbosch Wine Routes Founding Members Dinner
- ✓ Celebrate Chenin Blanc at Jordan Estate
- ✓ The Stellenbosch Cabernet Collective presents 'Cabernet through the Ages' at Ernie Els Wines
- ✓ Old Vine Technical Tasting at Kaapzicht Estate on
- ✓ The Cap Classique 50-year Celebration at Simonsig
- ✓ Big Bottle, Braai broodjies and Bow Ties in Hofmeyr hall
- ✓ And many more other events on the wine route

2022 dates has been identified and planning will start in May.

3. Events: Stellenbosch Street Soiree and Other Events

Events have the potential to attract high-value tourism. They provide opportunities for marketing, employment and promotion of products and services. The close links and



benefits between events and tourism are clear to see so Stellenbosch Wine Routes are hosting various events to create economic opportunities and remain visible as a destination brand and drive the wine tourism narrative.

- Stellenbosch Street Soirees: bi-weekly, pop-up wine festivals held during the summer months earning a lot of publicity, create economic opportunities for wine farms, provide jobs and stimulate the restaurant industry.
- Wordfees activations: Annually, the Stellenbosch Wine Routes collaborate with the Wordfees to offer a range of events during the festival. These events include a Street Soiree, Wynskool (wine edutainment at its best – local personality leads a panel of winemakers to discover everything wine) and the tasting safari benefits a range of restaurants when passport holders hops between different restaurants to taste wine paired with a snack.
- Harvest Parade: Annual parade celebrating the upcoming harvest and the contributions made by agri workers. The event culminates in a craft expo where agri workers and community entrepreneurs sell hand-made goods and pantry items.

o Stellenbosch Street Soirees

The ever-popular, Stellenbosch Street Soirees returned to the streets after a quick December break, on Wednesday 26 January, 9 & 23 February and 9 & 23 March 2022. The last events for the season and winter nears, the next dates will start in November again.

Stellenbosch Wine Routes has adopted a policy of trying to ensure that every consumer touchpoint showcases the very best of what we have to offer be it our wines, tasting rooms, and food experiences. The Street Soirées is gradually move towards a more premium presentation in both the range of food stalls that will be featured, supporting more local entrepreneurs, and most importantly, the wines that we wish to show to our visitors.



o Wordfees activations

Awaiting on dates for 2022 but the annual Flicker and Flash Street Soiree will return with all COVID protocols in place.



Stellenbosch Wine Routes (with Visit Stellenbosch) is Officially a Silver Tiers partner of Woordfees in 2022. The very first activation took place at Langtafel event on 14 march, Stellenbosch Wine Routes was the official wine partner for this event.



📷: Nanette Photography

- Harvest Parade:

The Harvest Parade will officially happen on the 9th of April 2022.





4. Events: Garden Week Stellenbosch

Linked to the established national activation Garden Day, Stellenbosch will coordinate a programme of events under Garden Week Stellenbosch, enabling visitors to celebrate the beautiful public and private gardens and parks and drive interest / demand for overnight stays paired with programme events and dining in Stellenbosch. The event will aim to drive social cohesion and include all the communities of Stellenbosch

- Coordinate a **10-day programme** of Garden Tours, Open Gardens, Activations in the CBD and Speakers Programme. Design a map and microsite to support the programme.
- **Schools Programme:** Invite all schools across the Stellenbosch District to introduce an educational element to Garden Week. Roll out a small growing project (micro greens) accessible to all.
- **Community teas:** On 17 October with Garden Day, several dorpias will host a tea for community groups
- **Extensive Marketing programme:** Press releases, social media, digital campaigns, Influencer engagement, etc.



- **10-day programme – project completed and new dates for 2022 will be released soon**
A garden week microsite page was designed with all the information and booking platform regarding Garden week
<https://www.visitstellenbosch.org/gardenweek/>

The Map that has been designed and distributed, link to the map is [here](#)

- **Extensive Marketing programme**
Herewith a summary (15/09/2021) of the Garden Week Stellenbosch editorial exposure so far:
Total value of online exposure: (EXCLUDING social media) = R730 792.80
Total value of print exposure: (newspapers and magazines) = R177 739.47
Total value of broadcast media (TV & Radio) = R296 196.73
GRAND TOTAL editorial coverage achieved based on the advertising value equivalent (AVE) = a monetary value of R1 204 729.00 which equates to what it would have cost Visit Stellenbosch if the space had been paid for.
PR Value = R4 818 916.00



5. Project: Stay Stellenbosch

Stay Stellenbosch Campaign:

- Dedicated digital campaign to encourage overnight stays. Packaging Stellenbosch, making it easier for visitors to stay longer and do more.



- *Boscher and Stay and Play in Stellenbosch campaign*

What kind of Boscher are you? Take our [quick quiz](#) to find out what type of Boscher you are!

Noun: A Stellenbosch connoisseur/addict/fan/buff

These 2 campaign are ongoing and part of our social media plan, Any and all hostings link to a type of boscher. The [Stay and Play](#) in Stellenbosch is where we load all the special packages or Accommodation offers. Stay and play page is being updated regularly with specials.

- [Stellenbosch Playbook](#): The latest playbooks is a go-to member (and benefit) resource that includes everything you or your guests may need to know about packaging and enjoying Stellenbosch. It is a Vibey and Vibrant quick index themed in Chapters for easy searching. This book is updated monthly with new members, listing and any new related information
- **Hello Maties**
Members submitted some great special the students, next round of offers will be updated at the start of the term.
<https://www.visitstellenbosch.org/plan-your-visit/packages/hello-maties/>



6. Project: Taste Stellenbosch

Promote and position Stellenbosch as the leading culinary destination in South Africa. More than 200 restaurants to choose from, in the town and surrounding areas to enjoy anything from a hearty feast to a fine-dining culinary experience or simply to enjoy a hot cup of coffee. The wineries in Stellenbosch are famed for their hospitality, and many have restaurants and bistros onsite to get the full winery experience

- **Restaurant Month:** create top of mind awareness and maximise support and interest for the Taste Stellenbosch Restaurant Month and its related activities. Maximise exposure prior to, during and after the month-long event in print, radio, TV and electronic media (including blogs) to ensure good support and awareness of the Stellenbosch Restaurant Month; the wine route as one of the country's finest wine and food destinations; the participating restaurants (highlighting the diversity and quality), and the chefs.
- **Support Stellenbosch:** An annual restaurant rewards scheme to stimulate the circular economy, and boosting the restaurant sector when most needed. Update infrastructure, websites, collateral, etc

o **Restaurant Month**

Restaurant week is starting again from 1 April to 1 May 2022.

16 offers from our Restaurant members are listed on the [restaurant week](#) website.

o **Support Stellenbosch**

This campaign is on hold for now as we are onboarding a new partner and need to finalise the logistics regarding this to make it more sustainable in the future, planning is still ongoing.

Launch date moved to winter for the May/June/July season.

7. Experience Stellenbosch:

Make Stellenbosch the destination of choice for sport, adventure and outdoor enthusiasts.

- Digital campaign to position Jonkershoek as a 2nd tier destination to Table Mountain National Park. Stellenbosch is an outdoor lover's paradise with more than 500km of mountain bike trails, running trails and hiking trails.
- Unite the various cycling initiatives and organisations under an umbrella body to promote cycling activities and events in and around town. Develop an easy-to-use cycling and hiking map for the entire area.



- **Digital campaign**
During July and August meetings was held with Ernst Gouws to get more research, having exploratory meeting and finalising concepts for the next phase of the Project that will include the Route maps and marketing of Jonkershoek – ongoing

Boscher Campaign also forms part of this experience:

[Outdoorsy Boscher Itinerary Inspirations](#)

- **Develop an easy-to-use cycling and hiking map for the entire area.**
This is ongoing, Guided hiking routes has been packaged as part of the Stellenbosch Wine Walks. The Wine Walk will start from May again, exact date is to be confirmed.

8. Meet in Stellenbosch:

Capitalise on 2nd tier status to Cape Town for MICE and increase to top 5 in Africa in ICCA ranking.

- Host Business Tourism Showcase reintroducing Stellenbosch as a Business Tourism Destination. Invite PCO's and service providers to a 2-day educational introducing all the facilities Stellenbosch has to offer including accommodation, restaurants, venues, etc. Including a speaking programme.
- Host shoulder events to main tourism events in Cape Town & Durban (e.g. WTM and Indaba) where applicable. Capitalise on media, operators, corporates, etc which will be in the area and invite them to promotional experiences in Stellenbosch.

- **Business Tourism Showcase**
The Business Travel website has been launched with 4 conferences coming to Stellenbosch this year. - ongoing

<https://businesstravel.visitstellenbosch.org/>

We hosted the DMC Micato Safaris in March for a 1 day educational.

- **Tourism Events**
We are hosting a private event for SATSA conference attendees in April – ongoing
There is also a WTM and Cape Wine Hosting in the plans.

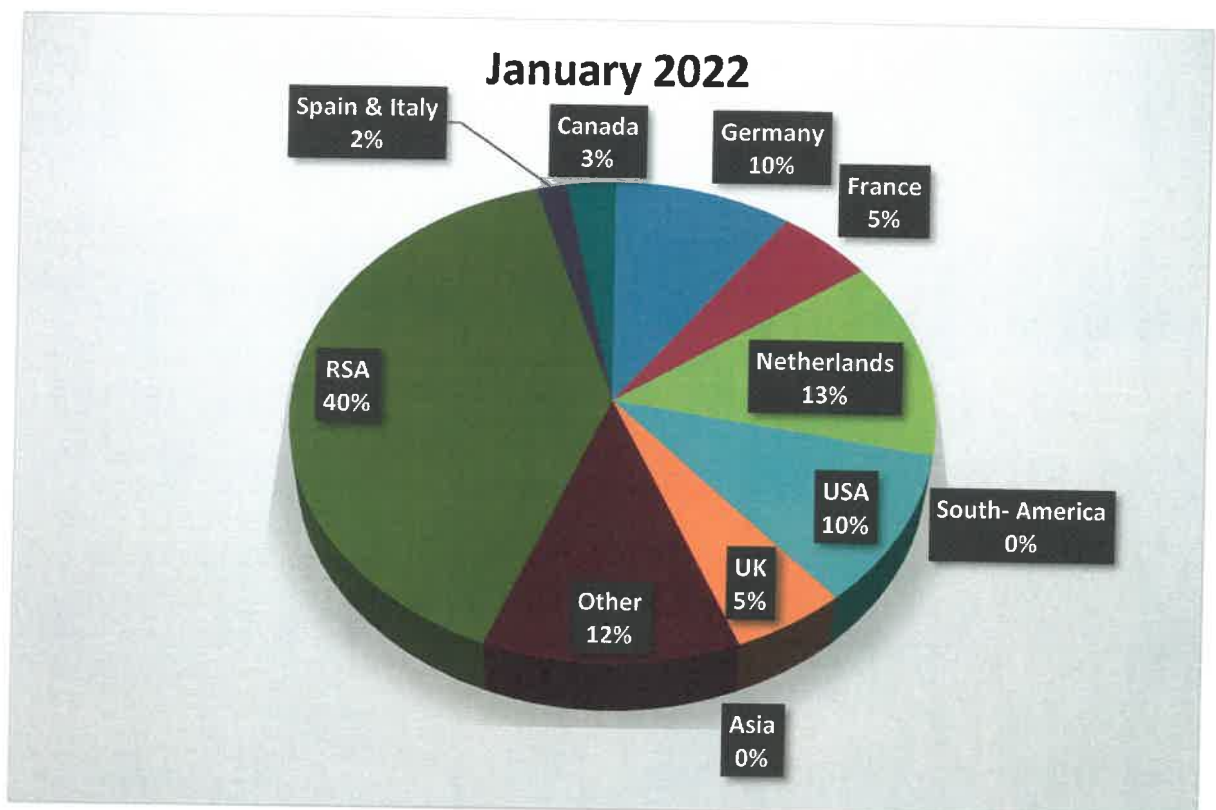
9. Stellenbosch Visitor Information Centre

Offer and operate a Visitor Information Centre providing a frictionless visitor Experience.



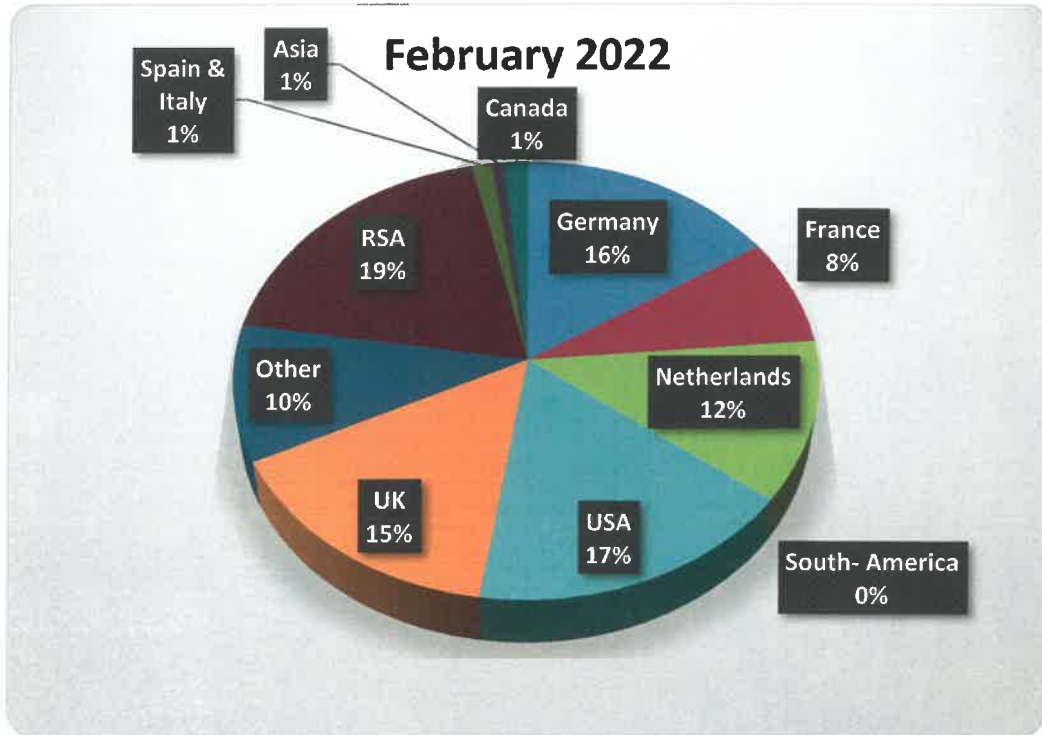
- Operate a visitor centre 362 days of the year: The Visitor services centre provide information and aid to any current or potential tourists within a destination and its surrounding areas.
- The centre acts as the main point of contact for tourists' travel planning inquiries, as well as a place where local businesses and travel agencies can go to promote their products and services.
- The visitor's centre is staffed by four Visitor Information Liaison, all upskilled to provide additional admin and event support.
- The visitor centre collects key data (visitor numbers, requirements, destination of origin, etc)
- Shared operational costs including premises, telephone, internet, cleaning, security, etc.

o Visitor Stats for January 2022

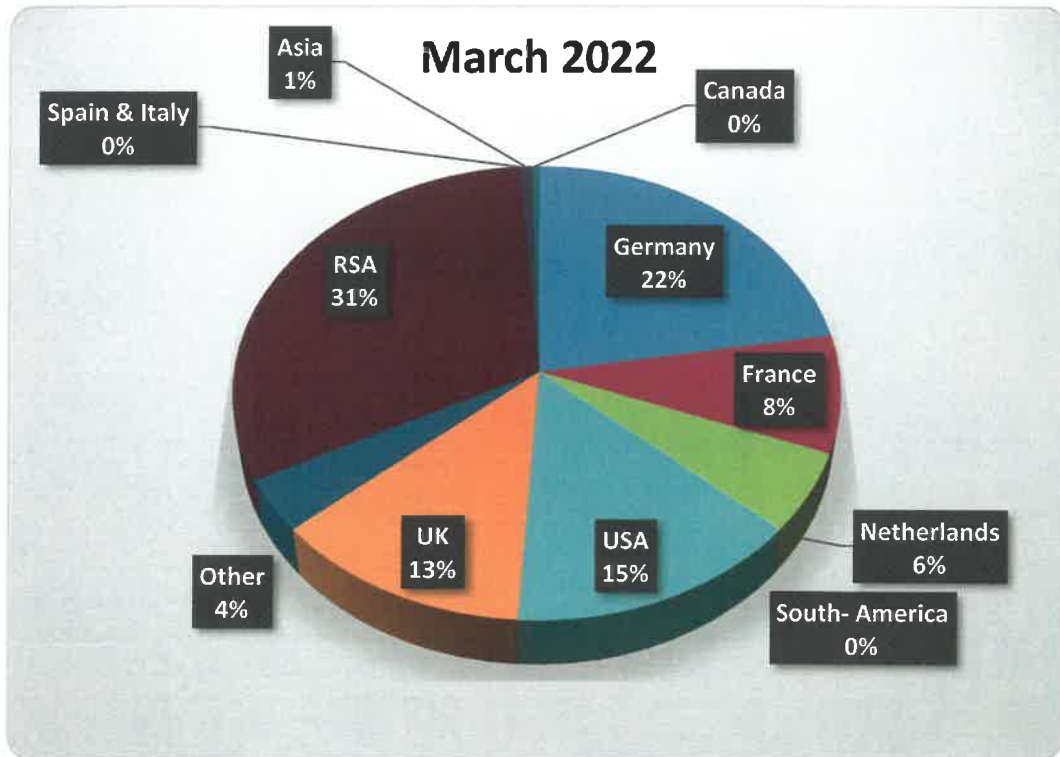




o Visitor Stats for February 2022



o Visitor Stats for March 2022





- High-Level international marketing campaign to promote Stellenbosch to key source markets, including Germany, UK, USA, etc.
- Develop messaging and collateral, including video and photography elements for different target audiences, rolled out on digital platforms; market access opportunities, tour operator and trade show activations.

- **High-Level international marketing campaign**
In process, ongoing
- **Messaging and collateral**
In process, ongoing

DWARSRIVIER PROJECTS / VISITOR CENTRE

10. Dwarsrivier Tourism Research, Brand Development and Marketing/Communication Strategy

Offer and operate a Visitor Information Centre providing a frictionless visitor Experience.

- Develop a Destination brand and strategy extensive research must be completed with the regards the resources, products and service providers. Secondary research must be done to understand the source markets and visitor personas to develop an effective marketing plan. Research will determine what products and skills are available and to what extent these can be packaged or alternatively require training, development or market readiness assistance.
- Compile a full Brand DNA report including mission, vision, objectives, goals, define audiences, target markets, brand personality, tone of voice, ambitions, etc.
- Develop all brand elements and assets in a toolkit, include logo, taglines, key messaging, imagery, etc.
- Refresh a website and implement a website marketing strategy, etc.
- Refresh social media channels and drive presence.

- Destination brand and strategy process has been delayed due to COVID, 3 Research sessions and meetings took place in July, August and September.

Strategy and Brand DNA work session took place in December. Management had a meeting with all the stakeholders for feedback and another strategy session took place at the end of March – ongoing process



11. Dwarsrivier Information Centre

Offer and operate a Visitor Information Centre providing a frictionless visitor Experience.

- Operate a visitor centre: The Visitor services centre provide information and aid to any current or potential tourists within a destination and its surrounding areas.
- The centre acts as the main point of contact for tourists' travel planning inquiries, as well as a place where local businesses and travel agencies can go to promote their products and services.
- The visitor's centre is staffed by a Visitor Information Liaison, all upskilled to provide additional admin and event support.
- The visitor centre collects key data (visitor numbers, requirements, destination of origin, etc)
- Shared operational costs including telephone, internet, cleaning, security, etc.
- Marketing: invest in marketing opportunities, printed and digital collateral to support the promotion of Destination Dwarsrivier

12. Dwarsrivier Projects – Garden Week and Other Events

Linking in with garden day and Garden Week Stellenbosch, Dwarsrivier plans to activate on various fronts. Using events to create economic opportunities and showcase the treasures of the valley.

- Garden Tours: Assist and support private gardeners to get their gardens ready to be included in the Private Garden Tours, signage, collateral, maps, admin and logistical assistance.
- Programme and workshops: Offer a speaking programme and several showcases such a chrysanthemum growing workshop, open garden at Johannesdal and other well-known gardens in the area.
- Community social cohesion: Activate several celebratory events, celebrating gardening on 17 September. Invite members of the communities and general public to attend an event to share cultures and experiences and customs.



13. Other Events within the Dwarsrivier Region

Use events to drive positioning, economic opportunities and destination visibility for Dwarsrivier.

- **Adam Small Festival: Jan/Feb 2022**

A celebration of Small's contribution to Afrikaans; paying tribute to the life and times of Adam Small and celebrating Small's contribution to Afrikaans by various poets, writes and more. Event logistics and collateral, marketing, photography, speakers programme

- **Chrysanthemum Festival: April/May 2022**

A highlight on the Dwarsrivier calendar - young and old, should attend the Chrysanthemum Exhibition held at the Pniel Tea Garden and Museum. The day includes the exhibition and selling of the beautiful chrysanthemums, info sessions and delicious home-made treats for sale.

Event logistics and collateral, marketing, photography, speakers programme.

- Still in planning phase

- **Adam Small Festival: 26 February 2022**

A celebration of Small's contribution to Afrikaans; paying tribute to the life and times of Adam Small and celebrating Small's contribution to Afrikaans by various poets, writes and more.

A website was designed for the festival: <https://adamsmallfees.co.za/>



Photo: 1 & 3 Faith Stubbs and Photo 2: Darryl David



26 Februarie 2022
SATERDAG
PNIËL MUSEUM
TEETUIN

Verwings sal op die perseel verkoop word

PROGRAMLEIER: DARRYL EARL DAVID
LW: Program mag verander, hou asb. die feesblad dop!
www.adamsmallfees.co.za

08.30 - 08.45	Verwelkoming & Opening
08.45 - 09.15	Die Moede Yopu: SBA
09.15 - 10.00	Paël skrywers en digters: o.l.v. Diana Ferreira
10.00 - 10.30	Klankbeleving: Jeffrey Owen-oh Harzenberg / Tonga Dewar
10.30 - 11.00	TEE / KOFFIE
11.00 - 11.30	Kyle James & Corby Dipwell
11.30 - 12.30	ATKV se Oorspronklike Speel o.l.v. Charelène van der Merwe Rosa Amador (Adelante) o.l.v. Ingeborg van Jaarsveld en Lynné Jans
12.30 - 13.00	Diana Ferreira se Middelste skrywers
13.00 - 13.45	MIDDAGETE
13.45 - 14.15	Centre Park - Belling & Fong Shanyi: A Month of Low-Gee Weing
14.15 - 14.45	Wesley Habonak: The Shoppers Daughter
14.45 - 15.15	Karoo Jongste: An Island Longtime for Books: Pina
15.15 - 15.30	TEE / KOFFIE
15.30 - 16.00	Chitra Kalyanam - 'n Oerwoud in ons land
16.00 - 16.30	Gaaijsh I vedek in an MCA's Skrywers - Wandaan Prokhorov
16.30 - 17.00	Amalgam Poësie by Agbete Magda & Petra Wilmans (Lokale Poësie)
	POUSE
17.30 - 18.30	Opname: Adam Small Bejazzed: Natalia da Rocha & Applauz Art Oles ('n Repetisie van die klanke sal verkoop word)

JANINE: 072 245 1415
pnielmuseum@gmail.com

COVID PROTOKOL SAL GEVOLG WORD

PNIËL MUSEUM
www.pnielmuseum.co.za

ADAM SMALL
FEES

26 February 2022 R50 each

**ADAM SMALL
BEJAZZED**

with **Natalia da Rocha**
and **The Applauz Band**

17:30 @ PNIËL MUSEUM TEA GARDEN

JANINE: 072 245 1415
pnielmuseum@gmail.com

PNIËL MUSEUM
www.pnielmuseum.co.za

ADAM SMALL
FEES

Articles:

<https://www.bolanderlifestyle.co.za/news/adam-small-fees-bring-hulde-aan-welbekende-digter->

<https://www.litnet.co.za/fotoblad-adam-small-fees-2022>

14. Social Media

Facebook Stats for December, January and February:

Information	Dec	Jan	Feb
Users	12270	9642	11257
Sessions	14765	11352	13314
Session per user	1,2	1,18	1,18
Page Views	44382	37037	43838
Page Sessions	3,01	3,26	3,29
Average Sess Duration	1:24	1:41	1:35
Bounce Rate	0,65%	0,91%	0,51%


















- Still awaiting on the official March Social Media Report



Top Performing Posts for December






Recent content 	Type	Reach  	Likes and reactions  	Comments  
  What a dreamy setting for a summ... Dec 29, 2021	Post	1,286	1	0
  In Stellenbosch we are all #FreeTo... Dec 29, 2021	Post	1,051	5	0
  😊 We all have a responsibility to ta... Dec 28, 2021	Post	Boost post	3,010	24
  New Year's Eve 2021: 6 places to c... Dec 27, 2021	Post	Boost post	3,340	14
  Wishing you all a festive season an... Dec 25, 2021	Post	Boost post	612	7

Top Performing Posts for January






Recent content 	Type	Reach  	Likes and reactions  	Comments  
  The Quick Reference Guide to the ... Thu Jan 27, 1:38am	Post	Boost post	3,094	9
  What a year January has been! Don... Mon Jan 24, 10:23am	Post	Boost post	2,678	2
  Discover These New Wine Bars In ... Sat Jan 22, 12:56am	Post	Boost post	10,823	140
  Our vibrant Winelands town ranks ... Fri Jan 21, 5:59am	Post	Boost post	4,112	43
  Enjoy some epic food & drinks whil... Thu Jan 20, 2:12am	Post	Boost post	2,055	5



Top Performing Posts for February

Recent content ↓	Type	Reach ⓘ T↓	Likes and reactions ⓘ T↓	Comments ⓘ T↓	
 Let's not waste a single day of sum... Fri Feb 25, 11:00pm	Post	Boost post	2,366	26	1
 YOUR WEEKEND ENTERTAINMENT... Thu Feb 24, 2:57am	Post	Boost post	1,362	4	0
 ADAM SMALL BeJazzed will get yo... Tue Feb 22, 9:33am	Post	Boost post	16,409	85	13
 No, the fairies don't maintain the bl... Tue Feb 22, 1:21am	Post	Boost post	1,147	8	0
 RESTAURANT SPECIALS IN STELL... Sun Feb 20, 11:55pm	Post	Boost post	5,431	37	12

Top Performing Posts for March

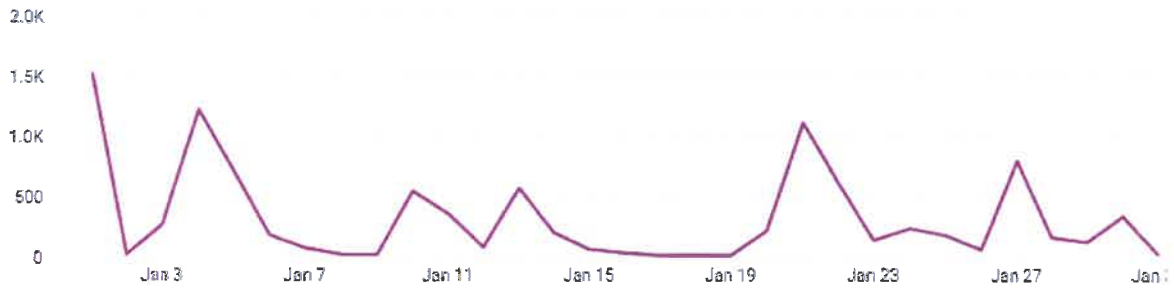
Recent content ↓	Type	Reach ⓘ T↓	Likes and reactions ⓘ T↓	Comments ⓘ T↓	
 Never a blue monday when you get... Mon Mar 28, 6:13am	Post	Boost post	1,173	16	0
 Well done to Francois Swart and R... Fri Mar 25, 8:52am	Post	Boost post	2,559	16	1
 Make your way to Stellenbosch, it's... Thu Mar 24, 3:30am	Post	Boost post	3,168	6	0
 Kamers vol geskenke is back in Ste... Wed Mar 23, 7:55am	Post	Boost post	2,219	12	2
 What words pop into your head wh... Tue Mar 22, 8:00am	Post	Boost post	1,588	6	0



Instagram Stats for January

Instagram Reach ⓘ

4,616 ↓ 67.5%

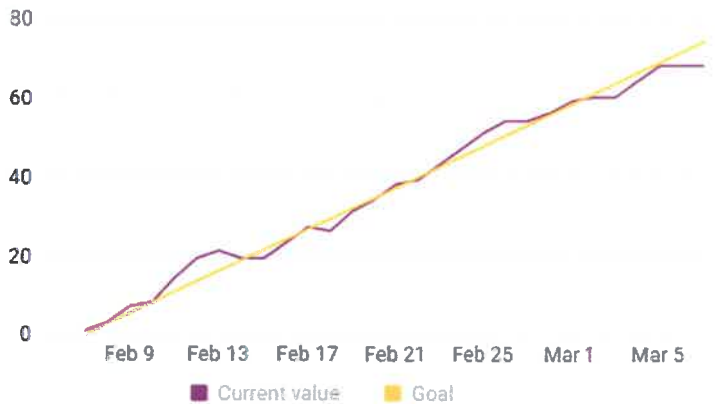
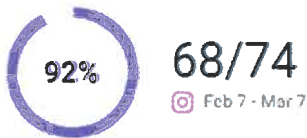


Instagram Stats for February

Goals

Facebook Instagram

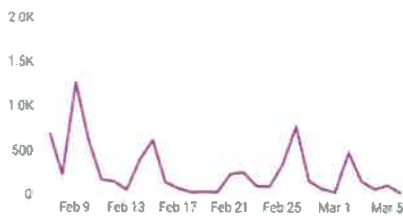
Grow Instagram followers



Audience

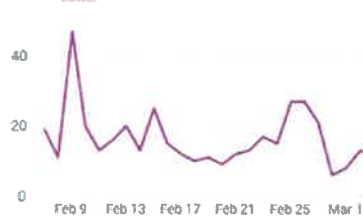
Instagram Reach ⓘ

2,831 ↓ 11%



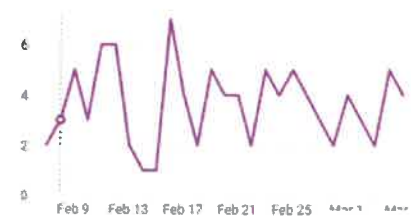
Instagram Profile Visits ⓘ

430 ↓ 11.9%



New Instagram Followers ⓘ





98 ↓ 14%







- Still awaiting on the official March Social Media Report



Top Performing Instagram Posts for January






Recent content ↓	Type	Reach ⓘ T↓	Likes and reactions ⓘ T↓	Comments ⓘ T↓
 It's street soiree time 🎉 #freeToBe... Thu Jan 27, 7:26am	Post	975	36	2
 We have been ranked #23 of the 10... Fri Jan 21, 8:55am	Post	1,995	141	8
 Is it just us or can you also hear th... Thu Jan 13, 7:56am	Post	749	34	0
 Hopefully those 🍷 2022 New Year ... Mon Jan 10, 6:10am	Post	890	31	0
 FOODIE ALERT.. meet @nykaartst... Thu Jan 6, 6:00am	Post	1,178	51	4

Top Performing Instagram Posts for February

Recent content ↓	Type	Reach ⓘ T↓	Likes and reactions ⓘ T↓	Comments ⓘ T↓	SF
 A freshly baked croissant for break... Sat Feb 26, 12:20am	Post	1,026	38	0	
 Love is in the Stellenbosch air 🍷... Mon Feb 14, 8:31am	Post	613	22	0	
 Who are we seeing tonight at the #... Wed Feb 9, 9:48am	Post	2,019	98	3	
 Have you tried it yet? #foodieBosc... Mon Feb 7, 9:34am	Post	1,110	46	2	
 Do you remember the feeling of gra... Thu Feb 3, 10:18am	Post	1,049	53	1	



Top Performing Instagram Posts for March

Recent content ↓	Type	Reach ⓘ T↓	Likes and reactions ⓘ T↓	Comments ⓘ T↓
 Monday's diet has been postponed... Mon Mar 28, 6:35am	Post	772	27	0
 Here's one for all our #ArtsyBosch... Fri Mar 25, 8:24am	Post	612	13	0
 Anyone for some spakly? #Capriof... Thu Mar 24, 3:20am	Post	500	15	0
 We love it when food not only look... Fri Mar 18, 8:13am	Post	849	37	0
 We think @dowarenmarkt have the ... Thu Mar 10, 2:57pm	Post	713	30	2

Thank You



Visit Stellenbosch

Management Statements for the period 01/07/2021 – 30/06/2022

Note	Budget for the period 01/07/2021 to 30/06/2022	Actual for the period 01/07/2021 to 31/03/2022	Variance for the period 01/07/2021 to 31/03/2022
Socio Economic Development Programmes			
Municipal grant -	R 270 000,00	R 200 000,00	R 70 000,00
Expenses	R -270 000,00	R -185 000,00	R -85 000,00
Net income / (loss)	R - -	R 15 000,00	R -15 000,00
Events: Wine Tourism			
Municipal grant	R 145 000,00	R 115 000,00	R 30 000,00
Expenses	R -145 000,00	R -130 000,00	R -15 000,00
Net income / (loss)	R - -	R -	R 15 000,00
Events: Stellenbosch Street Soiree and Other Events			
Municipal grant	R 180 000,00	R 135 000,00	R 45 000,00
Expenses	R -180 000,00	R -135 000,00	R -45 000,00
Net income / (loss)	R - -	R -	R -
Events: Garden Week Stellenbosch			
Municipal grant	R 100 000,00	R 100 000,00	R -
Expenses	R -100 000,00	R -100 000,00	R -
Net income / (loss)	R - -	R -	R -
Project: Stay Stellenbosch			
Municipal grant	R 50 000,00	R 43 500,00	R 6 500,00
Expenses	R -50 000,00	R -45 000,00	R -5 000,00
Net income / (loss)	R - -	R -1 500,00	R 1 500,00
Project: Taste Stellenbosch			
Municipal grant	R 80 000,00	R 60 000,00	R 20 000,00
Expenses	R -80 000,00	R -60 000,00	R -20 000,00
Net income / (loss)	R - -	R -	R -
Experience Stellenbosch			
Municipal grant	R 100 000,00	R 88 500,00	R 11 500,00
Expenses	R -100 000,00	R -85 000,00	R -15 000,00
Net income / (loss)	R - -	R 3 500,00	R -3 500,00

Visit Stellenbosch

Management Statements for the period 01/07/2021 – 30/06/2022

Note	Budget for the period 01/07/2021 to 30/06/2022	Actual for the period 01/07/2021 to 31/03/2022	Variance for the period 01/07/2021 to 31/03/2022
Meet in Stellenbosch			
Municipal grant	R 100 000,00	R 90 000,00	R 10 000,00
Expenses	R -100 000,00	R -70 000,00	R -30 000,00
Net income / (loss)	R - -	R 20 000,00	R- -20 000,00
Stellenbosch Visitor Information Centre			
Municipal grant	R 1 900 000,00	R 1 381 818,18	R 518 181,82
Expenses	R -1 900 000,00	R -1 863 636,36	R -36 363,64
Net income / (loss)	R - -	R -481 818,18	R- 481 818,18
Dwarsrivier Tourism Research, Brand Development and Marketing/ Communication Strategy			
Municipal grant	R 1 900 000,00	R 1 381 818,18	R 518 181,82
Expenses	R -1 900 000,00	R -1 863 636,36	R -36 363,64
Net income / (loss)	R - -	R -481 818,18	R- 481 818,18
Dwarsrivier Information Centre			
Municipal grant	R 280 000,00	R 203 636,36	R 76 363,64
Expenses	R -280 000,00	R -203 636,36	R -76 363,64
Net income / (loss)	R - -	R -	R- -
Dwarsrivier Projects – Garden Week and Other Events			
Municipal grant	R 30 000,00	R 30 000,00	R -
Expenses	R -30 000,00	R -30 000,00	R -
Net income / (loss)	R - -	R -	R- -
Other Events within the Dwarsrivier Region			
Municipal grant	R 67 000,00	R 52 000,00	R 15 000,00
Expenses	R -67 000,00	R -37 000,00	R -30 000,00
Net income / (loss)	R - -	R 15 000,00	R- -15 000,00
*Preliminary Balance carried over on 01/04/2022		R -468 318,18	
		R -2 752 272,73	

Certificate issued by the Commissioner of Companies & Intellectual
Property Commission on Tuesday, July 23, 2019 at 11:44



Disclosure Certificate: Companies and Close Corporations

Registration Number: 2019 / 304510 / 08
Enterprise Name: VISIT STELLENBOSCH

Companies and Intellectual
Property Commission
a member of the dti group

ENTERPRISE INFORMATION

Registration Number 2019 / 304510 / 08
Enterprise Name VISIT STELLENBOSCH NPC
Registration Date 19/06/2019
Business Start Date 19/06/2019
Enterprise Type Non Profit Company
Enterprise Status In Business
Compliance Notice Status NONE
Financial Year End June
TAX Number 9597737189

Addresses	<u>POSTAL ADDRESS</u>	<u>ADDRESS OF REGISTERED OFFICE</u>
	SUITE 224 POSTNET X 5061 STELLENBOSCH 7599	47 CHURCH STREET STELLENBOSCH 7600

ACTIVE MEMBERS / DIRECTORS

Surname and First Names	Type	ID Number / Date of Birth	Contrib. (R)	Interest (%)	Appoint. Date	Address
RATCLIFFE, MICHAEL STANSFIELD	Director	7210305173088	0.00	0.00	19/06/2019	Postal: VILAFONTE ,UNIT 7C, BOSMAN CROSSING, LOWER DORP STREET, STELLENBOSCH, Residential: LITTLE WEDGE FARM, IDAS VALLEY, STELLENBOSCH, 7600
MOMBERG, JEANNERET	Director	6807160026086	0.00	0.00	19/06/2019	Postal: P O BOX 66, STELLENBOSCH, 7600 Residential: MIDDELVLEI WYNLANDGOED, FLAMINGO STREET, STELLENBOSCH, 7600
BASSON, JAKOBUS WILHELM	Director	5807045119081	0.00	0.00	19/06/2019	Postal: P O BOX 12837, DIE BOORD, 7613 Residential: KLEINE ZALZE ESTATE, STELLENBOSCH, 7600

AUDITOR DETAILS

Auditor Name	Type	Status	Appointment Date	Resignation Date	Email Address
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Profession Number:

Page 1 of 2

Physical Address
the dti Campus - Block F
77 Meintjies Street
Sunnyside 0001

Postal Address: Companies
P O Box 429
Pretoria
0001

Docex: 256
Web: www.cipc.co.za
Contact Centre: 086 100 2472 (CIPC)
Contact Centre (International): +27 12 394 9573



**Companies and Intellectual Property Commission
Republic of South Africa**

Form CoR 14.1

- This form is issued in terms of section 13 of the Companies Act, 2008, and Regulation 14 of the Companies Regulations, 2011.
- A profit company may be incorporated by an organ of state, or by one or more persons. A non-profit company may be incorporated by an organ of state, a juristic person, or by three or more persons.
- To each of paragraphs 1, 2, 3, 6 and 7, you must select one option, by ticking the appropriate box.
- Annexure A must be completed and attached.
- Annexure B is required only if you tick the 3rd option at paragraph 6.
- Annexure C is required only if you tick the 2nd option at paragraph 7.
- The basic filing fee is R175 if the company's Memorandum of Incorporation is in Form 15.1A or 15.1C, or R475 in any other case.
- An MOI in Form CoR 15.1A, 15.1B, 15.1C, 15.1D or 15.1E or unique to the company must be attached.
- A company is not registered until the Commission has issued a Registration Certificate in Form CoR 14.3.

**Contacting the
Commission**

The Companies and Intellectual
Property Commission of South Africa

Postal Address
PO Box 429
Pretoria 0001
Republic of South Africa
Tel: 086 100 2472

www.cipc.co.za

Notice of IncorporationCustomer Code: SEKR01

From:

(Name, address and identity or registration number of Incorporator)

(If there are multiple incorporators, each must be listed. Use a separate sheet :)

Name: MICHAEL STANSFIELD RATCLIFFEAddress: LITTLE WEDGE FARM, IDAS VALLEY, STELLENBOSCH,
WESTERN CAPE, 7600Identity/Reg No: 721030 5173 088

- The incorporators have incorporated a juristic person to be registered as a:

<input type="checkbox"/> State Owned Company	<input type="checkbox"/> Public Company
<input type="checkbox"/> Personal Liability Company	<input type="checkbox"/> Private Company
<input checked="" type="checkbox"/> Non Profit Company	
- The incorporation of the company is to take effect on

<input checked="" type="checkbox"/> The date of the registration certificate is issued
<input type="checkbox"/> _____, if later than the registration date.
- The company's first financial year will end on JUNE.
- The company's registered office address is
47 CHURCH STREET, STELLENBOSCH, WESTERN CAPE, 7600
SUITE 224, POSTNET X 5061, STELLENBOSCH, WESTERN CAPE, 7599
- There are 3 initial directors of the company, as listed in Annexure A.
- The company name is to be:

<input type="checkbox"/> The company's registration number, followed by the elements required by section 11 (3).
<input checked="" type="checkbox"/> The name currently reserved or registered under # <u>9188276569</u> for use by <u>SEKRETARI (VISIT STELLENBOSCH)</u>
<input type="checkbox"/> The first of the names set out on annexure B that proves to be eligible, in terms of Regulation 14 (1) (b)(iii).
- The company's Memorandum of Incorporation, attached in Form CoR 15.1 E (Indicate form number) or unique (tick if appropriate)

<input checked="" type="checkbox"/> has no provision of the type contemplated in section 15 (2) (b) or (c).
<input type="checkbox"/> has provisions of the type contemplated in section 15 (2) (b) or (c), as listed in Annexure C.

I declare that the information in this application is true. If I am not the applicant, I declare that the Applicant has authorised me to make this application.

Signature

Date



14 JUNE 2019

For Commission
Use only

Commission file number:

Date filed:

**Companies and Intellectual Property Commission
Republic of South Africa**

Form CoR 14.1

- This form is issued in terms of section 13 of the Companies Act, 2008, and Regulation 14 of the Companies Regulations, 2011.
- A profit company may be incorporated by an organ of state, or by one or more persons. A non-profit company may be incorporated by an organ of state, a juristic person, or by three or more persons.
- To each of paragraphs 1, 2, 3, 6 and 7, you must select one option, by ticking the appropriate box.
- Annexure A must be completed and attached.
- Annexure B is required only if you tick the 3rd option at paragraph 6.
- Annexure C is required only if you tick the 2nd option at paragraph 7.
- The basic filing fee is R175 if the company's Memorandum of Incorporation is in Form 15.1A or 15.1C, or R475 in any other case.
- An MOI in Form CoR 15.1A, 15.1B, 15.1C, 15.1D or 15.1E or unique to the company must be attached.
- A company is not registered until the Commission has issued a Registration Certificate in Form CoR 14.3.

**Contacting the
Commission**

The Companies and Intellectual
Property Commission of South Africa

Postal Address
PO Box 429
Pretoria 0001
Republic of South Africa
Tel: 086 100 2472

www.cipc.co.za

Notice of IncorporationCustomer Code: SEKR01**From:***(Name, address and identity or registration number of Incorporator)**(If there are multiple incorporators, each must be listed. Use a separate sheet :)*Name: JEANNERET MOMBERGAddress: MIDDELVLEI WYNLANDGOED, FLAMINGO STREET,
STELLENBOSCH, WESTERN CAPE, 7600Identity/Reg No. 680716 0026 086

- The incorporators have incorporated a juristic person to be registered as a:

<input type="checkbox"/> State Owned Company	<input type="checkbox"/> Public Company
<input type="checkbox"/> Personal Liability Company	<input type="checkbox"/> Private Company
<input checked="" type="checkbox"/> Non Profit Company	
- The incorporation of the company is to take effect on The date of the registration certificate is issued
 _____, if later than the registration date.
- The company's first financial year will end on JUNE
- The company's registered office address is
47 CHURCH STREET, STELLENBOSCH, WESTERN CAPE, 7600
SUITE 224, POSTNET X 5061, STELLENBOSCH, WESTERN CAPE, 7599
- There are 3 initial directors of the company, as listed in Annexure A.
- The company name is to be:

<input type="checkbox"/> The company's registration number, followed by the elements required by section 11 (3).
<input checked="" type="checkbox"/> The name currently reserved or registered under # <u>9188276569</u> for use by <u>SEKRETARI (VISIT STELLENBOSCH)</u>
<input type="checkbox"/> The first of the names set out on annexure B that proves to be eligible, in terms of Regulation 14 (1) (b)(iii).
- The company's Memorandum of Incorporation, attached in Form CoR 15.1 E (indicate form number) or unique (tick if appropriate)
 has no provision of the type contemplated in section 15 (2) (b) or (c).
 has provisions of the type contemplated in section 15 (2) (b) or (c), as listed in Annexure C.

I declare that the information in this application is true. If I am not the applicant, I declare that the Applicant has authorised me to make this application.

Signature

Date

14 JUNE 2019For Commission
Use only

Commission file number:

Date filed:

**Companies and Intellectual Property Commission
Republic of South Africa**

Form CoR 14.1

- This form is issued in terms of section 13 of the Companies Act, 2008, and Regulation 14 of the Companies Regulations, 2011.
- A profit company may be incorporated by an organ of state, or by one or more persons. A non-profit company may be incorporated by an organ of state, a juristic person, or by three or more persons.
- To each of paragraphs 1, 2, 3, 6 and 7, you must select one option, by ticking the appropriate box.
- Annexure A must be completed and attached.
- Annexure B is required only if you tick the 3rd option at paragraph 6.
- Annexure C is required only if you tick the 2nd option at paragraph 7.
- The basic filing fee is R175 if the company's Memorandum of Incorporation is in Form 15.1A or 15.1C, or R475 in any other case.
- An MOI in Form CoR 15.1A, 15.1B, 15.1C, 15.1D or 15.1E or unique to the company must be attached.
- A company is not registered until the Commission has issued a Registration Certificate in Form CoR 14.3.

**Contacting the
Commission**

The Companies and Intellectual
Property Commission of South Africa

Postal Address
PO Box 429
Pretoria 0001
Republic of South Africa
Tel: 086 100 2472

www.cipc.co.za

Notice of IncorporationCustomer Code: SEKR01

From:

*(Name, address and identity or registration number of incorporator)
(If there are multiple incorporators, each must be listed. Use a separate sheet.)*

Name: JAKOBUS WILHELM BASSONAddress: KLEINE ZALZE ESTATE, STELLENBOSCH,
WESTERN CAPE, 7600Identity/Reg No: 580704 5119 081

- The incorporators have incorporated a juristic person to be registered as a:

<input type="checkbox"/> State Owned Company	<input type="checkbox"/> Public Company
<input type="checkbox"/> Personal Liability Company	<input type="checkbox"/> Private Company
<input checked="" type="checkbox"/> Non Profit Company	
- The incorporation of the company is to take effect on The date of the registration certificate is issued
 _____, if later than the registration date.
- The company's first financial year will end on JUNE.
- The company's registered office address is
47 CHURCH STREET, STELLENBOSCH, WESTERN CAPE, 7600
SUITE 224, POSTNET X 5061, STELLENBOSCH, WESTERN CAPE, 7599
- There are 3 initial directors of the company, as listed in Annexure A.
- The company name is to be:

<input type="checkbox"/> The company's registration number, followed by the elements required by section 11 (3).
<input checked="" type="checkbox"/> The name currently reserved or registered under # <u>9188276569</u> for use by <u>SEKRETARI (VISIT STELLENBOSCH)</u>
<input type="checkbox"/> The first of the names set out on annexure B that proves to be eligible, in terms of Regulation 14 (1) (b)(iii).
- The company's Memorandum of Incorporation, attached in Form CoR 15.1 E (indicate form number) or unique (tick if appropriate)
 has no provision of the type contemplated in section 15 (2) (b) or (c).
 has provisions of the type contemplated in section 15 (2) (b) or (c), as listed in Annexure C.

I declare that the information in this application is true. If I am not the applicant, I declare that the Applicant has authorised me to make this application.

Signature

Date



14 JUNE 2019

For Commission
Use only

Commission file number:

Date filed:

SEKR 01

**Companies and Intellectual Property Commission
Republic of South Africa**

Form CoR 14.1**Annexure A**

- This form is issued in terms of section 13 of the Companies Act, 2008, and Regulation 14 of the Companies Regulation, 2011.
- Annexure A must be completed and attached to the Notice of Incorporation when it is filed.
- A public company, or a state owned company, must have at least 3 initial directors.
- A non-profit company must have at least 3 initial directors.
- A private company, or a personal liability company, must have at least 1 initial director.
- A company is not registered until the Commission has issued a Registration Certificate in Form CoR 14.3

Contacting the Commission

The Companies and Intellectual Property Commission of South Africa

Postal Address
PO Box 429
Pretoria
0001
Republic of South Africa
Tel: 086 100 2472

www.cipc.co.za

**Notice of Incorporation
Initial Directors of the Company**

The incorporators confirm that each person named below has consented to being appointed in terms of section 66 (7) (b) as a director of the company, whose Memorandum of Incorporation is attached.

Full name / former name, if any: MICHAEL STANSFIELD RATCLIFFE

Identity number: 7210305173088

Nationality: SOUTH AFRICA

Passport number, if not South African: NA

Date of appointment: DATE OF INCORPORATION

Designation in the company: DIRECTOR

Residential address: LITTLE WEDGE FARM, IDAS VALLEY,
STELLENBOSCH, WESTERN CAPE, 7600

Business address: VILAFONTÉ, UNIT 7C, BOSMANS CROSSING,
LOWER DORP STREET, STELLENBOSCH, 7600

Postal address: VILAFONTÉ, UNIT 7C, BOSMANS CROSSING,
LOWER DORP STREET, STELLENBOSCH, 7600

Occupation: FARMER

South African resident: YES (Yes) _____ (No)

**For Commission
Use only**

Commission file number: _____

Date filed: _____

SEKR 01

**Companies and Intellectual Property Commission
Republic of South Africa**

Form CoR 14.1**Annexure A**

- This form is issued in terms of section 13 of the Companies Act, 2008, and Regulation 14 of the Companies Regulation, 2011.
- Annexure A must be completed and attached to the Notice of Incorporation when it is filed.
- A public company, or a state owned company, must have at least 3 initial directors.
- A non-profit company must have at least 3 initial directors.
- A private company, or a personal liability company, must have at least 1 initial director.
- A company is not registered until the Commission has issued a Registration Certificate in Form CoR 14.3

Contacting the Commission

The Companies and Intellectual Property Commission of South Africa

Postal Address
PO Box 429
Pretoria
0001
Republic of South Africa
Tel: 086 100 2472

www.cipc.co.za

**Notice of Incorporation
Initial Directors of the Company**

The incorporators confirm that each person named below has consented to being appointed in terms of section 66 (7) (b) as a director of the company, whose Memorandum of Incorporation is attached.

Full name / former name, if any: JEANNERET MOMBERG

Identity number: 6807160026086

Nationality: SOUTH AFRICA

Passport number, if not South African: NA

Date of appointment: DATE OF INCORPORATION

Designation in the company: DIRECTOR

Residential address: MIDDELVLEI WYNLANDGOED, FLAMINGO STREET
STELLENBOSCH, WESTERN CAPE, 7600

Business address: AS ABOVE

Postal address: PO BOX 66, STELLENBOSCH, 7600

Occupation: WINE PRODUCER

South African resident: YES (Yes) _____ (No)

**For Commission
Use only**

Commission file number:

Date filed:

SEKR 01

**Companies and Intellectual Property Commission
Republic of South Africa**

Form CoR 14.1**Annexure A**

- This form is issued in terms of section 13 of the Companies Act, 2008, and Regulation 14 of the Companies Regulation, 2011.
- Annexure A must be completed and attached to the Notice of Incorporation when it is filed.
- A public company, or a state owned company, must have at least 3 initial directors.
- A non-profit company must have at least 3 initial directors.
- A private company, or a personal liability company, must have at least 1 initial director.
- A company is not registered until the Commission has issued a Registration Certificate in Form CoR 14.3

**Contacting the
Commission**

The Companies and Intellectual
Property Commission of South Africa

Postal Address
PO Box 429
Pretoria
0001
Republic of South Africa
Tel: 086 100 2472

www.cipc.co.za

**Notice of Incorporation
Initial Directors of the Company**

The incorporators confirm that each person named below has consented to being appointed in terms of section 66 (7) (b) as a director of the company, whose Memorandum of Incorporation is attached.

Full name / former name, if any: JAKOBUS WILHELM BASSON

Identity number: 5807045119081

Nationality: SOUTH AFRICA

Passport number, if not South African: NA

Date of appointment: DATE OF INCORPORATION

Designation in the company: DIRECTOR

Residential address: KLEINE ZALZE ESTATE, STELLENBOSCH,
WESTERN CAPE, 7600

Business address: AS ABOVE

Postal address: PO BOX 12837, DIE BOORD, 7613

Occupation: WINE PRODUCER

South African resident: YES (Yes) _____ (No)

**For Commission
Use only**

Commission file number:

Date filed:

COR9.4



Companies and Intellectual
Property Commission

Republic of South Africa

Date: 14/06/2019

CATHERINA DORA DU PLESSIS
E-mail: INFO@SEKRETARI.CO.ZA
P O BOX 14195
LYTTELTON
LYTTELTON
0140

Our Reference: 9188276569

Confirmation Notice of Name Reservation

We have received a COR9.1 from you dated 14/06/2019.

The names proposed on the form were compared to our database and the results of the comparison are listed below:

1 VISIT STELLENBOSCH

Clear

This notice confirms that the name 'VISIT STELLENBOSCH' has been reserved in the name of the applicant from 14/06/2019 to 14/12/2019 under reservation number 9188276569.

Notice:

This notice is issued in terms of Regulation 9, 10 or 11 of the Companies Regulations, 2011.

In terms of sections 12 (3) (b), and 160 of the Companies Act, 2008, any person with an interest in the use of the reserved name, or registered defensive name, as set out in this Notice, may apply to the Companies Tribunal for an order confirming or varying this Notice in whole or in part, or setting aside this Notice and directing the Commission to cancel the reservation, or defensive registration, of the name.

An application to the Companies Tribunal as discussed above may be made in Form CTR 142 any time within 3 months after the date on which that person received a copy of this Notice, or later with leave of the Tribunal for good cause.

Yours truly

Commissioner

AON AON



The Companies and Intellectual Property Commission

of South Africa

P.O. BOX 429, PRETORIA, 0001, Republic of South Africa. Docex 256, PRETORIA

Cell Centre Tel 086 100 2472, Website www.cipc.co.za

POWER OF ATTORNEY TO REGISTER A NEW COMPANY

I / We, the undersigned directors

<u>MICHAEL STANUSFIELD RATCLIFFE</u>	ID	<u>7210305173088</u>
<u>Jeanneret Momborg</u>	ID	<u>6807160026086</u>
<u>Jakobus W Basson</u>	ID	<u>5807045119081</u>
_____	ID	_____
_____	ID	_____
_____	ID	_____

hereby appoint CATHERINA DORA DU PLESSIS / EDITH JESSIE WILKINS / JOHANNA JACOMINA VAN ZIJL with power of substitution, to be my/our lawful agent and on my/our behalf:

1. Register a new company Visit Stellenbosch NPC
2. draw, complete, sign, amends or substitute the Memorandum and Articles of Association and such documents and forms (in particular form CoR9.1 (if required), CoR 14.1; CoR15.1 E, as may be required for purpose of the registration or by the Registrar of Companies;
3. Lodge and uplift all documents as may be required by the Registrar of Companies.

AND IN GENERAL for effecting the purposes aforesaid, to do or cause to be done whatever shall be requisite, as fully and effectively for all intents and purposes as I/we might or could do if personally present and whatsoever my/our said agent shall lawfully do or cause to be done.

SIGNED AT Stellenbosch on 12 June 2019

AS WITNESS:

M.S. RATCLIFFE

J. Momborg

JW. BASSON

DIRECTOR SIGNATURES:

[Signature]

[Signature]

[Signature]

SWORN AFFIDAVIT – B-BBEE QUALIFYING SMALL ENTERPRISE – SPECIALISED ENTITY - GENERAL

I, the undersigned,

Full name & Surname	Jeanneet Momborg
Identity number	680716 0026 086

Hereby declare under oath as follows:

1. The contents of this statement are to the best of my knowledge a true reflection of the facts.

2. I am a Director of the following enterprise and am duly authorised to act on its behalf:

Enterprise Name:	Visit Stellenbosch NPC
Trading Name (if Applicable):	Visit Stellenbosch
Registration Number:	2019/304510/08
Enterprise Physical Address:	47 Church Street Stellenbosch 7600
Type of Entity (NPO, PBO etc.):	Non Profit Company
Nature of Business:	Visitor Centre / Tourism office
Definition of "Black People"	As per the Broad-Based Black Economic Empowerment Act 53 of 2003 as Amended by Act No 46 of 2013 "Black People" is a generic term which means Africans, Coloureds and Indians – (a) Who are citizens of the Republic of South Africa by birth or descent; or (b) Who became citizens of the Republic of South Africa by naturalization- i. Before 27 April 1994; or On or after 27 April 1994 and who would have been entitled to acquire citizenship by naturalization prior to that date

3. I hereby declare under Oath that:

- The Enterprise has 40 % Black Beneficiaries as per Amended Code Series 100 of the Amended Codes of Good Practice issued under section 9 (1) of B-BBEE Act No 53 of 2003 as Amended by Act No 46 of 2013,
- The Enterprise has 10 % Black Woman Beneficiaries as per Amended Code Series 100 of the Amended Codes of Good Practice issued under section 9 (1) of B-BBEE Act No 53 of 2003 as Amended by Act No 46 of 2013,
- The Enterprise has 5 % Black Designated Group Beneficiaries as per Amended Code Series 100 of the Amended Codes of Good Practice issued under section 9 (1) of B-BBEE Act No 53 of 2003 as Amended by Act No 46 of 2013,
- Based on the Financial Statements/Management Accounts and other information available on the latest financial year-end of 2021, the annual Total Revenue/Allocated Budget/Gross Receipts was between R10,000,000.00 (Ten Million Rands) and R50,000,000.00 (Fifty Million Rands)

- Please confirm on the table below the B-BBEE level contributor, by ticking the applicable box.

At Least 75% Black Beneficiaries	Level One (135% B-BBEE procurement recognition level)	
At Least 51% Black Beneficiaries	Level Two (125% B-BBEE procurement recognition level)	✓

- I know and understand the contents of this affidavit and I have no objection to take the prescribed oath and consider the oath binding on my conscience and on the owners of the enterprise which I represent in this matter.
- The sworn affidavit will be valid for a period of 12 months from the date signed by commissioner.

Deponent Signature: _____

Date: 24/11/21

Commissioner of Oaths
Signature & stamp

STELENBOSCH 2021-11-24 09:17:12
 (HANTEREND) KOMMISSARIS VAN EDE
 (SIGNATURE) COMMISSIONER OF OATHS
LINDOKUHLE MAJIZA
 VOLLE VOORNAME EN VAN IN DRUKSKRIEF
 FULL FIRST NAMES AND SURNAME IN BLOCK LETTERS
23 DU TOIT STREET
 BESIGHERINGSADRES (STRAATADRES)
 BUSINESS ADDRESS (STREET ADDRESS)
STELLENBOSCH
CONSTABLE
 RANGKRAK

APPENDIX 3B


TAX COMPLIANCE STATUS
PIN Issued

VISIT STELLENBOSCH NPC
 POSTNET SUITE 224
 PRIVATE BAG X5061
 STELLENBOSCH
 7600

Enquiries should be addressed to SARS:
Contact Detail

SARS
 Alberton
 1528

Contact Centre Tel: 0800 00 SARS (7277)
 SARS online: www.sars.gov.za

Details

Taxpayer Reference Number: 9597737189

Always quote this reference number when contacting SARS

Issue Date: 2022/03/11

Dear Taxpayer

TAX COMPLIANCE STATUS PIN ISSUED

The South African Revenue Service (SARS) has issued your tax compliance status (TCS) PIN as indicated below:

TCS Details:	
Taxpayer Name	Visit Stellenbosch Npc
Trading Name	VISIT STELLENBOSCH
Tax Reference Number(s)	IT - 9597737189 Vat - 4710289002 PAYE - 7150806836
Purpose of Request	Good Standing
Request Reference Number	0043935858GS1103220955350
PIN	F8153872EE
PIN Expiry Date	11/03/2023

You may authorise a third party to view your TCS by providing them the PIN. The PIN only allows the third party access to your TCS. All other tax information remains secure.

Your TCS displayed is based on your compliance as at the date and time the PIN is used.

You may cancel this PIN at any time before the expiry date reflected above. Once cancelled, a third party will not be able to verify your TCS.

SARS reserves the right to cancel this PIN in the event that it was fraudulently issued or obtained.

Should you have any other queries please call the SARS Contact Centre on 0800 00 SARS (7277). Remember to have your taxpayer reference number at hand when you call to enable us to assist you promptly.

Sincerely

ISSUED ON BEHALF OF THE SOUTH AFRICAN REVENUE SERVICE

ANNEXURE A

Dwarsrivier Tourism
Brand Workshop
Outcome
2022



The marketing objective...

...indisputably the Dwarsrivier area is a hidden gem and a grossly under exposed tourism destination with huge potential, waiting to be unlocked. The aim is to build a strong and distinctive brand that:

- encapsulates the various brand strengths
- that resonates with target consumers
- embodies the spirit and soul of Dwarsrivier
- that is future fit
- will grow revenue and job opportunities from tourism for current and future generations



The three elements of brand creation

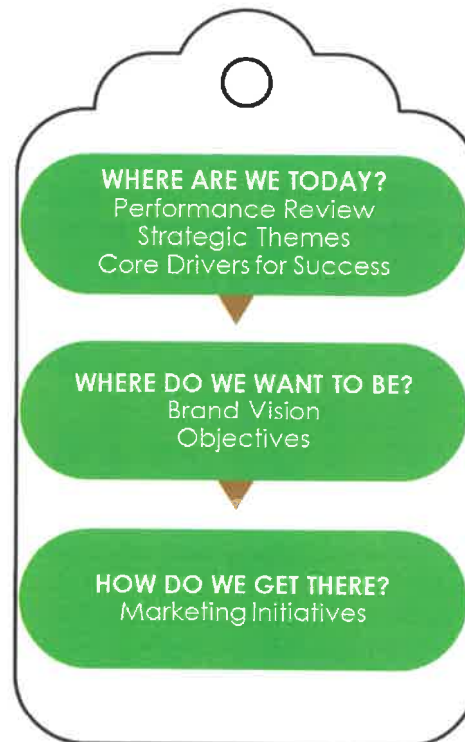
BRAND DNA

How will we position our brand in the minds of our target?



BRAND STRATEGY

How will we grow our brand?



BRAND DELIVERABLES

What will we use to grow our brand?



Brand DNA

Brand History



Brand DNA

Consumer Focus

Source Markets

EXISTING CORE

1. Domestic
2. Germany
3. UK
4. USA
5. South Africa



Target Markets





German Market

Demographics	<ul style="list-style-type: none"> • 50-64 years • Couples • Price savvy • Highly digitised households
When do they travel (in general)?	<ol style="list-style-type: none"> 1. August 2. July 3. June
What do they do when they travel?	<ol style="list-style-type: none"> 1. Relaxing (62%) 2. Sightseeing (36%) 3. Visiting family (33%) 4. Romantic getaway (23%) 5. Family holiday (15%)
What's important to them when they travel?	<ul style="list-style-type: none"> • Lifetime experiences • Feeling pampered • Cultural experiences. • Influenced by perceptions of safety • Value for money • Like outdoors and adventure
Where do they get their information?	<ul style="list-style-type: none"> • Content from destinations and travel brands • Top online sources include OTAs and SE • Book through OTAs + high reliance on traditional travel channels
Opportunity	<ul style="list-style-type: none"> • High repeater rate (23% returning 2/3 times) • Long length of stay: 12 nights on average • High visibility in market for Stellenbosch • Traditional travel over Stellenbosch winter, but not SA



Netherlands Market

Demographics	<ul style="list-style-type: none"> • Aging Dutch population – biggest travel market (between 35 and 49 yrs) • Couples / families • Price savvy • Mature travel market • Travel 2.82 times annually
When do they travel (in general)?	Long-haul travel happens between November and April
What do they do when they travel?	<ol style="list-style-type: none"> 1. Leisure (79%) 2. Business (21%)
What's important to them when they travel?	<ul style="list-style-type: none"> • Outdoors and adventure (nature and wildlife) • Value for money • Sustainability • Friendly and welcoming locals
Where do they get their information?	<ul style="list-style-type: none"> • Friends and family • Online travel inspiration – most of travel bought online • Package deals through travel agents • Independents buy direct through suppliers online
Opportunity	<ul style="list-style-type: none"> • High repeater rate 13.6% returning 2/3 times • High visibility in market for Stellenbosch • Peer-to-peer marketing (UGC) because of reliance on referral • Adventure and trekking – a fast-growing segment • Direct flight from Amsterdam to Cape Town • Long length of stay (26.1 days) • Share same values as Stellenbosch – aligned • Over 50% visit Western Cape



UK Market

Demographics	<ul style="list-style-type: none"> • Strong youth segment 25-34 years - 28.3% and 35-44 years - 27.2%. • Price savvy • Highly digitised households
When do they travel (in general)?	<ol style="list-style-type: none"> 1. August 2. September 3. July
What do they do when they travel?	<ol style="list-style-type: none"> 1. Holiday (64%) 2. VFR (21%) 3. Business (12%)
What's important to them when they travel?	<ul style="list-style-type: none"> • Weather • Good food and wine • Friendly open citizens • Influenced by perceptions of safety • Value for money
Where do they get their information?	<ul style="list-style-type: none"> • OTAs have the most significant reach in the UK • Online information sites, such as Tripadvisor.com, Nationalgeographic.
Opportunity	<ul style="list-style-type: none"> • High repeater rate (28.2%) returning 2/3 times • Top source market for Western Cape, lots of growth Jan to Mar 2020 • Lots of annual leave - 11 nights in sa • Great airlift into Cape Town • Family and friends rank as a significant offline resource for travellers. • Year-round travel possible • Share the same values as Stellenbosch – good fit



USA Market

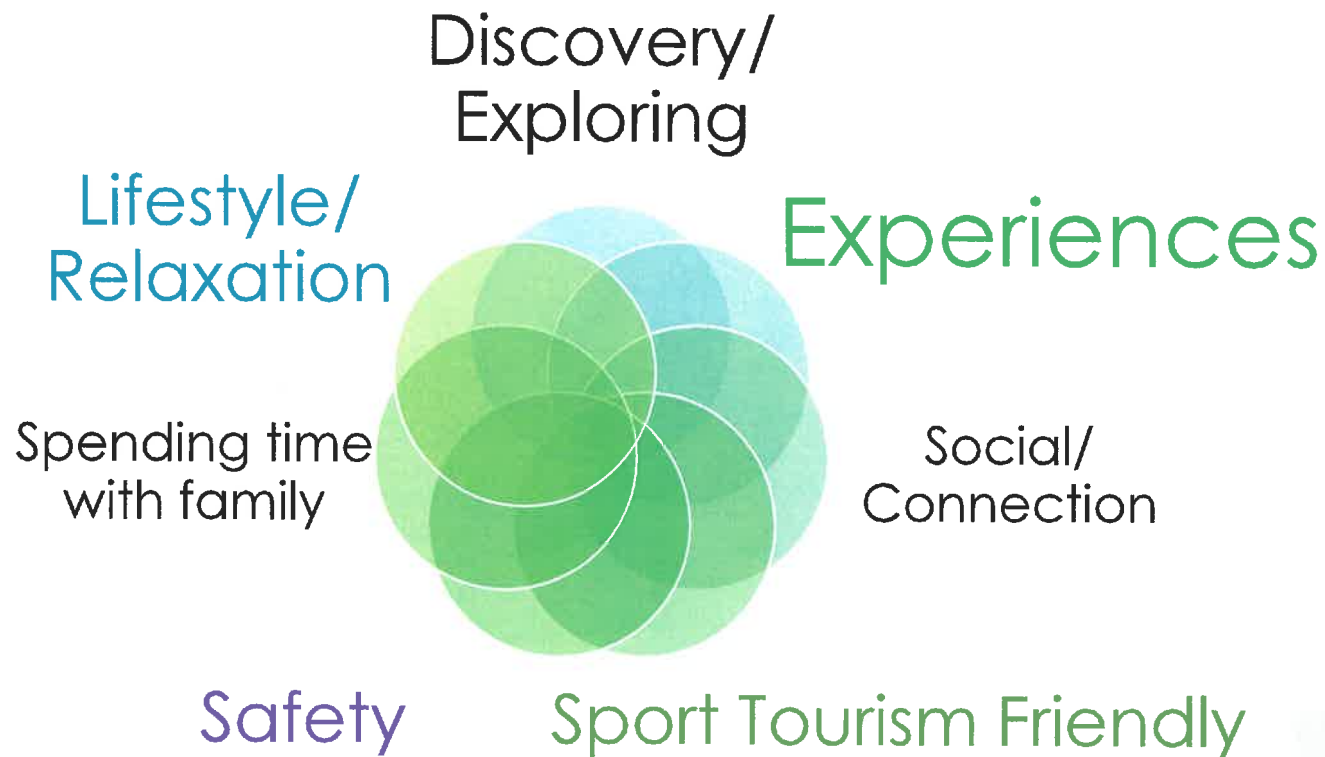
Demographics	<ul style="list-style-type: none"> • Couples • Access to and reference a lot of information online • Price savvy • Robust youth market n 25-34 years (25.1%), 35-44 years (24.9%) • Vacation time shorter than other markets
When do they travel (in general)?	South African Winter Months (linked to safari)
What do they do when they travel?	<ol style="list-style-type: none"> 1. Holiday (64%) 2. VFR (21%) 3. Business (12%)
What's important to them when they travel?	<ul style="list-style-type: none"> • Value for money • Safety and security • Nature and Wildlife • Good food and wine • Friendly open citizens
Where do they get their information?	<ul style="list-style-type: none"> • Search engines • Recommendations from friends and family
Opportunity	<ul style="list-style-type: none"> • Peak months for travel to South Africa are generally between May and July, making the US a particularly strong winter market for South Africa. • Important for this market to tie-up with safari. • High repeater rate (20.5% who travelled to South Africa 2-3 times beforeTop • New United flight into Cape Town (but not over winter) • Family and friends rank as a significant offline resource for travellers. • Share the same values as Stellenbosch – good fit



SA Market

Demographics	<ul style="list-style-type: none"> • Largely inexperienced travellers • Local self drive or fly and flop holidays • Very Price sensitive • Highly digitised and mobile focussed • Vacation time shorter than other markets
When do they travel (in general)?	Between two and four holidays annually – generally around school holidays
What do they do when they travel?	<ol style="list-style-type: none"> 1. Business 2. VFR 3. Holiday
What's important to them when they travel?	<ul style="list-style-type: none"> • Value for money • Outdoor & nature-based destinations • VFR travel
Where do they get their information?	<ul style="list-style-type: none"> • Search engines • Recommendations from friends and family • Peer review through social • Travel review • Traditional travel agents • Travel suppliers (online)
Opportunity	<ul style="list-style-type: none"> • Growing black middle class > spend on luxury items • Strong appetite for status • Year-round travel – opportunity for winter travel • Business travel

Shared needs across consumer groups



Brand DNA

Brand Framework



Brand Framework

- Develop a positioning that captures the essence of the brand
- Use to make sure brand message is consistent
- Use to stay on track through all development and communication



Brand Framework - job to be done

Define and document **what the brand is** and craft a **brand positioning** framework that is:

Future proof

Relevant

Distinctive

Credible

The positioning needs to:

- align to macro trends i.e. **future proof**
- be **relevant** to all stakeholders
- **distinctive** from what competitors are offering
- **credible** for the brand to deliver



Future proof

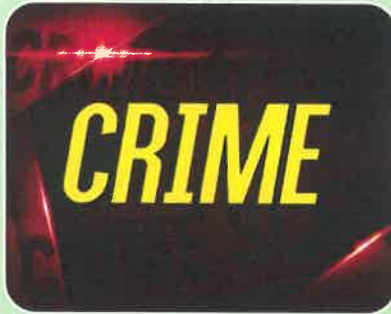
Relevant

Distinctive

Credible



External Environment



Political & Legal

- Global instability = uncertainty
- ANC turmoil - negative impact on economy and tourism
- Transformation agenda in SA leads to investment uncertainty
- Crime a serious threat to tourism



Economical

- Downgrading of investment status
- Low/no economic growth
- High unemployment in South Africa
- European economies also struggling
- China recovering
- Brazil struggling



Sociological & Environmental

- Health and wellness trends globally
- Value experiences over possessions
- Environmental concerns might impact especially air travel
- Carbon footprint
- Sustainability high on agenda



Technological

- Always on consumer culture
- Power of social media; new platforms developing
- On-line marketing/shopping
- Artificial intelligence
- Data mining

So What?

Implications of trends/themes

- Increasing political instability globally and tougher trading conditions. **Ensure continuous dialog with global business partners** to adapt strategy if needed
- High number of South Africans living abroad. “Tourists” visiting family and friends offers a significant opportunity
- Developing **middle class** in South Africa and other emerging markets with a new aspirational lifestyle offers a great consumer opportunity vs traditional, mostly European visitors. Do we target them?
- **Gauteng sells a significant percentage of high value wine** products; how do we attract these consumers as tourists?
- We have **authentic products with a sense of place/terroir/experiences** desired by consumers.
- **Technology** offers affordable mediums for **communication and on-line marketing**. How do we fully capitalise on this?

Future proof

Relevant

Distinctive

Credible



Be relevant to all Stakeholders



Consumers

- International and local leisure tourists
- Sport and culture tourists
- Business tourists
- Visiting family and friends



Media

- International journalists and bloggers
- Local journalists and bloggers
- Consumer generated media



SA Travel Trade

- Destination Marketing Company
- SATSA



International Travel Trade

- Trade shows



Key Influencers

- Celebrities
- Community leaders



Community

- Local residents
- Businesses



Local Partners

- Visit Stellenbosch
- Municipality
- CWDM
- Stellenbosch University



Industry Partners

- VINPRO
- Wesgro
- WOSA
- DEDAT

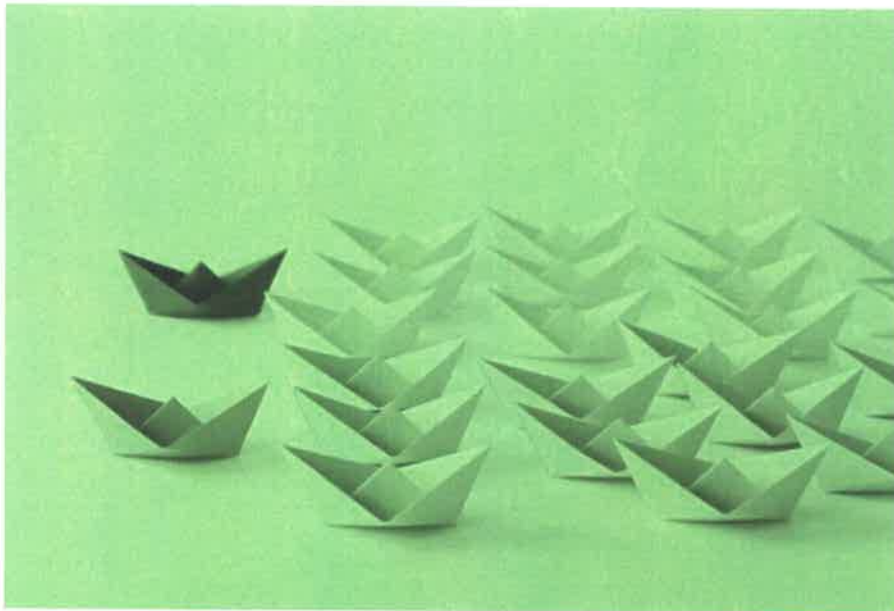
Future proof

Relevant

Distinctive

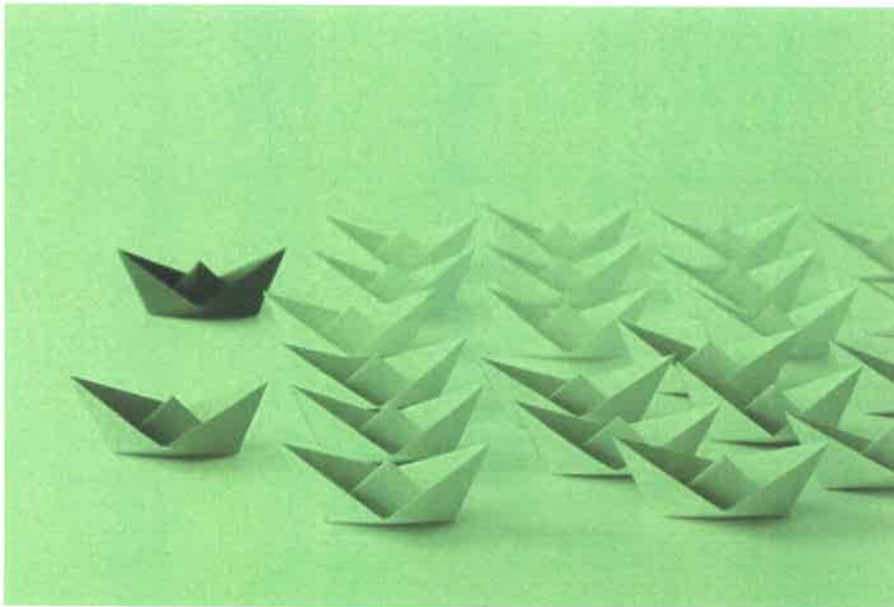
Credible

Who are our regional competitors?



- Stellenbosch
- Hermanus
- Franschhoek
- Paarl
- Cape Town

Our competitors' selling propositions?



- Tourism Resources
- Tourism Support Services
- Demand Conditions
- Industry Capacity

Future proof

Relevant

Distinctive

Credible

B
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1

- Incredible natural beauty of the area

2

- Outdoors and Adventure infrastructure

3

- History, heritage and culture

4

- Established wine tourism offerings

Dwarsrivier toerisme bates (Insette van vergadering)

1. Ryk Geskiedenis

6. Trails

2. Erfenis installasies

7. Wyntoerisme produkte

3. Kultuur produkte

8.

4. Skatkis van stories

9.

5. Natuurskoonheid

10.

What is the consumer insight that informs our positioning framework?

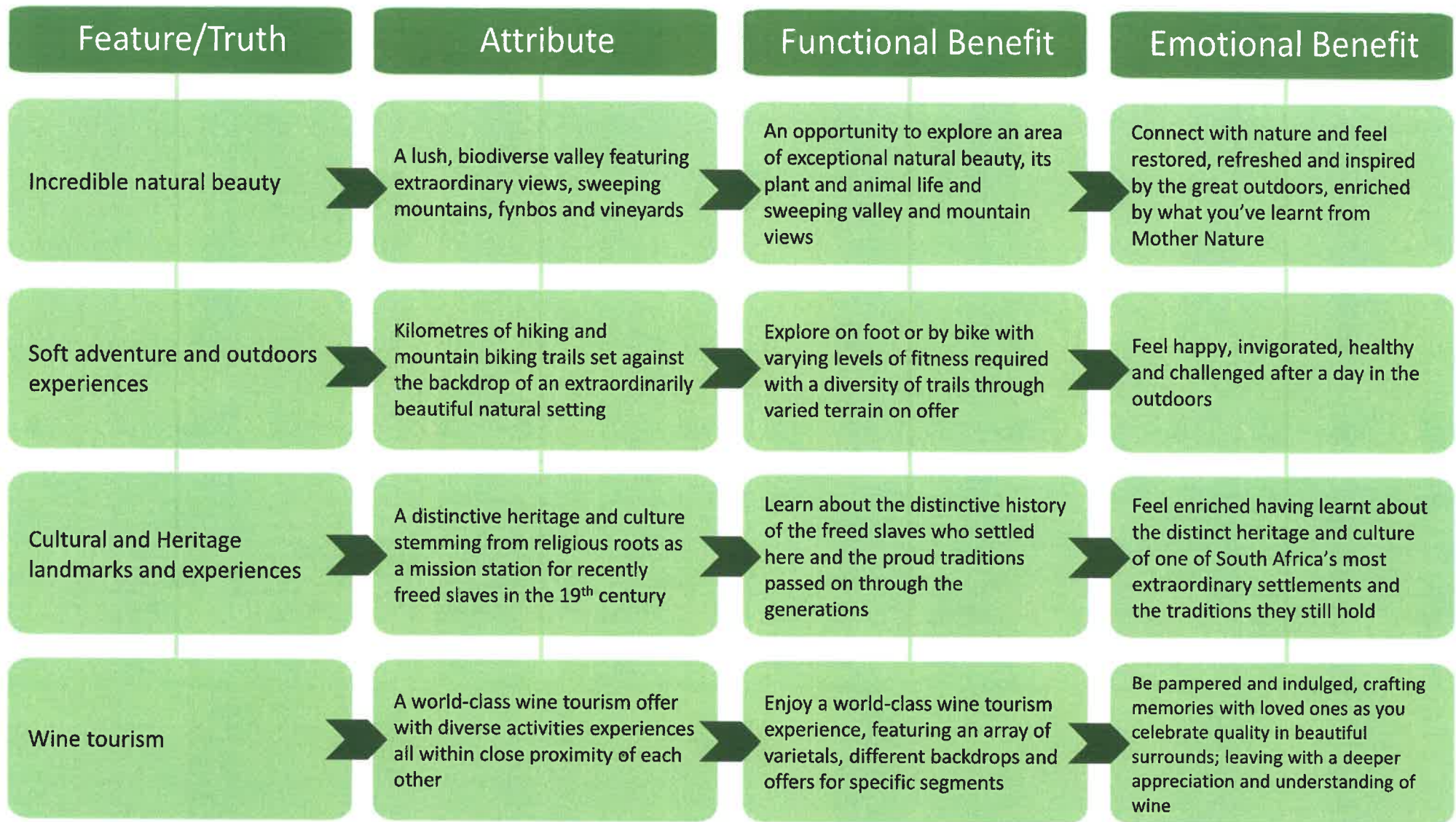
Consumer Insight

People travel to break the bounds of their every day, to **discover** places, people and experiences that **enrich** them and ensure they return home a **better version** of themselves, to **restore** mind, body and soul, to relax and feel pampered. They appreciate **ease of travel, authenticity, newness and quality.**

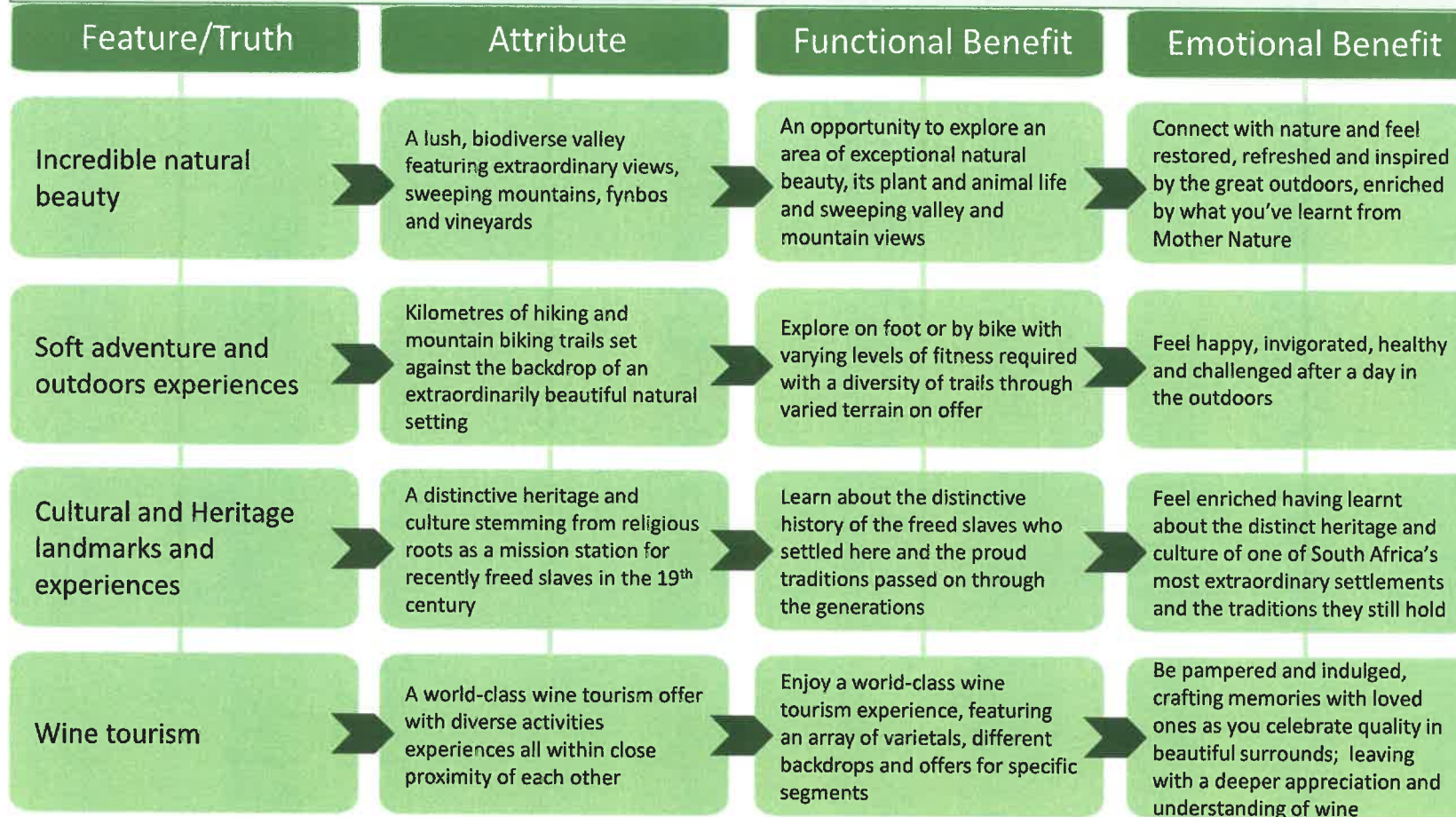


What are our proof points & how do they benefit the consumer?





Consumer Insight: People travel to break the bounds of their every day, to discover places, people and experiences that enrich them and ensure they return home a better version of themselves, to restore mind, body and soul, to relax and feel pampered. They appreciate ease of travel, authenticity, newness and quality.



What makes Dwarsrivier
different from competitors?

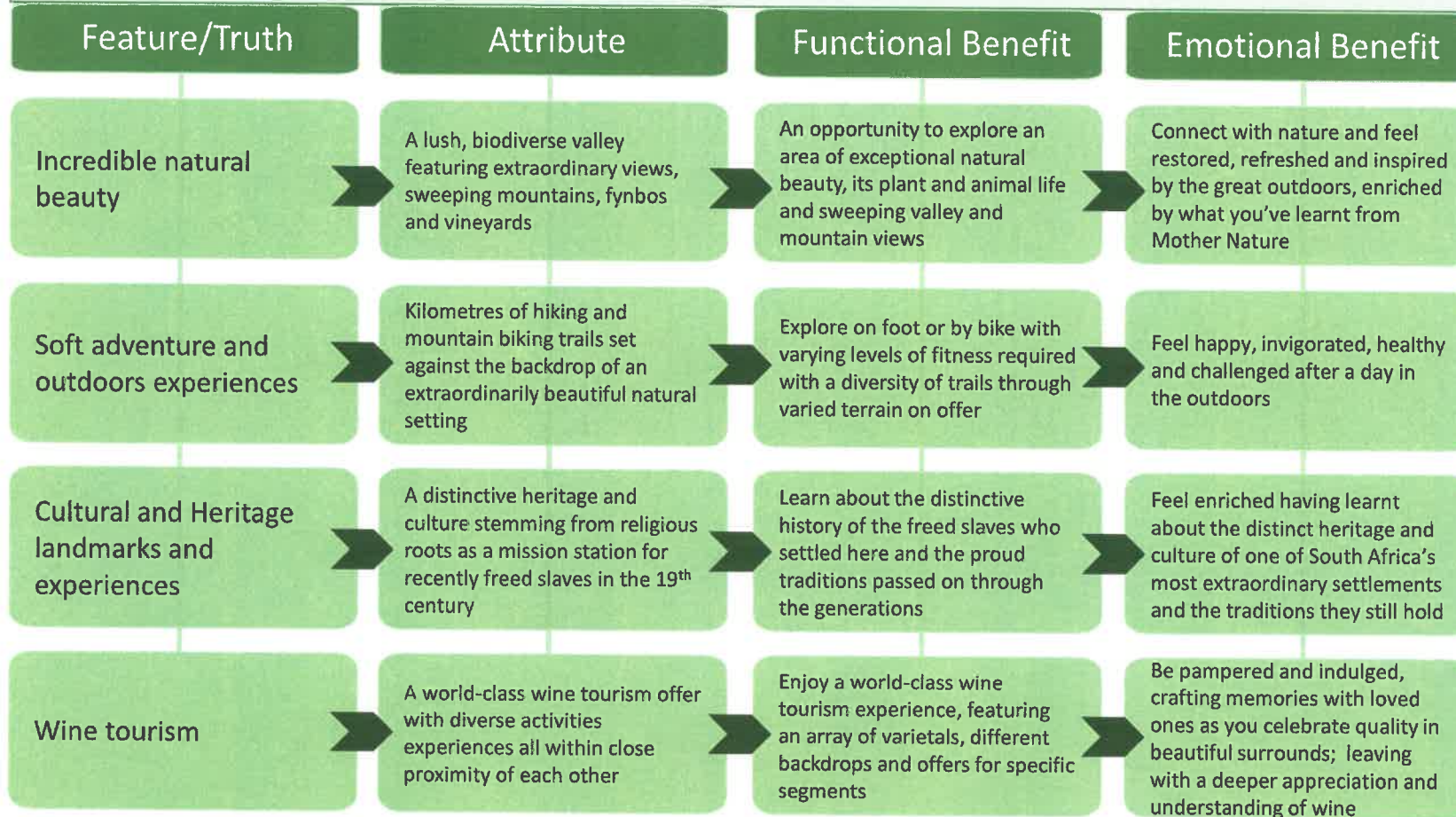


Nobody else can claim...

A rich combination of natural beauty, outdoors and adventure, distinct heritage and excellent wine in one valley.



Consumer Insight: People travel to break the bounds of their every day, to discover places, people and experiences that enrich them and ensure they return home a better version of themselves, to restore mind, body and soul, to relax and feel pampered. They appreciate ease of travel, authenticity, newness and quality.



Differentiator:
A rich combination of natural beauty, adventure and outdoors, good wine and distinct heritage in one valley.

What is Dwarshrivier's personality?



considerate

considerate

/kənˈsɪd(ə)rət/

adjective

1. careful not to inconvenience or harm others.
"she was unfailingly kind and considerate"

Similar: attentive thoughtful concerned solicitous mindful heedful ▼

2. **ARCHAIC**
showing careful thought.
"be considerate over your handwriting"

Afrikaans: bedagsaam



generous

generous

/ˈdʒɛn(ə)rəs/

adjective

1. showing a readiness to give more of something, especially money, than is strictly necessary or expected.

"a generous benefactor to the University"

Similar: liberal lavish magnanimous munificent giving open-handed ▾

2. (of a thing) larger or more plentiful than is usual or necessary.

"a generous helping of pasta"

Similar: lavish plentiful copious ample liberal munificent bountiful ▾

Afrikaans: vrygewig



respectful

 respectful

/rɪˈspɛk(t)fʊl, rɪˈspɛk(t)f(ə)l/

adjective

adjective: **respectful**

feeling or showing deference and respect.
"they sit in respectful silence"

Similar: [deferential](#) [reverent](#) [admiring](#) [humble](#) [reverential](#) [dutiful](#) 

Afrikaans: respekvol

dignified

 dignified

/ˈdɪɡnɪfaɪd/

adjective

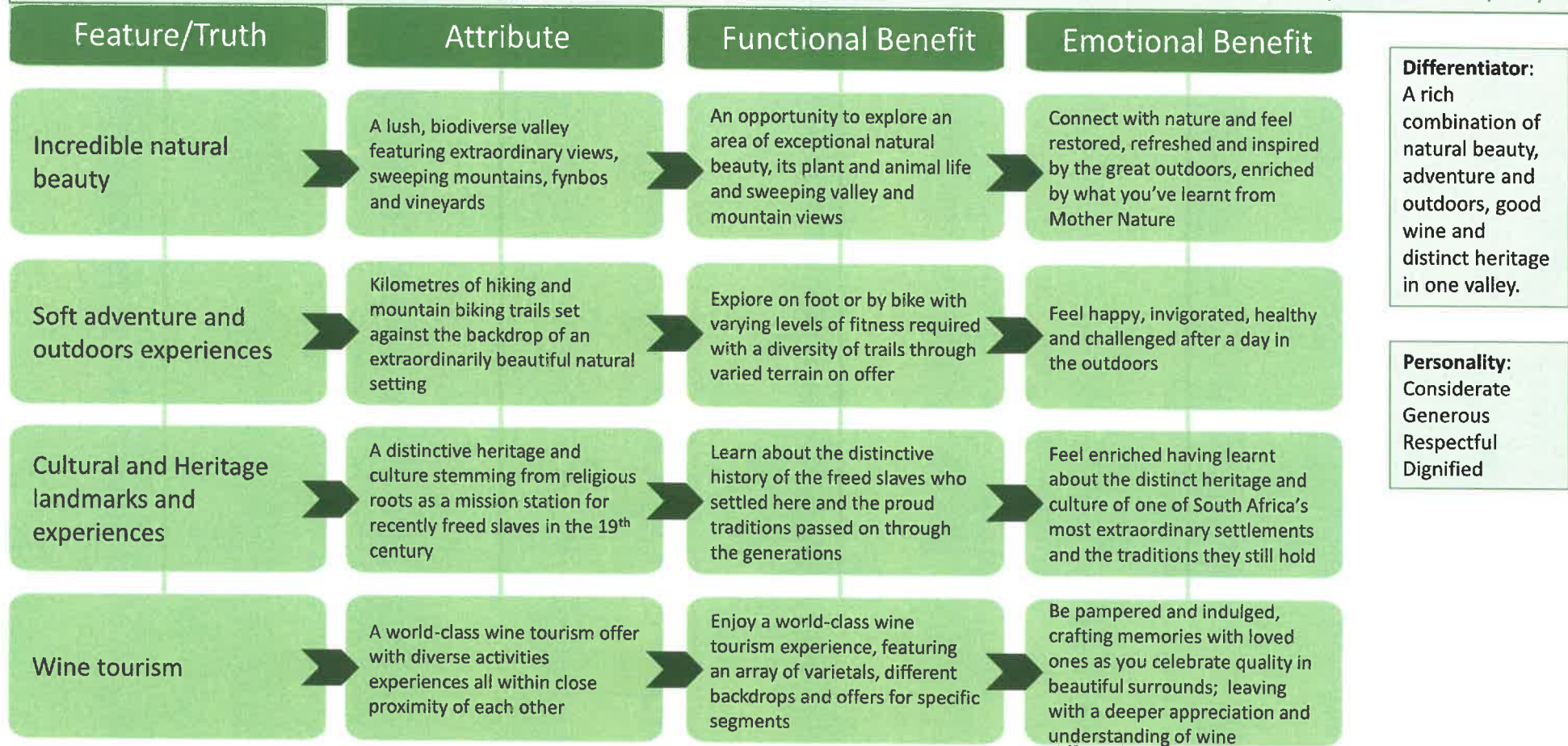
having or showing a composed or serious manner that is worthy of respect.
"she maintained a dignified silence"

Similar: stately noble courtly majestic kingly distinguished proud 

Afrikaans: waardig



Consumer Insight: People travel to break the bounds of their every day, to discover places, people and experiences that enrich them and ensure they return home a better version of themselves, to restore mind, body and soul, to relax and feel pampered. They appreciate ease of travel, authenticity, newness and quality.



Values to live by?

VIRTUE

virtue

/ˈvɜːtʃuː, ˈvɜːtjuː/

noun

1. behaviour showing high moral standards.
"paragons of virtue"

Similar: [goodness](#) [virtuousness](#) [righteousness](#) [morality](#) [ethicalness](#) 

2. (in traditional Christian angelology) the seventh-highest order of the ninefold celestial hierarchy.

Afrikaans: deug

INTEGRITY

integrity

/ɪn ˈteɪɡrɪti/

noun

1. the quality of being honest and having strong moral principles.
"a gentleman of complete integrity"

Similar: honesty uprightness probity rectitude honour honourableness ▼

2. the state of being whole and undivided.
"upholding territorial integrity and national sovereignty"

Similar: unity unification wholeness coherence cohesion undividedness ▼

Afrikaans: integriteit



HOSPITABILITY

friendly and generous to guests

1 : **friendly and generous to guests and visitors**. 2 : willing to deal with something new They were hospitable to the changes. Other Words from hospitable. hospitably \ -blē \ adverb.

Afrikaans: gasvry

DIGNITY

 dignity

/ˈdɪɡnɪti/

noun

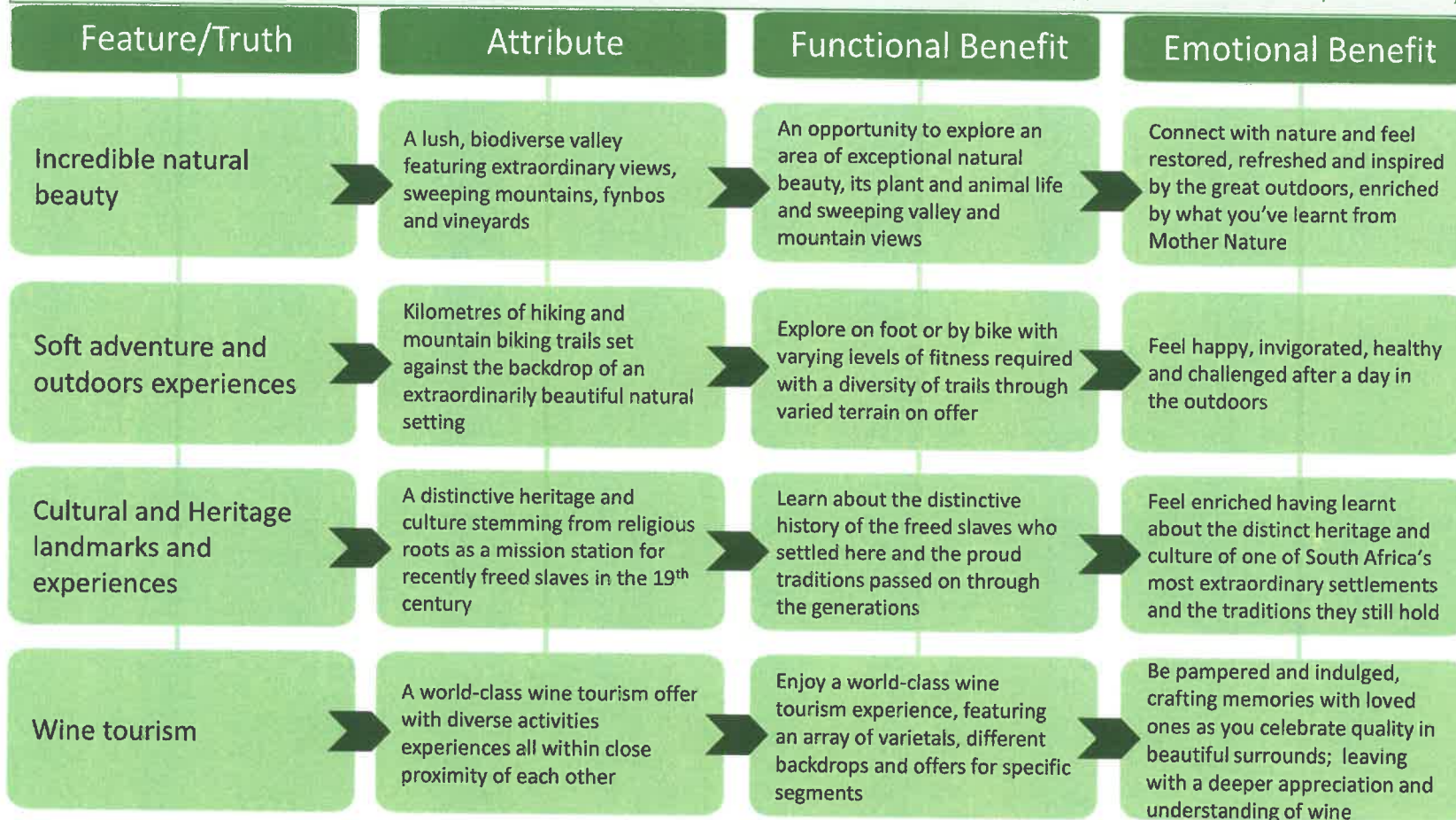
1. the state or **quality** of being worthy of honour or respect.
"the dignity of labour"
2. a composed or serious manner or style.
"he bowed with great dignity"

Similar: [stateliness](#) [nobleness](#) [nobility](#) [majesty](#) [regalness](#) [regality](#) 

Afrikaans: waardigheid



Consumer Insight: People travel to break the bounds of their every day, to discover places, people and experiences that enrich them and ensure they return home a better version of themselves, to restore mind, body and soul, to relax and feel pampered. They appreciate ease of travel, authenticity, newness and quality.



Differentiator:
A rich combination of natural beauty, adventure and outdoors, good wine and distinct heritage in one valley.

Personality:
Considerate
Generous
Respectful
Dignified

Values:
Virtue
Integrity
Hospitality
Dignity

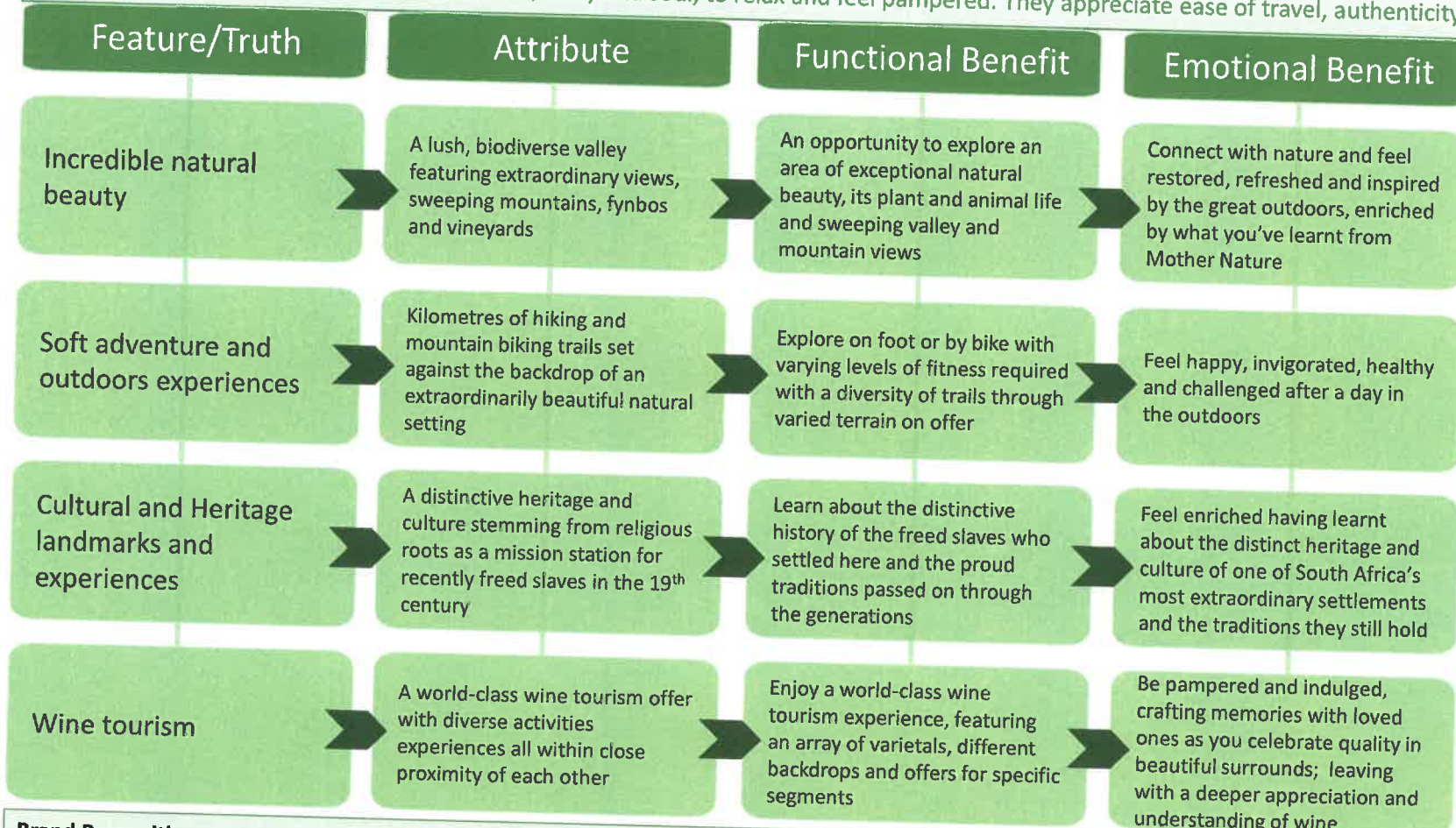
What is the essence?



Brand Proposition

Dwarsrivier offers a beautifully scenic natural environment with a distinctive heritage and culture, diverse outdoors and adventure activities and a world-class wine offer.

Consumer Insight: People travel to break the bounds of their every day, to discover places, people and experiences that enrich them and ensure they return home a better version of themselves, to restore mind, body and soul, to relax and feel pampered. They appreciate ease of travel, authenticity, newness and quality.



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Values:
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Integrity
Hospitality
Dignity

Brand Proposition:
Dwarsrivier offers a beautifully scenic natural environment with a distinctive heritage and culture, diverse outdoors and adventure activities and a world-class wine offer.

Essence: Informed elation (shareable, captivating, remarkable, memorable, cultured, enriched, inspired)

Brand DNA

Brand Architecture



Brand Architecture

Divisions

- Add the different groupings under the main brand

Brand DNA

Creative Platform

Creative Platform

FUNCTIONAL BENEFIT

A multitude of excellent, world-class offerings in one place

CREATIVE PLATFORM

EMOTIONAL BENEFIT

Experiences that enrich and inspire you



PAYOFF LINE



Brand DNA

Creative Guardrails



Brand DNA

Execution Guardrails

The three elements of brand creation

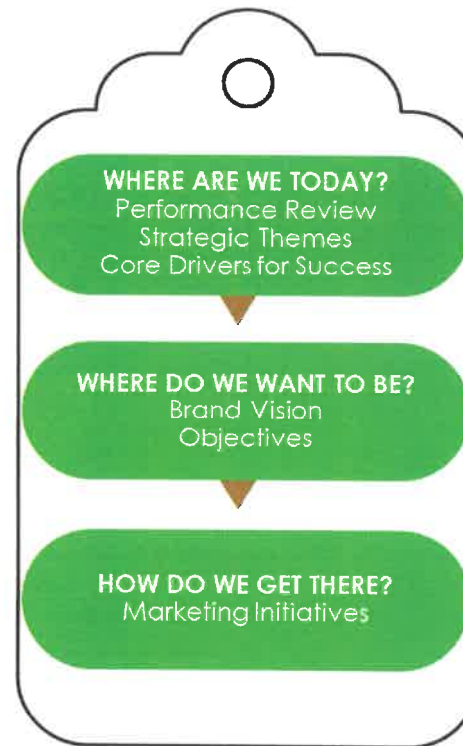
BRAND DNA

How will we position our brand in the minds of our target?



BRAND STRATEGY

How will we grow our brand?



BRAND DELIVERABLES

What will we use to grow our brand?



Brand Strategy

Brand Strategy



Brand Strategy

Where are we today?

- Performance
- Financial/Commercial
- Brand Health/Other

Dwarsrivier se uitdagings

1. Onherkenbaarheid vd naam

2. Onduidelike logo

3. Moelik om enkele kultuur
produk te bemark

4. Gebrek aan toere

5. Gebrek aan samewerking
tussen stakeholders

6. Kwaliteit van bestaande
produkte

7. Vuil publieke areas

8. Beskadigde natuurlike
omgewing

9. Swak verhouding met
omgewings vennote

10. Onduidelike grense

Dwarsrivier se uitdagings (vervolg)

11. Die posisie vd toerisme kantoor

16.

12. Munisipale dienslewering

17.

13. Kos aanbiedings

18.

14.

19.

15.

20.

Brand Strategy

Where do we want to be?

- Set Vision (clear statement of aspiring dream with numbers)
- Set Objectives (tangible and measurable Commercial and Consumer targets that will achieve the vision)



Vision

- a clear statement of what we want to achieve over medium and long term (financial/commercial and non-financial/consumer driven)
- needs to be measurable in order to track performance and progress

Vision

Build a strong tourism offer in Dwarshrivier so that visitors are aware of and are inspired to access its depth of experiences, in turn creating economic opportunities for the local community.

Brand Strategy

How do we get there?

Key strategic themes

- Identify bold focussed core actions that will shift the needle
- Craft the initiatives/key activities that will drive delivery on each of the core actions

The three elements of brand creation

BRAND DNA

How will we position our brand in the minds of our target?



BRAND STRATEGY

How will we grow our brand?



BRAND DELIVERABLES

What will we use to grow our brand?



Brand Deliverables



Activity Plan

Core Campaign



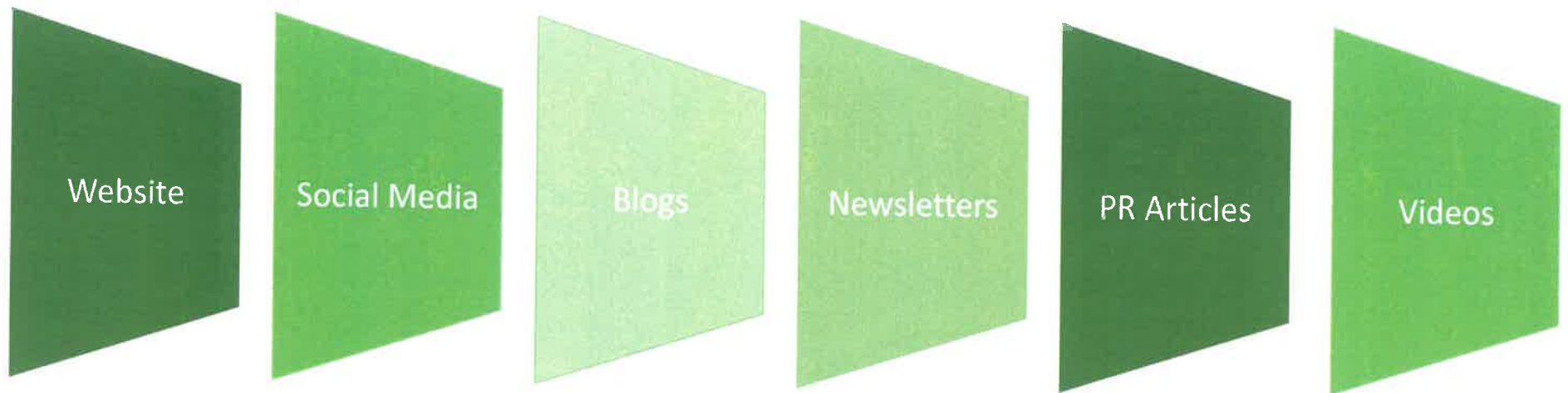
Tactical Campaigns

To be determined each
year



Essential Tools

Tactics



8.11.3	PROPOSED URBAN REVITALISATION OF MILL SQUARE: REQUEST FOR STELLENBOSCH MUNICIPALITY TO UNDERTAKE AN INVESTIGATIVE PROCESS FOR THE REVITALISATION OF THE MILL SQUARE AND SURROUNDS
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Collaborator No:

IDP KPA Ref No: Valley of Opportunities

Meeting Date: Mayco: 2022-06-08 & Special Council: 2022-06-22

1. SUBJECT: PROPOSED URBAN REVITALISATION OF MILL SQUARE: REQUEST FOR STELLENBOSCH MUNICIPALITY TO UNDERTAKE AN INVESTIGATIVE PROCESS FOR THE REVITALISATION OF THE MILL SQUARE AND SURROUNDS

2. PURPOSE

To request approval to permit Shoprite Checkers Pty Ltd to undertake an investigative process for the urban revitalization of the Mill Square, at the full cost of Shoprite Checkers.

3. DELEGATED AUTHORITY

Council

4. EXECUTIVE SUMMARY

Shoprite Checkers has submitted a request to the Executive Mayor and the Municipal Manager to undertake an investigative process for the possible urban revitalization of Mill Square. The entire process and possible implementation of such initiatives will be for the cost of Shoprite Checkers. The purpose for this investigation is as a result of Shoprite Checkers owing the property known as Erf 6460, Stellenbosch. It should be noted that Shoprite Checkers has been a landowner and business operator in Stellenbosch since 1963.

The current Shoprite Checkers property is in close proximity to the Mill Square in Mill Street, as well as in close proximity to other historic buildings and sites, i.e. Die Braak and the Rhenish Church. Since the property owned by Shoprite Checkers accommodated the former Nieuwe Molen, Shoprite Checkers identified the Mill Square as a heritage resource and therefore this request to invest in the public project that will further enhance the rich history of the Stellenbosch town.

5. RECOMMENDATIONS

- (a) that Council support the initiative and request from Shoprite Checkers to undertake an investigative process for the urban revitalization of Mill Square, see copy of letter from Shoprite Checkers attached as **APPENDIX 1** to this report;
- (b) that Council note that all work in terms of the investigative process will be at the cost of Shoprite Checkers;
- (c) that Council note that the study area for such urban revitalization is contained within the study area as depicted within the draft Rhenish Complex & Surroundings Stellenbosch: Unlocking its Potential Report as drafted by Piet Louw on behalf of Council; and
- (d) that the final investigation report be resubmitted to Council for approval after the public participation process have been completed.

6. DISCUSSION / CONTENTS

6.1 Background

The Mill Square comprises of area adjacent to Erf 6460, that current accommodates the Shoprite Checkers Complex within Mill Street. The Mill Square and its surrounds was included in the study area of the Rhenish Complex that Council approved at its 38th Council Meeting dated 28 October 2020 for further investigation for economic opportunities.

The Rhenish Complex, as a whole, is of significant cultural and heritage importance and is an invaluable asset for Stellenbosch Town that demands proper maintenance and appropriate utilisation and based on the draft The Rhenish Complex and Surroundings Report, August 2021 the *“Rhenish complex already contains the pre-conditions for a significant cultural precinct and associated regeneration. These include highly valued historic buildings and spaces in an accessible location to all citizens and visitors.”*

It must be noted that several municipal initiated and supported studies and development frameworks have focussed on the complex and its surrounds over preceding years, that include:

- Stellenbosch Conservation Strategy, Kruger Roos 1997;
- Die Braak, Voorlopige Ontwikkelingsraamwerk en Rekonstruksie, Kruger Roos 1997;
- Stellenbosch Historical Centre, Mill Square and Surrounds, Kruger Roos 1998;
- Heritage Study, Binnetuin Park, Stellenbosch, Pistorius and Harris 2005
- Het Erfgoedbeleid van Stellenbosch. Het opstellen van ondersteunende komen – Die Braak en het Rijnse Complex als katalysator, Carton and Ryckeboer 2012;
- Kerkstraat Sluiting, Piet Louw & Dave Dewar 2020, Proposals call for the utilization of the Braak, 2019
- Draft The Rhenish Complex and Surroundings, Stellenbosch: Unlocking its Potential, Square One, Piet Louw & ITS, August 2021.

The latter draft document that was compiled on behalf of Council is aimed at considering the many relevant and good ideas as a study area in its totality, and the Rhenish Complex integration with its general surroundings.

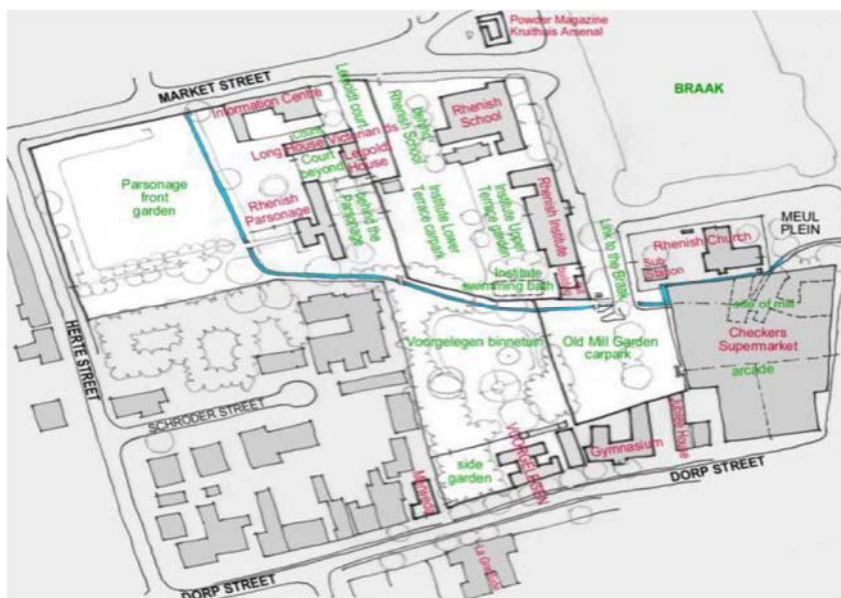


Figure 1: The buildings, spaces, and gardens comprising the Rhenish complex

The Rhenish complex, the Braak, and other adjacent buildings current heritage status is “Grade 1 National Heritage Landscape”, the only of its kind in the Stellenbosch region.

The proposal as submitted by Shoprite Checkers therefore aims to investigate and to implement the proposal that is linked to removing the barriers according to the draft Rhenish Complex Report, August 2021 as it aims to implement its urban revitalisation proposals for the Mill Square.

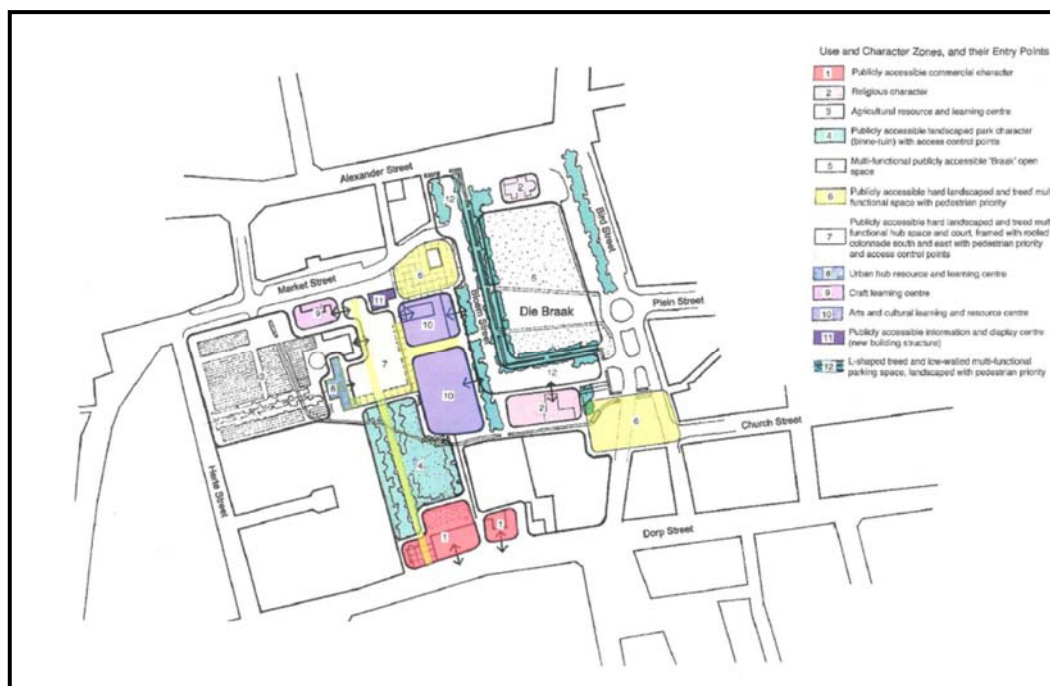


Figure 2: Main Ideas for the Rhenish Complex

The above figure, and specifically the are 6 that indicate the study area in question reads “Publicly accessible hard landscaped and treed multi-functional space with pedestrian priority”

This is directly in line with the proposal as submitted by Shoprite Checkers, and the proposed implementation of this proposal must thus be supported.

6.2 Financial Implications

There are no financial implications for Council as it is clear from the letter from Shoprite Checkers that the investigative process will be fully funded by themselves.

6.3 Legal Implications

There are no legal implications associated with the investigation phase and should any implementation proposals arise out of the investigation, they must be done through an agreement or arrangement with Council or its delegated official (in terms of this report it is the Municipal Manager).

6.4 Previous / Relevant Council Resolutions:

At the 38th Council Meeting on 28 October 2020 Council resolved the following:

- (a) that Council takes note of the numerous studies and planning over the years that were done on the Rhenish Complex without any noticeable implementation of the approved recommendations;

- (b) that Council approves the request of the Directorate: Planning & Economic Development to investigate the development of all municipal owned landholdings within the demarcated areas as depicted within the boundaries of Dorp-, Herte-, Alexander-, Market-, Bird- and Mill Street for potential economic opportunities to kick start the development of the entire Rhenish Complex;
- (c) that the investigation into the development of the Council owned landholdings considers the context of the surrounding spaces in the town centre; and
- (d) that such an investigation be done within three months after which a report with a request for the advertisement of the proposals be tabled to Council to enable the phased implementation of such proposals.

6.5 Risk Implications

The Directorate(s): Corporate- and Infrastructure Services must be consulted as part of the investigative process as the preliminary proposals does fall within the functional mandate of property management and legal services; and transport planning and roads management, respectively.

RECOMMENDATIONS FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2022-06-08: ITEM 7.11.4

- (a) that Council support the initiative and request from Shoprite Checkers to undertake an investigative process for the urban revitalization of Mill Square, see copy of letter from Shoprite Checkers attached as **APPENDIX 1** to this report;
- (b) that Council note that all work in terms of the investigative process will be at the cost of Shoprite Checkers;
- (c) that Council note that the study area for such urban revitalization is contained within the study area as depicted within the draft Rhenish Complex & Surroundings Stellenbosch: Unlocking its Potential Report as drafted by Piet Louw on behalf of Council; and
- (d) that the final investigation report be resubmitted to Council for approval after the public participation process have been completed.

FOR FURTHER DETAILS CONTACT:

NAME	Craig Alexander
POSITION	Senior Manager: Development Planning
DIRECTORATE	Planning and Economic Development
CONTACT NUMBERS	021 808 8196
E-MAIL ADDRESS	Craig.alexander@stellenbosch.gov.za
REPORT DATE	06 June 2022

APPENDIX 1

PROPERTY DIVISION
HOME OFFICE
CNR WILLIAM DABBS STREET
& OLD PAARL ROAD
BRACKENFELL, 7560
P O BOX 1160,
BRACKENFELL, 7561

03 June 2022

By email: mayor@stellenbosch.gov.za

The Executive Mayor
 Stellenbosch Municipality
 PO Box 17
STELLENBOSCH
 7599

For attention: Cllr. Gesie van Deventer

Dear Madam

**PROPOSED URBAN REVITALISATION OF MILL SQUARE: REQUEST FOR
 STELLENBOSCH MUNICIPALITY TO UNDERTAKE AN INVESTIGATIVE PROCESS**

We refer to the meeting between representatives from Shoprite Checkers (Pty) Ltd ("Shoprite") – including the writer hereof, the Municipal Manager – Ms. Geraldine Mettler, and yourself on 10 February 2022 in the above regard.

Shoprite is proud to be a landowner and business operator in Stellenbosch. The company's affiliation with the town started as early as 1963 when the then OK Bazars purchased the property housing the *Nieuwe Molen*, the third wheat mill built in Stellenbosch, next to Mill Square. For almost 60 years, Shoprite has sincerely valued its long standing relationship with the people of Stellenbosch, and hopes to build an even stronger relationship for years to come.



REGISTERED OFFICE: CNR WILLIAM DABBS STREET & OLD PAARL ROAD, PO BOX 215, BRACKENFELL, 7561, SOUTH AFRICA
 TEL: +27 (0) 21 980-4000 FAX: +27 (0) 21 980-4050 www.shopriteholdings.co.za

DIRECTORS: P C ENGELBRECHT (CEO), J V R BRÖNN, A DE BRUYN, D S COHN, P G DU PREEZ, G FRITZ, A B GARDENER, B HARISUNKER,
 W J HUNLUN, N M MOOLMAN, J H PIENAAR, N L SCHREUDER, Z A SIBIYA

Against this background, Shoprite wishes to invest in a public project of heritage significance as a token of its appreciation for the rich history of the town. Due to the close proximity of Checkers Stellenbosch, situated on Mill Street, to historic landmarks such as Die Braak, the Rhenish Church and the mill stream, and Checkers Stellenbosch being the site of the former *Nieuwe Molen*, the adjacent Mill Square was identified as a heritage resource that should form the core of an investigative process.

To this end, Shoprite appointed PHS Consulting ("PHS") as heritage consultants to facilitate the investigative process. PHS perused various heritage studies and project proposals, which were prepared over many years for Mill Square and its surrounds, and concluded that there is a real need to improve the heritage status of this precinct.

As agreed at the meeting of 10 February 2022, PHS, on behalf of Shoprite, has approached the following groups and an individual to obtain their support for such an investigative process, namely:

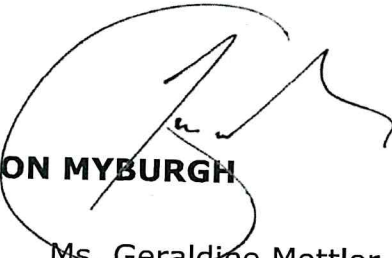
Stellenbosch Arts Association
Stellenbosch Heritage Foundation
Stellenbosch Interest Group
Rhenish Church
Mr. Strijdom van der Merwe

A letter from PHS is attached hereto that explains the consultative process that was followed and confirms that all the parties are in support of such an investigative process.

In view of the abovementioned, Shoprite kindly requests the Stellenbosch Municipality to consider its request for an investigative process to be undertaken for the urban revitalization of Mill Square, the cost of which to be funded by Shoprite.

For any queries or more information, please do not hesitate to contact the writer hereof.

Yours sincerely,



LEON MYBURGH

cc. Ms. Geraldine Mettler
The Municipal Manager
Stellenbosch Municipality
By email: geraldine.mettler@stellenbosch.gov.za



2021-05-11

Stellenbosch Municipality

Attention: Cllr. Gesie Van Deventer *per e-mail* Mayor.Pa@stellenbosch.gov.za
Executive Mayor

and

Geraldine Mettler *per e-mail* Geraldine.Mettler@stellenbosch.gov.za
Municipal Manager

Dear Madams

RESULTS OF PRE-PROJECT CONSULTATION – LANDSCAPE DEVELOPMENT OF MILL SQUARE AND SURROUNDS: STELLENBOSCH

PHS Consulting act as heritage consultant on behalf of Shoprite Checkers and we were requested to present you our pre-project consultation findings in order for the Council of Stellenbosch to sanction a formal Heritage Landscape Development Upgrade Project for the Mill Square precinct.

In summary, Shoprite Checkers, property owners and business operators in Stellenbosch, identified the need to invest in the implementation of a “Legacy Project” in Stellenbosch. Due to the proximity of the Shoprite owned Erf 6460 on the corner of Mill Street and Die Braak the mill stream, “Meul Plein”, old trees, Rhenish Church façade and Church bell was identified as heritage resources that should form the core of an investigation. The area identified for such development project form part of the Mill Square precinct connecting various heritage resources, routes and axis’s in Stellenbosch. We have worked through various heritage studies and project proposals presented for this area over the years, confirming the need to implement a heritage landscape project here. We consider the yellow outlined area inserted below as the study area.

The concept was communicated to the Stellenbosch Mayor and the Municipal Manager on 10 February 2022, whereby we were requested to make contact with heritage interest groups to gather support for a formal investigation, study and proposal. The idea would be to build onto the work efforts already done by other organisations and to implement a project that can benefit all. We know that we have to go through a formal Heritage Application Process that involves public and authority participation in time but during our meeting the need to get strategic buy-in in order for the Council to acknowledge it as an official project, was identified.

During our meeting it was confirmed that we should approach the organisations and individuals involved in heritage and landscape work for their in-principal support in order to motivate that a formal project application is supported by interest groups. This support can then be used for the Stellenbosch Municipal Council to initiate a formal project. We approached the following groups and individual:

- Stellenbosch Arts Association
- Stellenbosch Heritage Foundation
- Stellenbosch Interest Group
- Rhenish Church
- Mr. Strijdom van der Merwe

We received support from all of these organisations and individual, find attached under Appendix 1, proof of our pre-project communication and the respective responses. We trust that this will be sufficient in order to table the proposal to officially initiate a project that Shoprite Checkers will fund entirely.

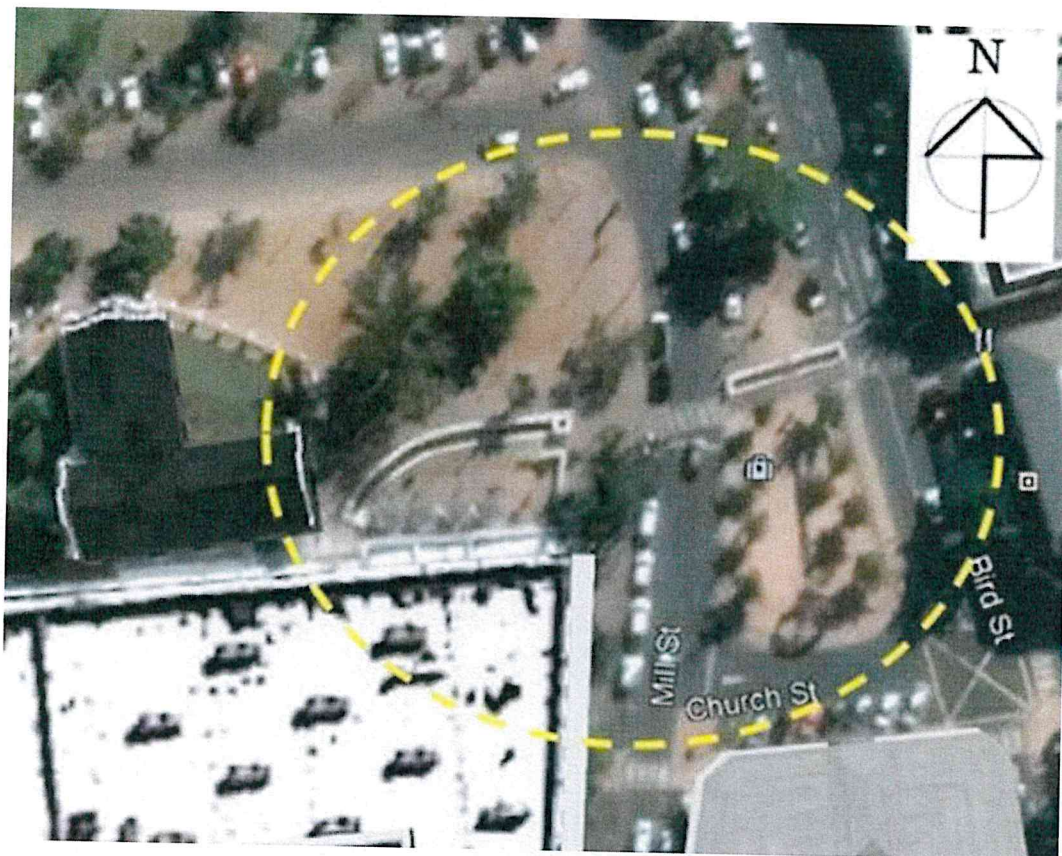


Figure 1: Proposed Study Area

Please do not hesitate to contact me if you require further information.

Yours truly

PAUL SLABBERT



2021-05-11

Stellenbosch Municipality

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Executive Mayor

and

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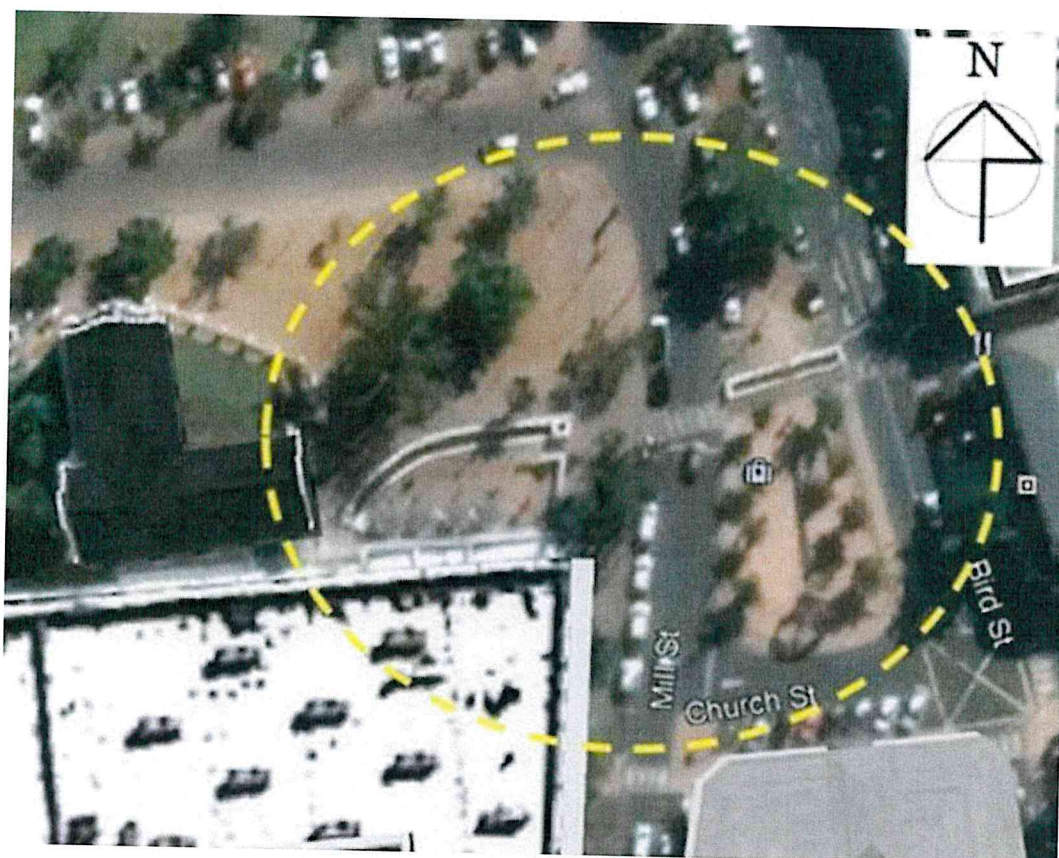


Figure 1: Proposed Study Area

Please do not hesitate to contact me if you require further information.

Yours truly

A handwritten signature in black ink, appearing to read 'Paul Slabbert'.

PAUL SLABBERT

Against this background, Shoprite wishes to invest in a public project of heritage significance as a token of its appreciation for the rich history of the town. Due to the close proximity of Checkers Stellenbosch, situated on Mill Street, to historic landmarks such as Die Braak, the Rhenish Church and the mill stream, and Checkers Stellenbosch being the site of the former *Nieuwe Molen*, the adjacent Mill Square was identified as a heritage resource that should form the core of an investigative process.

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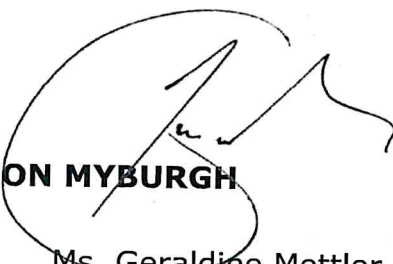
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For any queries or more information, please do not hesitate to contact the writer hereof.

Yours sincerely,



LEON MYBURGH

cc. Ms. Geraldine Mettler
The Municipal Manager
Stellenbosch Municipality
By email: geraldine.mettler@stellenbosch.gov.za

Appendix 1

Stellenbosch Arts Association

 Dirkie Offringa <dirkieoffringa@mweb.co.za>
To: paul@phsconsulting.co.za
Cc: 'Margot Steyn' <mmdvs@sun.ac.za>; 'Strijdom van der Merwe' <info@strijdom.com>; kunsartstel@sun.ac.za

Mon 22 Feb 2022 12:41



Dear Paul

The executive committee of the Stellenbosch Arts Association is delighted to learn that Checkers is planning a *Legacy Project* on the Mill Street and Braak site. There is distinct scope to improve the area.

As you know, to celebrate the 10th anniversary of the Stellenbosch Arts Association, we commissioned Strijdom van der Merwe to design the landscaping to include the big historic water wheel of the old mill. We trust that PHS Consulting will see fit to keep this installation and the Art Association's information board about the mill.


We support this endeavour and shall be happy to assist in any way we can.

Kind regards

Dirkie Offringa
Chairperson Stellenbosch Arts Association

Appendix 1

Stellenbosch Heritage Foundation

 Jolanda De Villiers Morkel <jolanda.morkel@gmail.com>
 To: paul@phsconsulting.co.za
 Cc: Ronel <chairperson@stellenboschheritage.co.za>; Lauren Buchanan <lau.buchanan@gmail.com>; Deon Carstens <deon@annabasson.co.za>

 Tue 22 Feb 2022 15:45

Dear Paul,

thank you very much for your email. I copied Lauren and Deon Carstens. We support the initiative in principle and we are keen to engage with you on this excellent opportunity to develop a 'Legacy Project'. For example, which studies did you consult? Perhaps we can assist? Also, have you perhaps considered any of the other opportunities for unlocking heritage potential, situated more to the western section of the site?

Looking forward to hearing from you.

Regards,
 Jolanda Morkel

 Lauren Buchanan <chairperson@stellenboschheritage.co.za>
 To: paul@phsconsulting.co.za

 Sun 24 Apr 2022 20:55

Good evening Paul

Thank you for following up with our response. Our committee met earlier this month and your request was discussed at our meeting. While you state that you are forming an investigation into a possible project at this site, we found the request a little vague. Ordinarily our organization only comments on the heritage aspects of a submission for a heritage permit from Heritage Western Cape. While we can agree the square in its current condition is lacking, and there are many opportunities to be found to make a success of it. We would hope that a good design team with outstanding heritage knowledge and sensitivities is appointed for the proposed project. Our organization would seize the chance to be involved in the process.

 Kind Regards
 Lauren Buchanan

L. J. Buchanan
 On behalf of
 Stellenbosch Heritage Foundation

Appendix 1

Stellenbosch Interest Group

 Patricia Botha <bothapatricia@gmail.com>
To: Paul Slabbert <paul@phsconsulting.co.za>; Berta Hayes <bertahayes@mweb.co.za>

...
Tue 15 Mar 2022 15:22

Dear Paul,

Glad you were able to contact Hennie Vos.

As the Mill is already part of a wider plan for the Rhenish Complex, Braak etc and research documents exist, the SIG would recommend a meeting of all the interested bodies in Stellenbosch. A meeting should be arranged with representatives of Checkers, Municipality, Piet Louw reception@visionplan.co.za (author of The Rhenish Complex and Surroundings), Hannes van Zyl hannesvzyl@gmail.com (research was done when he was chairperson of Stellenbosch Heritage Foundation), Lauren Buchanan chairperson@stellenboschheritage.co.za, Stellenbosch Arts Society kunsartstel@sun.ac.za and Stellenbosch Interest Group.


Hope this list will be helpful.

Kind regards,

Patricia

Appendix 1

Rhenish Church

 virginia-rijgumat59@gmail.com
To: paul@phiconsulting.co.za


...
Tue 19 Apr 2011 12:37

Goeie dag Paul Slabbert
Ons as kerkraad het vergader en het bescuit dat u en Shoprite mag voortgaan met u ondersoek.
Indien u enigiets anders vanaf ons verlang kan u my ter enige tyd kontak.
Ek wens u alle voorspoed toe.
Groete in Christus

Mev Virginia Jumat
Skriba

Appendix 1

Strijdom van der Merwe

 Strijdom van der Merwe <info@strijdom.com>
Tel: paul@pksconsulting.co.za

...
Tue 15 Feb 2022 12:34

Hi Paul

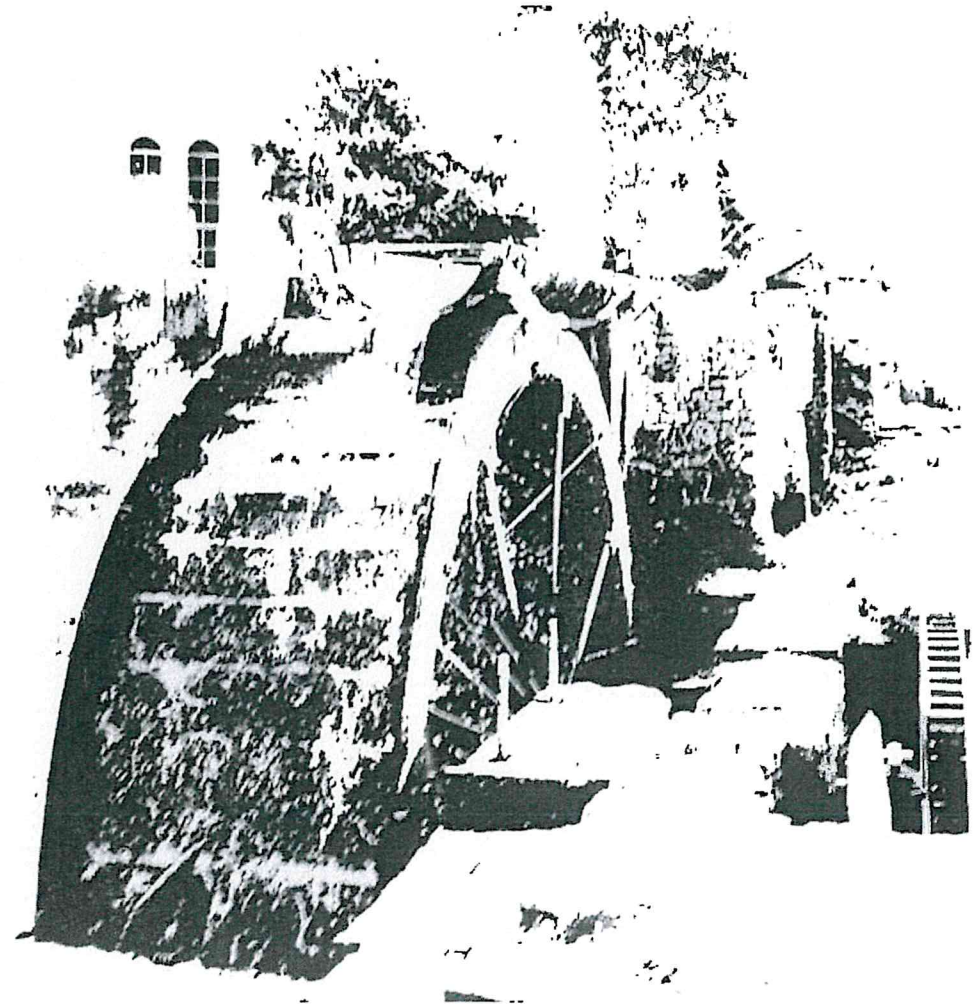
Thank you for the email and telephone conversation

That area need a upgrade and you got my support for that.
Meulplein as it is at moment was a gift from the Stellenbosch Art Association to the Stelb Municipality
I was the artist/designer involved commissioned, that brought the wheels back etc etc. BUT,
it will be wonderful if we can make some changes to that area.
Would love to be involved with Meulplein again and share my vision with you that couldn't happen way back then when we run out of money.

Attach is the contact details of the Chair of the Stellenbosch Art Association Dirkie Offerings
It will be good if you can send her the same email and make them aware of you future plans.

dirkieoffringa@mweb.co.za
dirkieoffringa@telkomsa
Cell: 072 207 4929

Regards
Strijdom



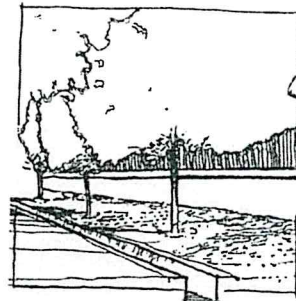
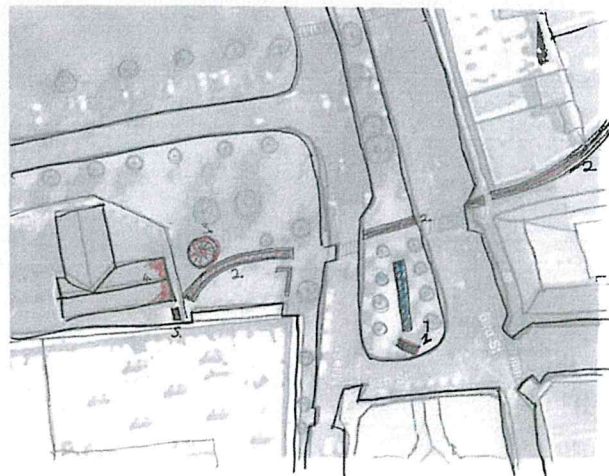
Stellenbosch Mill Square:
Cover

VEGETATION & WATER



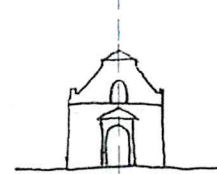
1. The Mill Stream - Declared a National Heritage in some portions and is a very sensitive and a significant indicator to be considered and to be retained.
2. The existing vegetation (Trees) are to be treated sensitively. The tree in front of the Church is one of the oldest trees dating back to the 1700's.

SIGNIFICANT HERITAGE INDICATORS



SOURCE: KRUGER ROOS

1. The Mill Stream - is a very strong 'ROUTE' or 'DATUM' which along important Heritage moments are to be celebrated.
2. Along the Route there are also very strong Axis which are to be highlighted to the pedestrian.



AXIS

EXISTING AERIAL VIEW

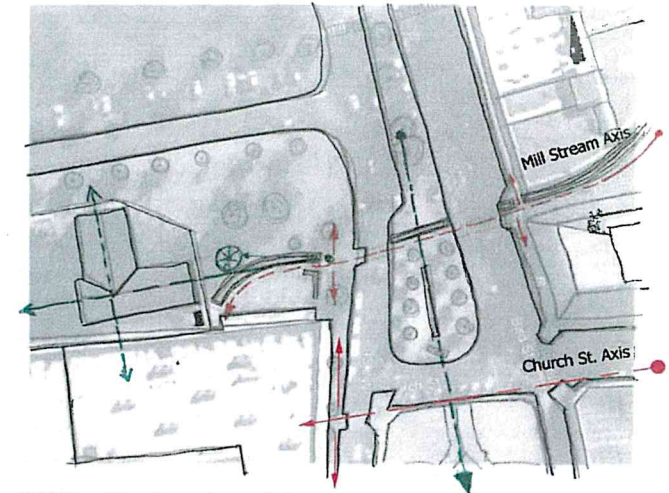


1. The Old Mill - Water Wheel
2. The Mill Stream
3. Old Tree - ca 1760
4. Church Facade
5. Church Bell/Clock Tower

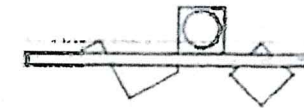


1. The Farm ('Werf') walls built around the Mill Stream are significant barriers to the various spaces and prohibit the natural flow of pedestrians. Bridges/ Crossing over the millstreams should be made from simple materials & one should avoid covering long lengths of the furrows for maintenance purposes etc.
2. The one way vehicle route as part of Mill Str. also further divides the space between the Mill square, space in front of the Church and the church.

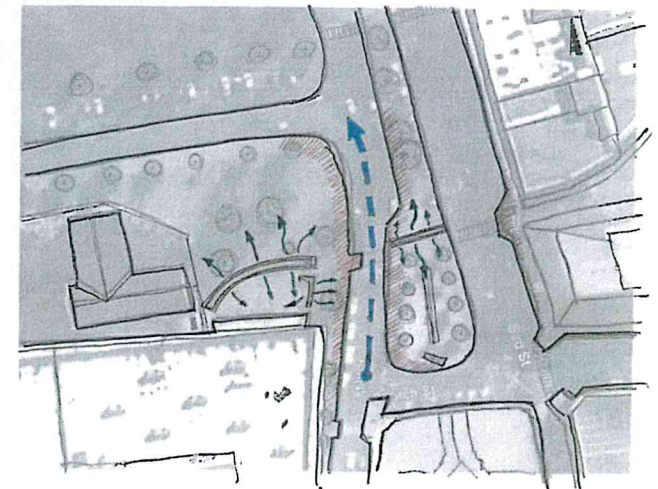
ROUTE & SIGNIFICANT AXIS



DATUM: Given the random or dissimilar elements they can be arranged along the route by means of a line/plane or volume.



SITE BARRIERS



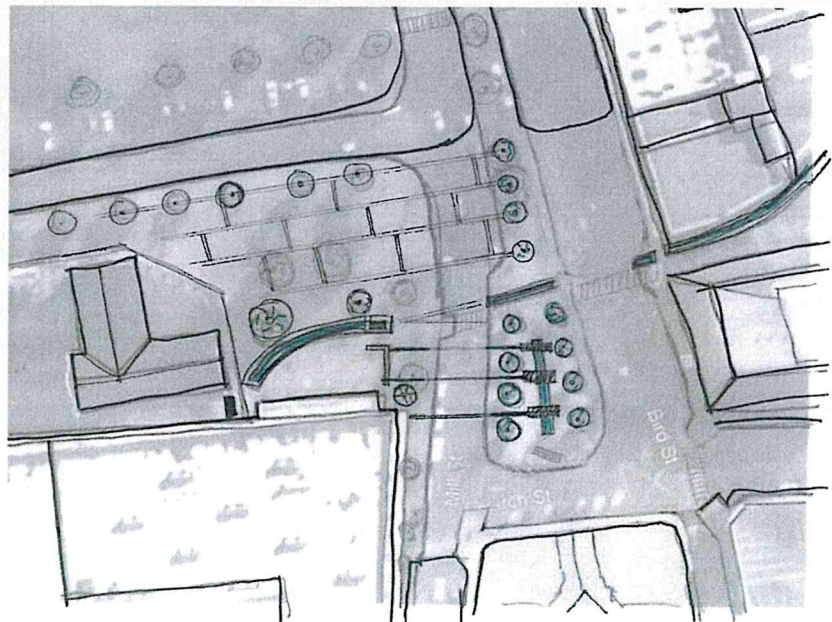
APR1 1002

REMOVING THE BARRIERS



1. ROAD LEVELS ARE TO BE RAISED TO CREATE AN INTEGRATED SPACE

- a. Mill Street, and the pedestrian crossing over Bird Street has to be raised in order to unify the divorced spaces
- b. Mill Street to remain a vehicular route - traffic will be slowed down by means of traffic interventions
- c. Bollards to be introduced along Mill Street to keep pedestrians safe



1. THE GRID

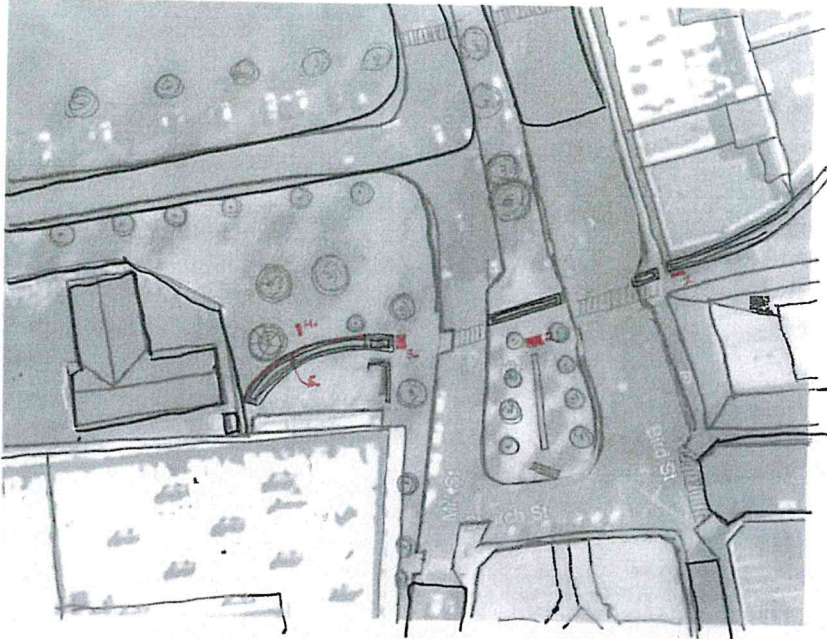
- a. A Grid on the surface can be intruded by a means of various type of finishes or channels that mimic the significance of the stream.
- b. The Grid will bind the space together by means of a pattern that creates interest and can be used for various purposes of illustration;
 - ie. Agriculture; a Market Space, Information, the Vegetation etc.
- c. It could be utilised to further explain and provide key aspects of the Heritage and the surroundings.
- d. It will connect the seating area with the Channel



Stellenbosch Mill Square:
Removing the Barriers

A(PR) 1003

HERITAGE INDICATORS



Heritage Signage Indicators

1. Signage Indicators to be introduced to explain the Heritage of the Stream
2. Heritage of the Wheel
3. Heritage of the Church
4. Heritage of the Tree
5. The Mill Stream "Werf" wall

- Change existing wall to a glass balustrade
- Introduce glass bridge / stairs over existing stream.
- Space in front of Church and Outside seating becomes integrated by means of a physical and visual connection.



1. Description of Mill Stream



2. Plaque about the Wheel



3. History of the Church



4. History of the Tree

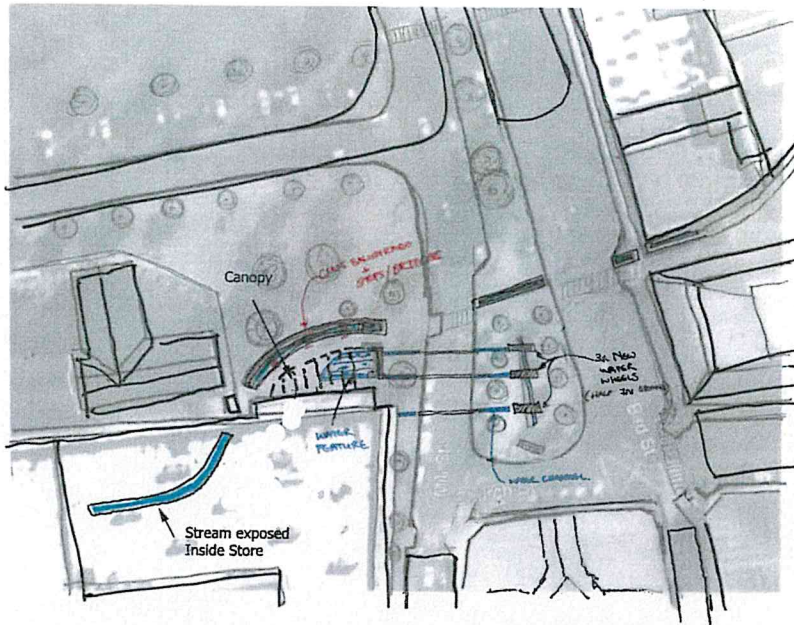


5. Any other History - On Glass Balustrade (Above an example on concrete)

Stellenbosch Mill Square:
Heritage Indicators

APR 1004

ARCHITECTURAL ELEMENTS



The Following architectural elements have been introduced to further enhance the users experience and space:

- Water Feature at Restaurant Seating
 - Canopy over seating + Water Feature
 - Glazz Balustrade + Glass Bridge / Steps over the Mill Stream at the seating (Connect Space in front of Church and Seating Area
 - Water Channel from Mill Square to the Water Feature (in Grid formation to bind the spaces)
 - 3x New Water Wheels to celebrate the Significance of the wheel (Installed half way int to ground - becomes another Water Feature) The Axis remains along it's original line but is further enhances.
 - Water flows over the wheels and into the channels to the water feature at the Restuaratrn Seating
- Re-Exposig the stream inside the store to strengthen the old "route" the stream ran and providing a user experience whitin the store while shopping.



Glass Balustrade



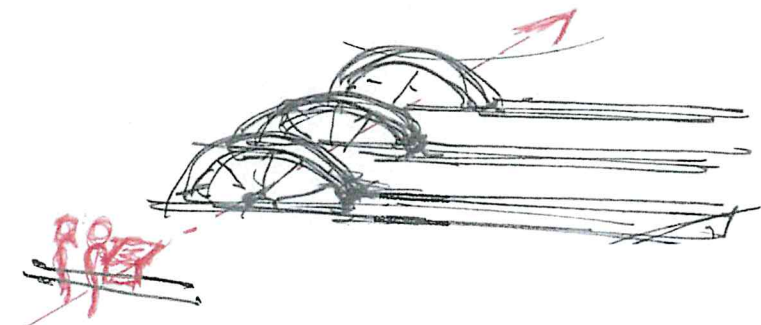
Glass Stairs



Water Feature at the Seating Area



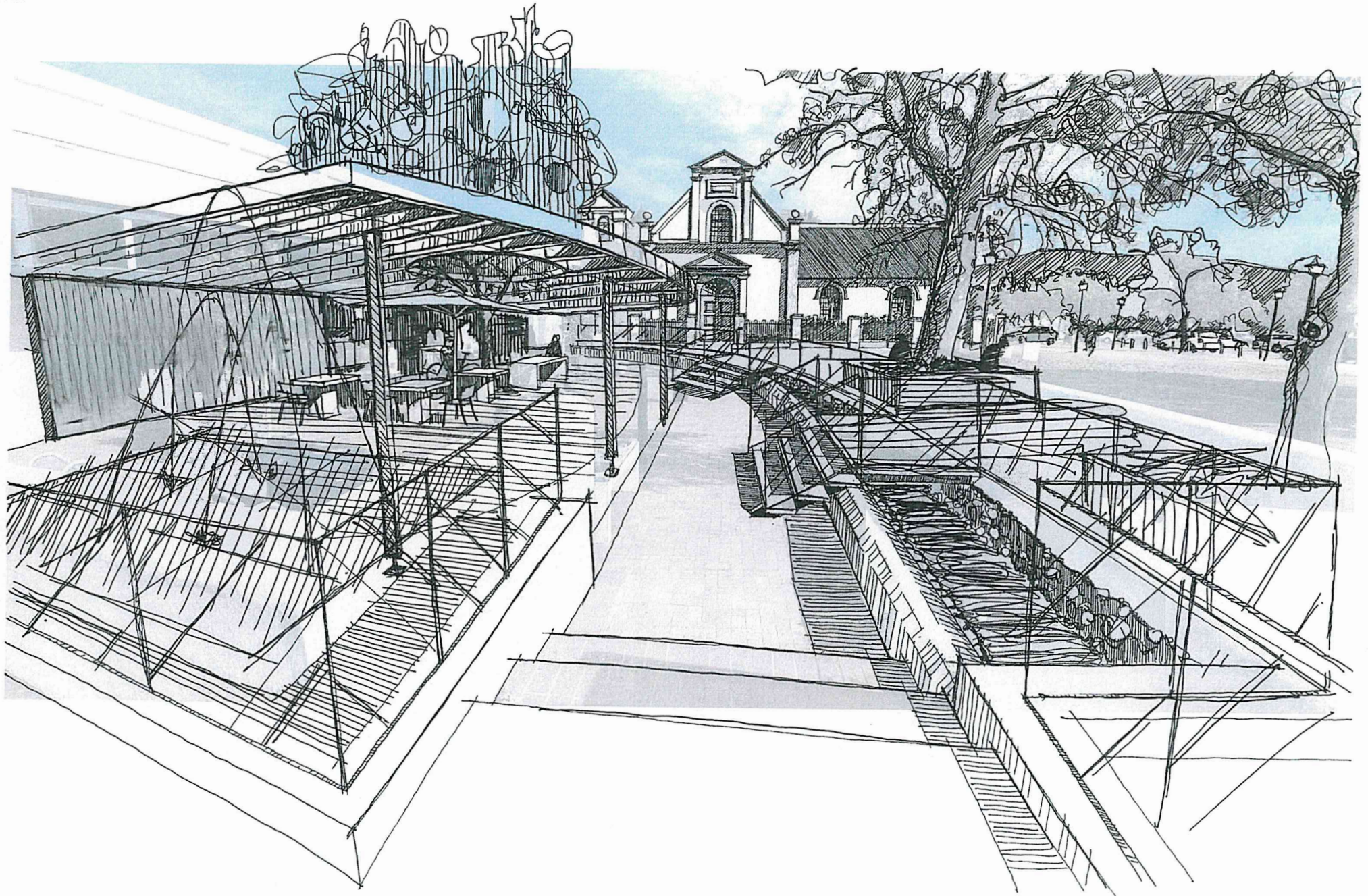
Water Channel



3x Wheels - Space becomes integrated - Wheel is celebrated

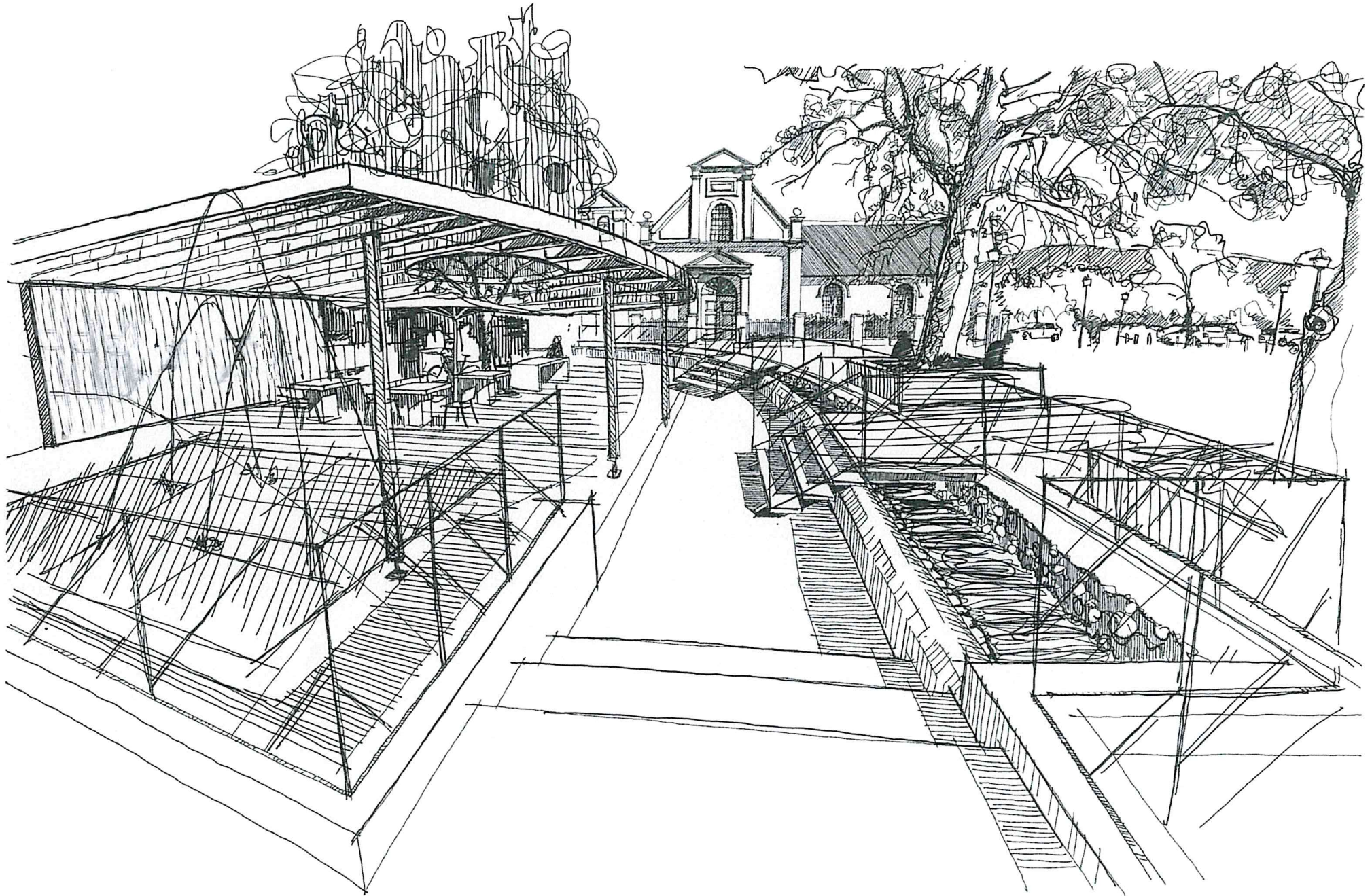
Stellenbosch Mill Square:
Architectural Elements

APR 1005



Stellenbosch Mill Square:
3D Of Seating Area

APP 1000



Stellenbosch Mill Square:
3D of Seating With Notes



Stellenbosch Mill Square:
3D Of Mill Square



Stellenbosch Mill Square:
3D of Mill Square with Notes

9.	CONSIDERATION OF ITEMS, REPORTS, COMMUNICATIONS, PETITIONS AND APPLICATIONS SUBMITTED VIA THE OFFICE OF THE MUNICIPAL MANAGER
9.1	MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC): [CLLR WF PIETERSEN]

KINDLY NOTE: Items will be distributed under separate cover in due course due to the MPAC meeting only taking place at 10h00 on 17 June 2022.

9.2	REPORTS BY THE MUNICIPAL MANAGER
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9.2.1	IMPLEMENTATION OF THE DETERMINATION OF UPPER LIMITS OF SALARIES, ALLOWANCES AND BENEFITS OF DIFFERENT MEMBERS OF MUNICIPAL COUNCILS
-------	--

Collaborator No:

IDP KPA Ref No:

Meeting Date:

Good Governance and Compliance

Special Council: 22 June 2022

1. SUBJECT: IMPLEMENTATION OF THE DETERMINATION OF UPPER LIMITS OF SALARIES, ALLOWANCES AND BENEFITS OF DIFFERENT MEMBERS OF MUNICIPAL COUNCILS

2. PURPOSE OF REPORT

To inform Council of the provisions of Notice 46470 dated 2 June 2022 published in Government Gazette 2126 dated 2 June 2022 in regard to the determination of the upper limits of salaries allowances and benefits for different members of Municipal Councils and to request Council to resolve on the implementation of the provisions.

3. DELEGATED AUTHORITY

The notice is published annually in terms of the Remuneration of Public Office Bearers Act, Act 20 of 1998. The notice requires full council to resolve on the implementation of the provisions in the Upper Limits Notice.

4. EXECUTIVE SUMMARY

The Minister of Local Government annually publishes a notice that provides for the upper limits of salaries, allowances and benefits of different members of Municipal Councils. The notice that provides for the period 1 July 2021 to 30 June 2022 was published on 2 June 2022 and is attached hereto as **APPENDIX 1**.

The provisions indicate an upper limit increase of around 3% for full-time and part-time Councillors. The cell phone allowances in the provisions are R3 400.00 per month inclusive of mobile data. In the previous upper limits determination, the mobile data was a separate allowance of R300 per month.

Council resolved during 2017 to provide laptops to all Councillors as a tool of the trade. Agendas are now distributed electronically.

The notice requires Council to consider the provisions and by resolution of a supporting vote of the majority of its members to determine the implementation of the provisions as set out in the Notice. Stellenbosch Municipality is a category 4 (66.67) municipality as indicated in the calculations in **APPENDIX 2**. In making the decision the Municipal Council must have regard to the financial situation of the municipality and the affordability of implementing the provisions set out in the Notice. A copy of the financial implications is attached as **APPENDIX 2**. The Municipality must get the concurrence of the Member for Local Government in the Province before the Council resolution can be implemented.

The tools of the trade make provision that security may be provided to the Executive Mayor, Speaker, and other councillors subject to a threat and risk analysis by the South African Police Service. In deciding on whether to grant tools of the trade Council has to take into account accessibility, affordability and cost control, equity, flexibility, simplicity, transparency, accountability and value of tools of trade.

5. RECOMMENDATIONS

- (a) that Council notes the provisions of Notice 46470 dated 2 June 2022;
- (b) that Council approves the implementation of the Upper Limits of the annual remuneration packages of full-time and part-time councillors as set out in paragraphs 5 to 8 of Government Notice 46470 dated 2 June 2022 from 1 July 2021;
- (c) that the implementation be effected by the Administration after due process has been followed and the MEC has given his concurrence with Council's resolutions;
- (d) that Council approves a cell phone allowance of R3 400 per month to all councillors;
- (e) that Council notes that the total cost for the Municipality of all councillor salaries, allowances and reimbursement benefits will amount to R20 840 075 which expenditure is within the budgeted amount;
- (f) that it be noted that all councillors have been provided with the opportunity to receive a laptop as a tool of trade and that the tools of trade as set out in paragraph 15(1)(b), (d) be extended to councillors as indicated in the Notice as well as business cards and diaries to all councillors;

Part-time Proportional Representation (PR) Councillors to have access to multi-digital facilities including facsimile, printer, photocopier and scanner through the office of the Speaker or Council Whip. It is noted that such facilities are available to part-time ward councillors at the ward office;

- (h) that Council considers the provision of security under the circumstances set out in item 14 (g) in the Notice, subject to a threat and risk assessment as and when required and after the elements referred to, that has to be taken into account, is available for Council consideration; and
- (i) that the written concurrence from the Minister of Local Government in the Western Cape be obtained for the payment of the above salaries, allowances and reimbursement benefits retrospectively as from 1 July 2021, before it be implemented.

6. DISCUSSION / CONTENTS

6.1 Background

The National Minister for Cooperative Governance and Traditional Affairs gazetted the new upper limits of salaries, allowances and benefits which Council must consider and resolve upon before it may be implemented. Council also needs the written concurrence from the Minister of Local Government in the Western Cape who will only give his concurrence if the expenditure is funded through an approved budget.

The notice is published on a yearly basis in terms of the Remuneration of Public Office Bearers Act, Act 20 of 1998. The notice requires full council to resolve on the implementation of the provisions in the Upper Limit Notice as it can only be implemented "with a supporting vote of the majority of Council members and after consultation with the MEC.

6.2 Discussion

In terms of the Remuneration of Public Office Bearers Act, 1998 read together with Government Notice No 46470 dated 2 June 2022, Council has the authority to determine their remuneration packages, within the proclaimed upper limits, retrospectively as from 1 July 2021 with the *proviso* that the written concurrence of the Minister of Local Government in the Western Cape must be obtained before such packages may be implemented.

The grading of the municipality is determined by determining a point allocation for total municipal income, and total population. These points are then calculated together to determine the municipality grading. The grading is then used to determine the total remuneration packages for full-time and part-time councillors.

Total Municipal Income	Total Population	Points	Grade
1 541 043 264		41.67	
	173 197	25	
		Total: 66.67	
			4

6.3 Financial Implications

The total cost, if the provisions indicated is implemented, will be which is R20 840 075 and is within the approved budget. The full explanation is set out in **APPENDIX 2**.

6.4 Legal Implications

The recommendations in this report comply with all applicable legislation.

6.5 Staff Implications

There are no additional staff implications

6.6 Previous / Relevant Council Resolutions

Council meeting 30 April 2020, item 7.7.

6.7 Risk implications

Council must comply with the provisions of the Notice.

6.8 Comments from Management

The item was not circulated for comments except to the Municipal Manager and CFO.

6.8.1 Comments from the Municipal Manager:

Agrees with the recommendations.

6.8.2 Comments from the CFO

Financial Implications was provided through the office of the CFO.

ANNEXURES

Appendix 1: Government Notice 46470 published in Government Gazette 2126 dated 25 June 2022.

Appendix 2: Financial Implications of implementation of provisions indicated in the item.

FOR FURTHER DETAILS CONTACT:

NAME	Annalene de Beer
POSITION	<i>Director Corporate Services</i>
DIRECTORATE	<i>Corporate Services</i>
CONTACT NUMBERS	<i>021-808 8018</i>
E-MAIL ADDRESS	<i>Annalene.debeer@ Stellenbosch.gov.za</i>
REPORT DATE	<i>8 June 2022</i>

APPENDIX 1



Government Gazette Staatskoerant

REPUBLIC OF SOUTH AFRICA
REPUBLIEK VAN SUID AFRIKA

Regulation Gazette

No. 11440

Regulasiekoerant

Vol. 684

2

June
Junie

2022

No. 46470

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GOVERNMENT NOTICES • GOEWERMENTSKENNISGEWINGS

DEPARTMENT OF CO-OPERATIVE GOVERNANCE

NO. R. 2126

2 June 2022

**REMUNERATION OF PUBLIC OFFICE BEARERS ACT, 1998
(ACT NO. 20 OF 1998)****DETERMINATION OF UPPER LIMITS OF THE SALARIES, ALLOWANCES
AND BENEFITS OF DIFFERENT MEMBERS OF MUNICIPAL COUNCILS**

Under the powers vested in me by sections 7(1), 8(5)(a) and 9(5)(a) of the *Remuneration of Public Office-bearers Act, 1998* (Act No. 20 of 1998), I, Nkosazana Clarice Dlamini Zuma, Minister for Cooperative Governance and Traditional Affairs, after –

- (a) consultation with the member of the Executive Council responsible for local government in each province; and
- (b) taking into consideration the matters listed in paragraphs (a) to (i) of section 7(1) of the Act,

hereby determine the upper limits of the salaries, allowances and benefits of the different members of municipal councils as set out in the Schedule.



**NKOSAZANA CLARICE DLAMINI ZUMA, MP
MINISTER FOR COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS**

DATE: 01-06-2022

SCHEDULE

PREAMBLE

The salary and allowances of a councillor are determined by that municipal council by resolution of a supporting vote of the majority of its members, in consultation with the member of the Executive Council responsible for local government in each province, having regard to the upper limits as set out hereunder, the financial year of a municipality and affordability of municipality to pay within the different grades of the remuneration of councillors, including the austerity measures as approved by national Cabinet.

For purposes of implementation of this Government Notice, "in consultation with" means that a municipal council must obtain concurrence of the MEC for local government prior to the implementation of the provisions of this Notice.

1. Definitions

In this Schedule, unless the context indicates otherwise, a word or phrase to which a meaning has been assigned in the *Remuneration of Public Office-bearers Act*, 1998 (Act No. 20 of 1998) (hereinafter referred to as "the Act") and the *Local Government: Municipal Structures Act*, 1998 (Act No. 117 of 1998) (hereinafter referred to as "the Structures Act"), has that meaning and –

"basic salary" means the salary component of a councillor that excludes a travel allowance as provided in item (9)(1), housing allowance as provided in item 9(2), the municipal contribution to a pension fund as provided in item 12(1) and municipal contribution to a medical aid scheme as provided in item 12(2);

"full-time councillor" means a councillor who has been elected or appointed to an office which has been designated as full-time in terms of section 18(4) of the Structures Act;

"grade" in relation to this Notice means the grade of municipal council as determined in terms of item 4;

"MEC" means the member of the Executive Council of a province responsible for local government in the province;

"oversight committee" means a committee of the municipal council established in terms of section 79 or 79A of the Structures Act;

"part-time councillor" means a councillor other than a full-time councillor;

"pension fund" means any pension, provident or retirement annuity fund established and registered in terms of, and subject to, any law governing the registration and control of pension funds in the Republic of South Africa and to which an office bearer contributes or any pension scheme approved by Parliament for such office bearers;

"SETAs" means the Sector Education and Training Authorities established in terms of section 9 of the *Skills Development Act*, 1998 (Act No. 97 of 1998);

“**special risk cover**” means an insurance cover, provided to a councillor by the municipality, which covers the loss of or damage to a councillor’s personal immovable or moveable property and assets, excluding property used by such councillor for business purposes, as well as life and disability cover, for any loss or damage caused by riot, civil unrest, strike or public disorder;

“**tools of trade**” means the resources provided by a municipal council to a councillor to enable such councillor to discharge his or her duties in the most efficient and effective manner, and at all times remain the assets of the municipality concerned;

“**total municipal income**” means gross income in respect of a metropolitan, local or district municipality based on actual income received as stated in the audited financial statements of that municipality for the 2020/21 financial year. The gross income for the municipality will include the following:

- rates on property;
- fees for services rendered by the municipality, or on its behalf by a municipal entity;
- surcharges;
- other authorised taxes;
- levies and duties;
- income from fines for traffic offences and contravention of municipal by-laws or legislation assigned to the local sphere of government;
- regional services council replacement grant for district municipalities;
- interest earned on invested funds other than national and provincial conditional grants;
- rental for the use of municipal movable or immovable property; and
- amounts received as agent for other spheres of government.

The gross income excludes the following:

- transfers and / or grants from the national fiscus and provincial fiscus, with the exception of regional services council replacement grant for district municipalities; and
- all value added tax (VAT) refunds.

“**total population**” means the official statistics of the population residing in the area of jurisdiction of a metropolitan, local or district municipality, as published in the Community Survey 2016: Statistical Release No. P0301, in terms of the *Statistics Act, 1999* (Act No. 6 of 1999); and

“**total remuneration package**” means the annual total cost to a municipality of a basic salary component, a motor vehicle allowance as provided in item 9(1), housing allowance as provided in item 9(2), the municipal contribution to a pension, provident or retirement annuity fund as provided in item 12(1) and municipal contribution to a medical aid scheme as provided in item 12(2) to a councillor in a municipal financial year.

2. Allocation of number of points for total municipal income

The number of points allocated for the total municipal income of a municipality is as follows:

TOTAL MUNICIPAL INCOME			NUMBER OF POINTS
R 0	-	R 10,000,000	8.33
R 10,000,001	-	R 50,000,000	16.67
R 50,000,001	-	R 200,000,000	25.00
R 200,000,001	-	R 1,500,000,000	33.33
R 1,500,000,001	-	R 2,000,000,000	41.67
More than R2,000,000,000			50.00

3. Allocation of number of points for total population

The number of points allocated for the total population within a municipality is as follows:

TOTAL POPULATION			NUMBER OF POINTS
0	-	50,000	8.33
50,001	-	100,000	16.67
100,001	-	250,000	25.00
250,001	-	550,000	33.33
550,001	-	1,800,000	41.67
More than 1,800,000			50.00

4. Determination of grade of municipal council

The sum of the number of points allocated to a municipal council in terms of items 2 and 3 of the Notice, determines the grade of such municipal council as follows:

GRADE OF MUNICIPAL COUNCIL	POINTS
1	0 to 16.66
2	16.67 to 33.33
3	33.34 to 50.00
4	50.01 to 66.67
5	66.68 to 83.35
6	83.36 and above

5. Upper limits of the annual total remuneration packages of full-time councillors

The upper limits of the annual total remuneration packages of full-time councillors are as follows:

GRADE	TOTAL REMUNERATION PACKAGE			
	EXECUTIVE MAYOR OR MAYOR	SPEAKER, DEPUTY EXECUTIVE MAYOR OR DEPUTY MAYOR	MEMBER OF THE EXECUTIVE COMMITTEE OR MAYORAL COMMITTEE, WHIP OR CHAIRPERSON OF A SUBCOUNCIL	CHAIRPERSON OF OVERSIGHT COMMITTEE
6	1,446,388	1,168,131	1,100,361	1,068,083
5	1,078,407	862,723	808,804	785,080
4	920,656	736,530	690,808	670,243
3	886,685	709,349	665,015	651,654
2	830,248	664,199	628,615	610,176
1	806,059	650,986	610,297	615,055

The system of plenary type of municipalities ceased to exist from 1 November 2021 and all mayors must be remunerated according to the total remuneration package column of executive mayor or mayor.

6. Upper limit of annual total remuneration package or allowance in respect of appointed councillors

(1) A councillor appointed to a district council in terms of section 23(1)(b) of the Structures Act, may be paid the upper limit of the total remuneration package or allowance as follows:

- (a) If the councillor is appointed as speaker, mayor, executive mayor, member of a mayoral committee, member of an executive committee, chairperson of oversight committee, part-time member of a district council, such councillor is entitled to an amount equal to the difference between the total remuneration package that the councillor receives as a member of the local council and the total remuneration package allocated to that office in the district council in terms of items 5, 6, 7, 8, 9, 10, 11 and 12, as the case may be.
- (b) If the total remuneration package payable to the councillor as a member of the local council is equal to or higher than the total remuneration package that an appointed councillor to the district council receives, such a councillor is, in addition to the total remuneration package received at the local council, entitled to a sitting allowance not exceeding R1,136.32: Provided that this allowance is limited to R1,136.32 per day, regardless of the number of meetings of the district council or committees of that council that are attended by such councillor on a specific day.

(2) A district municipality is responsible for –

- (a) the payment of the remuneration or the allowance referred to in sub-item (1); and
- (b) the reimbursement of travel expenses not exceeding the applicable tariffs prescribed by the national department responsible for transport for the use of privately-owned vehicles incurred by a councillor for the execution of official duties on behalf of that district municipality, in terms of that district council's policy.

7. Upper limit of allowance in respect of councillors serving in the governance and intergovernmental structures of organised local government

(1) (a) A councillor designated by organised local government to serve in a governance structure of organised local government must, in addition to the total remuneration package applicable to that councillor, be paid an allowance not exceeding R1,136.32 per sitting and actual attendance of any meeting: Provided that the allowance is limited to R1,136.32 per day, irrespective of the number of meetings attended by such councillor on a specific day.

- (b) A councillor designated by organised local government to represent organised local government at any intergovernmental structure, including national and provincial executive authorities, must in addition to the total remuneration package applicable to that councillor, be paid an allowance not exceeding R1,136.32 per sitting and actual attendance of such structure: Provided that the allowance is limited to R1,136.32 per day, irrespective of the number of attendances by such councillor on a specific day.

(2) Organised local government is responsible for –

- (a) the payment of the allowance referred to in sub-item (1);
- (b) the payment of accommodation expenses incurred for attending a meeting of governance and intergovernmental structures in terms of applicable organised local government policy; and
- (c) reimbursement of travel expenses, not exceeding the applicable tariffs prescribed by the national department responsible for transport for the use of privately-owned vehicles, incurred by a councillor for attending a meeting of governance and intergovernmental structures.

8. Upper limits of the annual total remuneration packages of part-time councillors

The upper limits of the annual total remuneration packages of part-time councillors are as follows:

GRADE	TOTAL REMUNERATION PACKAGE				
	EXECUTIVE MAYOR OR MAYOR	SPEAKER, DEPUTY EXECUTIVE MAYOR OR DEPUTY MAYOR	MEMBER OF THE EXECUTIVE COMMITTEE OR MAYORAL COMMITTEE OR WHIP	CHAIRPERSON OF OVERSIGHT COMMITTEE	OTHER PART-TIME MEMBERS
6	810,755	685,866	613,857	595,851	541,681
5	601,610	481,289	451,208	437,970	341,275
4	513,611	410,888	385,208	373,908	291,356
3	494,655	395,724	370,999	360,107	280,603
2	463,169	370,535	347,379	337,188	262,744
1	449,672	359,737	337,256	327,361	254,788

The system of plenary type of municipalities ceased to exist from 1 November 2021 and all mayors must be remunerated according to the total remuneration package column of executive mayor or mayor.

9. Upper limits of allowances of full-time and part-time councillors

The upper limits of allowances of full-time and part-time councillors, that constitute part of the annual total remuneration package, are as follows:

- (1) Motor vehicle and travel allowance
- (a) A councillor listed in item 5 and 8 of this Notice may, in line with applicable legislation, structure his or her total remuneration package to provide for motor vehicle allowance.
- (b) If a councillor structures his or her total remuneration package to provide for motor vehicle allowance, the councillor must submit proof of ownership of a private motor vehicle to the municipality and have the vehicle available for official duties.
- (c) A councillor who uses a privately-owned vehicle for execution of official duties on behalf of the municipality, may be reimbursed for official kilometres travelled, in addition to the total remuneration package of a councillor as determined in terms of items 5 and 8 of the Notice, not exceeding the applicable tariffs as prescribed by the national department responsible for transport and in terms of the municipal council's policy.

- (d) A councillor who utilises a privately-owned vehicle for official purposes must, for purpose of claiming kilometres travelled, keep a travel logbook containing the following information relating to actual official and private kilometres travelled per month as may be determined from time to time by the South African Revenue Service:
- (i) Date of travel;
 - (ii) Kilometres travelled; and
 - (iii) Travel details, where to and reason for the trip.
- (e) A councillor may, in exceptional circumstances and upon good cause shown, and with the approval of the Mayor or Speaker, utilise the municipal-owned vehicle for official purposes: Provided that the municipal council must, in line with applicable legislation and approved municipal council policy, exercise prudent financial management to ensure that the provision of motor vehicle does not undermine the need to prioritise service delivery and sustain viable municipalities.
- (f) If a councillor uses a municipal-owned motor vehicle for official purposes, such councillor will not be reimbursed for kilometres travelled.

(2) Housing allowance

A councillor may structure his or her salary to provide for housing allowance as part of the total remuneration package.

10. Out of pocket expenses

A councillor may, in addition to the total remuneration package, be reimbursed for reasonable and actual out of pocket expenses incurred during the execution of official or ceremonial duties, in accordance with the applicable municipal council policy.

11. Upper limits of cell phone allowance for councillors

A councillor may, in addition to the annual total remuneration package provided for in terms of items 5 and 8 respectively, be paid a cell phone allowance not exceeding R3,400.00 per month inclusive of mobile data, in accordance with the applicable municipal council policy.

12. Upper limits of pension, provident or retirement annuity fund contributions and medical benefits of councillors

(1) Pension, provident or retirement annuity funds contributions

- (a) A councillor may participate in a pension, provident or retirement annuity fund registered in terms of the *Pension Funds Act*, 1956 (Act No. 24 of 1956).

(b) If a councillor elects to participate in a pension, provident or retirement annuity fund, the municipal council must deduct from that councillor's salary, the monthly contributions and pay the contributions to a pension, provident or retirement annuity fund to which the councillor is a member in accordance with the rules of such pension, provident or retirement annuity fund. The contributions by the municipal council and the councillor are included in the total remuneration package as a total cost to the municipality.

(2) Medical Aid Scheme

(a) A councillor may participate in a medical aid scheme registered in terms of the *Medical Schemes Act, 1998* (Act No. 131 of 1998).

(b) If a councillor elects to participate in a medical aid scheme, the municipal council must deduct from that councillor's salary, the monthly contributions and pay the contributions to a medical aid scheme to which the councillor is a member in accordance with the rules of such medical aid scheme. The contributions by the municipal council and the councillor are included in the total remuneration package as a total cost to the municipality.

13. Special risk cover

(1) A municipality must, in addition to the annual total remuneration packages as provided in items 5 and 8 respectively, take out risk insurance cover, to provide for an insurance cover, provided to a councillor by the municipality, which covers the loss of or damage to a councillor's personal immovable or moveable property and assets, excluding property used by such councillor for business purposes, as well as life and disability cover, for any loss or damage caused by riot, civil unrest, strike or public disorder. The special risk insurance on residential property is limited to R1,5 million while on vehicles it is limited to R750,000. The life and disability insurance cover is limited to 2 times the total remuneration package of a councillor.

(2) In the event where the residential property of a councillor was damaged or destroyed as a result of riot, civil unrest, strike or public disorder, the municipality may, subject to affordability, provide alternative accommodation to the affected councillor, for a period of 30 days from the date of such an incident.

(3) Notwithstanding sub-item (2), the municipal council may, on good cause shown, provide alternative accommodation for a further period not exceeding 30 days.

(4) A councillor is obliged to submit to the municipality details of property, assets and beneficiaries to be covered by the special risk insurance upon request. A councillor who fails to submit the required details referred to herein forfeits the benefits associated with the special risk insurance cover.

(5) If a councillor already belongs to another special risk cover, such councillor must declare to the municipality the details of property, assets and beneficiaries to be covered by the special risk insurance.

14. Tools of trade

(1) A municipal council may extend the following tools of trade to a councillor:

	TOOLS OF TRADE	APPLICABLE TO:
(a)	Braille reader.	All visually impaired councillors.
(b)	Office space and furniture; Parking bay; Business cards; Calculators; Letter-heads; Stationery; Toner cartridges; Diaries; Postage costs; Office telephone; and Appropriate mobile technology and multi-digital office (excluding cell phones and as per item 11), including facsimile, printer, photocopier and scanner.	Full-time councillors, part-time executive mayors or mayors, part-time deputy executive mayors or deputy mayors, part-time speakers, part-time members of mayoral committee or members of executive committee, part-time chairpersons of oversight committees and whips.
(c)	Laptop or tablet.	All councillors.
(d)	Official accommodation and furniture where it currently exists.	Full-time Executive Mayors or Mayors.
(e)	Business cards; Calculators; Letter-heads; Stationery; and Diaries.	Part-time councillors and the usage must comply with policy directives of the municipality.
(f)	Postage costs; Office telephone; and Multi-digital office, facsimile, printer, photocopier and scanner.	Part-time councillors to have access to these tools of trade at the municipal offices.
(g)	Personal security.	Executives Mayors, Mayors and Speakers are entitled to two bodyguards. Deviation from the norm must only be based on the recommendations of the South African Police Service. All councillors, subject to a threat and risk analysis conducted by the South African Police Service.

(2) If a municipal council makes available tools of trade in terms of sub-item (1), such a municipal council must take into account accessibility, affordability and cost control, equity, flexibility, simplicity, transparency, accountability and value of tools of trade.

(3) The tools of trade must be insured by the council with the exception of sub-item (1)(g).

(4) The application of sub-item (1) is subject to concurrence by the MEC.

15. Capacity building

(1) The municipal council must develop and adopt a skills development plan and personal development plan prior to any councillor undergoing training.

(2) A municipality must make a provision in its budget for development and implementation of capacity building programme for a councillor during the term of office of that councillor.

(3) Capacity building programmes consist of short courses or programmes as provided for in the training, education and development policy and skills development plan of the municipality, including training conducted by national departments, associated government agencies and SETAs, provincial departments, municipalities and organised local government.

(4) The capacity building and training programme must take into consideration the capacity needs to fulfil a councillor' statutory obligations and affordability by a municipality.

16. Overpayment

(1) Any remuneration paid to a councillor of a municipality otherwise than in accordance with section 167(1) of the *Local Government: Municipal Finance Management Act, 2003* (Act No. 56 of 2003) including any bonus, bursary, loan, advance or other benefit, is an irregular expenditure and the municipality –

- (a) must recover that remuneration from the political office bearer or member;
- (b) may not write-off any expenditure incurred by the municipality in paying or giving that remuneration; and
- (c) must be reported to the MEC within 30 days of becoming aware.

(2) The MEC must report to the Minister –

- (a) any transgression of subsection (1); or
- (b) any non-compliance with this Notice,

within 14 days from the date when the MEC became aware of such transgression or non-compliance.

17. Information to be submitted to the Minister

(1) A municipality must submit to the MEC, by not later than 31 August 2022, a report containing the following information in respect of its serving councillors for the 2021/22 financial year on an official letterhead of the municipality, signed by the executive mayor or mayor, as the case may be:

- (a) Total number of councillors;
- (b) Designation;
- (c) Part-time or full-time;
- (d) Name of incumbent;
- (e) Gender;
- (f) Total municipal income;
- (g) Total population;
- (h) Grading of municipal council;
- (i) Date concurrence in terms of item 14(4) granted by the MEC;
- (j) Total remuneration package;
- (k) Total budget for personal security; and
- (l) Any allowance(s) payable to a councillor.

(2) Upon receipt of the data referred to in sub-item 1, the MEC must submit a consolidated report of all municipalities in the province to the Minister by not later than 31 October 2022.

18. Transitional measures and repeal of *Government Gazettes*

(1) If a municipality has no audited financial statements for the 2020/21 financial year by the date of publication of this Notice, the audited financial statements for the 2019/20 financial year apply.

(2) If the grading of a municipality degrades as a result of the redetermination of the grade of municipal council as set out in item 4 of this Notice, a councillor who was in office as at 30 June 2021 retains the total remuneration package as determined in terms of Government Notice No. 475, *Government Gazette* No. 43246 of 24 April 2020 and the councillor is entitled to the applicable cost of living adjustment: Provided that the data used by the municipality for determination of the grading of a municipal council is correct.

(3) The Notice replaces *Government Gazette* No. 43246 of 24 April 2020 and *Government Gazette* No. 45420 of 2 November 2021.

19. Short title and commencement

This Notice is called the Determination of Upper Limits of Salaries, Allowances and Benefits of Different Members of Municipal Councils and takes effect from 1 July 2021.

APPENDIX 2

STELLENBOSCH MUNICIPALITY

CALCULATION OF MUNICIPAL GRADING FOR PURPOSES OF COUNCILLOR UPPER LIMITS 2021/2022

GOVERNMENT GAZETTE JUNE 2022

		R	POINTS
MUNICIPAL INCOME AS PER DEFINITION	2020/2021	1 541 043 264	41,67
TOTAL POPULATION AS PER DEFINITION		173 197	25

TOTAL POINTS 66,67

RANGE 50.01 - 66.67 POINTS = GRADE 4

Affordability Test

BUDGET 2021/2022

20 850 000

COST OF NEW UPPER LIMITS	NUMBER OF CLLRS	NEW UPPER LIMIT	TCOE	PREVIOUS UPPER LIMITS	ADDITIONAL EXPENCE	% INCREASE
MAYOR	1	920 656	920 656	893 850	26 806	3,00
DEPUTY MAYOR	1	736 530	736 530	715 078	21 452	3,00
SPEAKER	1	736 530	736 530	715 078	21 452	3,00
COUNCIL WHIP	1	690 808	690 808	670 387	20 421	3,05
MAYCO MEMBERS	9	690 808	6 217 272	670 387	183 789	3,05
MPAC CHAIR	1	670 243	670 243	650 721	19 522	3,00
S79 CHAIR (P/T)	0	0	0	0	0	
COUNCILLORS (P/T)	31	291 356	9 032 036	282 870	263 066	3,00
SUB TOTAL	45		19 004 075		556 508	
CELL PHONE ALLOWANCE						
Mayor, Deputy & Speaker	3	40 800	122 400	40 800	0	
Remaining Councillors	42	40 800	1 713 600	40 800	0	
SUB TOTAL			1 836 000		0	
TOTAL REMUNERATION COST RE COUNCILLORS			20 840 075		556 508	
BUDGET SURPLUS(DEFICIT)			9 925			

9.2.2	NOTICE: UPPER LIMITS OF TOTAL REMUNERATION PACKAGES PAYABLE TO MUNICIPAL MANAGERS AND MANAGERS DIRECTLY ACCOUNTABLE TO MUNICIPAL MANAGERS
-------	--

Collaborator No:

IDP KPA Ref No:

Meeting Date:

Good Governance and Compliance

Special Council: 22 June 2022

1. SUBJECT: NOTICE: UPPER LIMITS OF TOTAL REMUNERATION PACKAGES PAYABLE TO MUNICIPAL MANAGERS AND MANAGERS DIRECTLY ACCOUNTABLE TO MUNICIPAL MANAGERS

2. PURPOSE

To inform Council of the notice providing for the Upper Limits of total remuneration packages payable to Municipal Managers and Managers directly accountable to Municipal Managers (hereafter referred to as S56 Managers) from 1 July 2020.

3. DELEGATED AUTHORITY

Council

4. EXECUTIVE SUMMARY

Council, when it comes to the remuneration aspect of the contract, appoints a Municipal Manager or a Manager reporting to the Municipal Manager based on the Upper Limit notice applicable to that financial year. The Local Government: Regulations on the Appointment and Conditions of Employment of Senior Managers dated 17 January 2014 provides in Regulation 35 that the Minister **must** annually determine the remuneration packages of the Municipal Manager and Senior Managers through the publication of a notice in the Government Gazette. Such notice is supposed to be published before 31 March every year to be applicable from 1 July of that year. The notice for the 2020/21 financial year was only published on 18 March 2022. A copy of the notice is attached as **ANNEXURE A**.

The recent notice indicates that a 0% cost of living adjustment to the upper limits applicable Municipal Manager and S56 Managers for the 2020/21 financial year.

The Municipal Manager and S56 Managers are required too always be available to assist Councillors, the Greater Stellenbosch Community, Staff, various spheres of Government, as well as Businesses, telephonically. The actual cellphone cost of the Municipal Manager and S56 Managers frequently exceeds the current cellphone allowance and they do not claim the excess expenditure from Council.

Councillors, just as the Municipal Manager and S56 Managers must also be always available therefor it is requested to bring the allowance of the Municipal Manager and S56 Managers in line with the cellphone allowance of Councillors.

5. RECOMMENDATIONS

- (a) that Council takes note of the zero percent (0%) cost of living adjustment to the Upper Limits of the total remuneration packages payable to Municipal Managers and Managers directly accountable to Municipal Managers for the 2020/21 financial year; and
- (b) that the cellphone allowance of the Municipal Manager and S56 Managers be brought in line with the allowances of Councillors and that the Cellphone allowance policy be amended.

6. DISCUSSION / CONTENTS

6.1 Discussion

Local Government: Regulations on the Appointment and Conditions of Employment of Senior Managers dated 17 January 2014 provides in Regulation 35 that the Minister **must** annually determine the remuneration packages of the Municipal Manager and Senior Managers through the publication of a notice in the Government Gazette. Such notice is supposed to be published before 31 March every year to be applicable from 1 July of that year. The notice for the 2020/21 financial year was only published on 18 March 2022. A copy of the notice is attached as **ANNEXURE A**.

Council, when it comes to the remuneration aspect of the contract, appoints a Municipal Manager or a Manager reporting to the Municipal Manager based on the Upper Limit notice applicable to that financial year.

The recent notice indicates that a 0% increase on the cost of living be applicable for the 2020/21 financial year. It must be noted that other employees will receive a 4.9 % increase for the 2022/23 financial year. A further 2,4 % will apply to employees who are still eligible for a notch increase.

The gap between the salaries of the Municipal Manager, S56 Managers and Senior Managers are getting smaller and smaller, if you take into account the 6.25% increase in 2020/21, the 3.5% in 2021/22 and the increase of 4.9% to be implemented on 1 July 2022.

Further note, the Municipal Manager's waiver application was not approved by the Minister of Co-operative Governance and Traditional Affairs which also narrows the gap further.

The Municipal Manager and S56 Managers are required to always be available to assist Councillors, the Greater Stellenbosch Community, Staff, various spheres of Government, as well as Businesses, telephonically. The actual cellphone cost of the Municipal Manager and S56 Managers frequently exceeds the current cellphone allowance and they do not claim the excess expenditure from Council.

Councillors are also expected too always be available. Just as for the Administration, it is expected that Councillors as well the Municipal Managers and S56 Managers to return a Caller's call or to phone back with feedback of information/updates received. For this reason, it is requested that the allowances be brought in line. Previously the allowances of Councillors, Municipal Managers and S56 Managers were the same, but during 2017/18 Councillors' allowances increased, but not that of the Municipal Manager and S56 Managers as their allowance is regulated by council policy. It is thus recommended that the Cellphone Allowance policy for the administration be amended to reflect same.

To bring this allowance in line with the allowance Councillors receive, will assist the Municipal Manager and S56 Managers to alleviate the financial pressure that the 0% increase creates.

6.2 Financial Implications

The cellphone allowance budget for the Municipal Manager and S56 Manager will increase with R108 000 in the 2022/2023 financial year and will be able to be accommodated in the approved budget.

6.3 Legal Implications

The Systems Act section 54A and 56 (Act 32/2000) read with The Local Government: Regulations on the Appointment and Conditions of Employment of Senior Managers dated 17 January 2014 (Regulation 35) and the Notices published on an annual basis regulates the upper limits remuneration of Senior Managers since 17 January 2014. Contracts concluded before that date is not affected by the regulations. When the new notice is published it is automatically applicable to the Municipal Manager and S56 Managers.

6.4 Staff Implications

The Municipal Manager and S56 Managers will receive no increase from 1 July 2020. The gap between the salaries of the Municipal Manager, S56 Managers and Senior Managers in the organisation becomes smaller and smaller due to the zero percent (0%) increase in their remuneration and the increases in remuneration of the other employees in terms of the SALGBC collective agreements.

6.5 Risk Implications

The potential risk to Council is that it becomes more difficult to fill S56 vacancies with suitably qualified and experienced professionals who are willing to work for the regulated remuneration.

6.6 Comments from Senior Management

S56 Managers was informed by the Municipal Manager of the publication of the Notice.

ANNEXURE/S

ANNEXURE A – Government Notice 46062 dated 18 March 2022

FOR FURTHER DETAILS CONTACT:

NAME	<i>Annalene de Beer</i>
POSITION	<i>Director Corporate Services</i>
DIRECTORATE	<i>Corporate Services</i>
CONTACT NUMBERS	<i>021 – 808 8018</i>
E-MAIL ADDRESS	<i>Annalene.debeer@ Stellenbosch.gov.za</i>
REPORT DATE	<i>8 June 2022</i>

APPENDIX 1

GOVERNMENT NOTICES • GOEWERMENTSKENNISGEWINGS

DEPARTMENT OF CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

NO. 1912

18 March 2022

**LOCAL GOVERNMENT: MUNICIPAL SYSTEMS ACT, 2000
(ACT NO. 32 OF 2000)****LOCAL GOVERNMENT:
UPPER LIMITS OF TOTAL REMUNERATION PACKAGES PAYABLE TO MUNICIPAL
MANAGERS AND MANAGERS DIRECTLY ACCOUNTABLE TO MUNICIPAL
MANAGERS**

Under the powers vested in me by section 72(1)(g) of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000), I, Nkosazana Dlamini Zuma, Minister for Cooperative Governance and Traditional Affairs, hereby –

- (a) after consultation with the bargaining council established for municipalities, Minister of Finance, the Minister for Public Service and Administration, the MECs responsible for local government and organised local government; and
- (b) after taking into consideration the matters as set out in regulation 35 of the Local Government: Regulations on Appointment and Conditions of Employment of Senior Managers, issued in terms of Government Notice No. 21 as published under Government Gazette No. 37245 of 17 January 2014,

determine a zero percent (0%) cost of living adjustments of upper limits of the total remuneration packages payable to municipal managers and managers directly accountable to municipal managers for the 2020/21 municipal financial year.

Government Gazette No. 43122 of 20 March 2020 remains in force.



DR NKOSAZANA DLAMINI ZUMA, MP

MINISTER FOR COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

9.2.3	ADOPTION OF REVISED SYSTEM OF DELEGATIONS
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Collaborator No:

IDP KPA Ref No:

Meeting Date:

Good Governance

Special Council: 22 June 2022

1. SUBJECT: ADOPTION OF REVISED SYSTEM OF DELEGATIONS**2. PURPOSE**

To submit the proposed amended System of Delegations for adoption by Council which will replace the existing System of Delegations approved by Council on 23 November 2021.

3. DELEGATED AUTHORITY

Council to approve.

4. EXECUTIVE SUMMARY

In terms of Section 59 of the Local Government: Municipal Systems Act, 32/2000, a Municipal Council must develop a System of Delegations that will maximize administrative and operational efficiency and provide for adequate checks and balances, and, in accordance with such system, may:

- (a) *delegate appropriate powers, excluding the powers referred to in section 160(2) of the Constitution and the power to set tariffs, to decide to enter into a service delivery agreement in terms of section 76(b) and to approve or amend the municipality's integrated development plan, to any of the municipality's other political structures, political office bearers, councillors, or staff members;*
- (b) *instruct any such political structure, political office bearer, councillor, or staff member to perform any of the Municipality's duties; and*
- (c) *withdraw any delegation or instruction.*

Section 59(2)(f) provides inter alia that the System of Delegations developed in terms of Section 59(1) by Council must be reviewed when a new council is elected.

The existing System of Delegations was adopted by Council on 23 November 2021 and it was resolved that it be reviewed and brought back to Council before 30 June 2022. The delegations have now been reviewed to include decisions made by Council since the previous review in July 2020 as well as the changes to legislation in the Structures Amendment Act 3/21. It also includes the delegations as per the new draft Rules of Order By-law.

5. RECOMMENDATIONS

- (a) adopts the attached amended System of Delegations as set out in **APPENDIX 1** as the primary source of the delegations from 1 July 2022;
- (b) takes note that by-laws or policies which are in the process of being revised and that is not included in the delegations, will be taken up in the delegations administratively after the approval of the amended by-law or policy and the current delegations attached to those bylaws and policies remains in affect till such time it is revised; and

- (c) that all political office bearers, political structures, the Municipal Manager, Directors, Senior Managers, Managers, Heads of departments and all other identified officials be hereby authorised to exercise on behalf of Council the delegated powers designated to them in terms of **APPENDIX 1**.

6. DISCUSSION / CONTENTS

6.1 Background

In terms of Section 59 of the Local Government: Municipal Systems Act, 32/2000, a Municipal Council must develop a System of Delegations that will maximize administrative and operational efficiency and provide for adequate checks and balances, and, in accordance with such system.

6.2 Discussion

In terms of Section 59(2)(f), the System of Delegations must be reviewed when a new Council is elected.

The Local Government elections took place 1 November 2021 and the System of Delegations was tabled at the first Council meeting on 15 November 2021 which continued on 23 November 2021. Council resolved on 23 November 2021 to adopt the System of Delegations and resolved that a revised document be brought to Council before 30 June 2022.

In terms of Section 59 of the Local Government: Municipal Systems Act, 32/2000, a Municipal Council must develop a System of Delegations that will maximize administrative and operational efficiency and provide for adequate checks and balances, and, in accordance with such system, may:

- (a) *delegate appropriate powers, excluding the powers referred to in section 160(2) of the Constitution and the power to set tariffs, to decide to enter into a service delivery agreement in terms of section 76(b) and to approve or amend the municipality's integrated development plan, to any of the municipality's other political structures, political office bearers, councillors, or staff members;*
- (b) *instruct any such political structure, political office bearer, councillor, or staff member to perform any of the Municipality's duties; and*
- (c) *withdraw any delegation or instruction.*

The System of Delegations has now been revised.

6.3 Financial Implications

The revision of the System of Delegations has no financial implication on Council unless additional staff has to be appointed.

6.4 Legal Implications

Compliance with Section 59(1) of the Systems Act and various other legislative measures as listed in the definitions and interpretations contained in part 1 of the System of Delegations.

6.5 Staff Implications

If any additional staff has to be appointed permanently it will only be done within the framework of a Council approved structure and with the necessary budgetary provisions.

6.6 Previous Council Resolutions**CONTINUATION OF THE 1ST COUNCIL MEETING: 2021-11-23: ITEM 6.12****RESOLVED**

- (a) that Council adopts the existing System of Delegations until it is reviewed; and
- (b) that the Delegations be reviewed before 2022-06-30.

6.7 Risk Implications

Delegations must maximize administrative and operational efficiency and provide for adequate checks and balances.

6.8 Comments from Senior Management

The item was discussed at the Director's meeting and Directors' inputs are contained in the report.

6.8.1 Chief Financial Officer

Agree with the recommendations.

6.8.2 Municipal Manager

Agree with the recommendations.

ANNEXURES

Appendix 1 – System of Delegations (amended June 2022). **DISTRIBUTED UNDER SEPARATE COVER)**

FOR FURTHER DETAILS CONTACT:

NAME	A M C de Beer
POSITION	Director: Corporate and Strategic Services
DIRECTORATE	Corporate and Strategic Services
CONTACT NUMBERS	021 807 8018
E-MAIL ADDRESS	Annalene.deBeer@stellenbosch.gov.za
REPORT DATE	14 June 2022

9.2.4	EXTENSION OF THE EXISTING APPOINTMENT OF WASTE CARRIERS FOR THE AWARDED TENDER BSM 66/20 FOR THE PROVISION OF WASTE CONTAINERS AND WASTE TRANSPORTATION SERVICES BETWEEN WASTE DISPOSAL FACILITIES FOR THE STELLENBOSCH MUNICIPALITY
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Collaborator No:

IDP KPA Ref No:

Meeting Date:

Good Governance & Compliance

Special Council: 22 June 2022

1. SUBJECT: EXTENSION OF THE EXISTING APPOINTMENT OF WASTE CARRIERS FOR THE AWARDED TENDER BSM 66/20 FOR THE PROVISION OF WASTE CONTAINERS AND WASTE TRANSPORTATION SERVICES BETWEEN WASTE DISPOSAL FACILITIES FOR THE STELLENBOSCH MUNICIPALITY

2. PURPOSE

To obtain the necessary approval for the extension of the contract for waste transportation services between waste disposal facilities for the Stellenbosch Municipality.

3. DELEGATED AUTHORITY

Council.

4. EXECUTIVE SUMMARY

BSM 66/20 was awarded in the 2019/20 financial year as a rates tender for a three (3) year contract period. The Directorate has drafted a new tender specification which has been approved (B/SM 39/22) and was advertised on 30 April 2022. There will not be sufficient time to conclude the Supply Chain process that entails evaluation, award and appeal period of 21 days thereafter, to enable the new contractor to commence services on 01 July 2022. The Directorate wishes to extend the current period of the tender by two (2) months or until the new service provider is successfully appointed and the tender implemented, whichever comes first. This will ensure for continued service delivery until such time a new service provider is in place.

The Section 116 notice was placed in the local newspaper (Eikestad News) on 26 May 2022 to invite comments from the community. The commenting period was from 26 May 2022 – 16 June 2022. No comments or objections were received by 16 June 2022

5. RECOMMENDATIONS

- (a) that Council note that no comments were received during the public participation process;
- (b) that Council support the tender (B/SM 66/20) term increase in terms of MFMA Section 116(3); and
- (c) that Council note that reasonable notice of the intention to amend the contract or agreement i.t.o. Section 116(3) (b)(i) were given.

6. DISCUSSION / CONTENTS**6.1 Background**

BSM 66/20 was awarded in the 2019/20 financial year as a rates tender for a three (3) year contract period (Annexure A). Continued service delivery in terms of daily transportation of waste between waste disposal facilities that includes Vissershok Landfill, is needed to ensure proper waste management as per Local Government mandate.

6.2 Discussion

The intention of B/SM 66/20 was for waste containers and waste transportation services between waste disposal facilities for the Stellenbosch Municipality for the period from date of award until 30 June 2022. The tender was awarded for a 3-year term and in 2021/22 financial year the directorate initiated a new tender process, to replace B/SM 66/20 on 01 July 2022.

The specifications served at the Bid Specifications Committee on 17 March 2022, approved on 31 March 2022, and advertised on 30 April 2022, with the closing date being 06 June 2022. After conclusion of evaluation process and award made, the Directorate must allow for a 21-day appeal period before the service provider may commence. If appeals are received, the appeal must be considered and a final award can only be made once the appeal(s) has / have been resolved. The advertisement was placed on 26 May 2022 (**ANNEXURE A**) to invite comments from the community. The reason for the delay is as a result of the Constitutional Court ruling on the validity of PPPFA Regulations.

6.3. Financial Implications

Approved three-year budget allows for the expenditure.

6.4 Legal Implications

The recommendations in this report comply with Council's policies and all applicable legislation.

6.5 Staff Implications

This report has no staff implications to the Municipality.

6.6 Previous / Relevant Council Resolutions

Not applicable

6.7 Risk Implications

If no service provider is in place, household and business refuse will not be transported to a waste disposal facility. The Municipality will thus not fulfil their Constitutional obligations in terms of rendering essential services.

6.8 Comments from Senior Management**6.8.1 Director: Infrastructure Services**

Custodian of the item.

6.8.2 Municipal Manager

Agree with the recommendations / No comments received

ANNEXURES

Annexure A: Advertisement for S116

FOR FURTHER DETAILS CONTACT:

NAME	Deon Louw
POSITION	<i>Director</i>
DIRECTORATE	<i>Infrastructure Services</i>
CONTACT NUMBERS	<i>021 808 8213</i>
E-MAIL ADDRESS	<u><i>Deon.louw@stellenbosch.gov.za</i></u>
REPORT DATE	<i>03 May 2022</i>

APPENDIX 1



STELLENBOSCH
STELLENBOSCH • PNIEL • FRANSCHHOEK
MUNISIPALITEIT • UMASIPALA • MUNICIPALITY

NOTICE

NOTICE IN TERMS OF SECTION 116(3) OF THE LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT, 2003 (ACT 56 OF 2003) FOR THE PROPOSED AMENDMENTS TO THE TENDER AWARDED TO WASTE CARRIERS (PTY) LTD (B/SM 66/20) FOR THE PROVISION OF WASTE CONTAINERS AND WASTE TRANSPORTATION SERVICES BETWEEN WASTE DISPOSAL FACILITIES FOR THE STELLENBOSCH MUNICIPALITY FOR THE PERIOD FROM DATE OF AWARD UNTIL 30 JUNE 2022

Notice is hereby given in terms of Section 116 (3) (a) and (b) of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) that it is the intention of the Stellenbosch Municipality to amend the existing contract:

Number: B/SM 66/20

Description: EXTENSION OF THE TENDER AWARDED TO WASTE CARRIERS (PTY) LTD (B/SM 66/20) FOR THE PROVISION OF WASTE CONTAINERS AND WASTE TRANSPORTATION SERVICES BETWEEN WASTE DISPOSAL FACILITIES FOR THE STELLENBOSCH MUNICIPALITY FOR THE PERIOD FROM DATE OF AWARD UNTIL 30 JUNE 2022.

Contractor: WASTE CARRIERS (PTY)LTD

Reasons for the proposed amendment: To extend the current contract period to beyond 30 June 2022, to allow the Municipality to conclude the procurement process for a new service provider. A new tender (B/SM 39/22) has been advertised and will close on 06 June 2022. This extension is to ensure continued service delivery in the WC024 areas.

The original approved rates will be charged for the duration of the extension.

Notice is hereby further given in terms of Section 21 and 21A of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) that the local community and interested / affected parties are invited to submit comments or representations to the Municipality in respect of the above, such comments or representations must be received within 21 days of advertisement via electronic mail to the e-mail address provided below, or be delivered to the undersigned to the mailing address provided hereunder. Persons who are physically disabled or who cannot read or write but wish to participate in the process, may come during office hours to the Municipal Offices, Supply Chain Department, Plein Street, Stellenbosch where a staff member will assist that person to transcribe that person's comments or representations.

Comments and/or representations must be submitted to the following email address: s116.contracts@stellenbosch.gov.za, with the subject line entitled "B/SM 66/20: COMMENTS ON NOTICE OF AMENDMENT TO THE TENDER AWARDED TO WASTE CARRIERS (PTY) LTD (B/SM 66/20) FOR THE PROVISION OF WASTE CONTAINERS AND WASTE TRANSPORTATION SERVICES BETWEEN WASTE DISPOSAL FACILITIES FOR THE STELLENBOSCH MUNICIPALITY FOR THE PERIOD FROM DATE OF AWARD UNTIL 30 JUNE 2022".

The closing date/ time for the submission of representations and/or comments is **12:00 on 16 June 2022**. Any comments or representations received after this time and date will not be considered.

All enquiries regarding this intent can be directed to the following official:

Name & surname: Mr Clayton Hendricks
Telephone number: Email enquiries only
Email address: engineering.services@stellenbosch.gov.za
Physical address: 1st Floor, Ecclesia Building, 71 Plein Street, Stellenbosch, 7600

Geraldine Mettler
Municipal Manage

9.2.5	PROCESS FOR OUTDOOR DINING ENCROACHMENTS: WAY FORWARD
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Collaborator No:

IDP KPA Ref No:

Meeting Date:

Good Governance

22 June 2022

1. SUBJECT: PROCESS FOR OUTDOOR DINING ENCROACHMENTS: WAY FORWARD

2. PURPOSE

To inform Council of the process that will be used to regulate outdoor dining activities going forward.

3. DELEGATED AUTHORITY

Council

4. EXECUTIVE SUMMARY

Stellenbosch is a unique town. Residents, Students, Local Visitors, and International Tourists alike enjoy the variety of restaurants, cafes, wine bars and coffee shops that are on offer. Restaurants spilling onto sidewalks and patrons enjoying meals and drinks beneath giant oak tree canopies have become synonymous with our town. As a municipality, we fully embrace the uses and opportunities that outdoor dining brings and we want to work with Business Owners to preserve this unique character. In the same vein we want to ensure that everyone, especially people with limited mobility, can make use of sidewalks safely.

It has become prudent for the Municipality to standardise the outdoor dining operations to ensure that everyone operates within the confines of the law.

Going forward all businesses that offer outdoor dining must apply or re-apply for a lease of the space outside their shopfront.

This approach will standardise the approval process of the leases and replace the current encroachments. The Municipality strives to create an environment that is conducive to economic activity while at the same time addressing all the current violations. The current encroachment approach is outdated and not in compliance with the latest legislation.

The Municipality has over the past two months done an audit on the businesses between Dorp Street and Victoria Street, Bird Street and Drostdy Street that make use of outdoor dining and has placed them in the following groupings:

1. restaurants that operate with an earlier approved encroachment;
2. restaurants that applied for an encroachment, but have not received feedback;
3. restaurants that are operating, but have not applied before 1 June 2022; and
4. restaurants that started operating after 1 June 2022.

The Municipality have also looked at the businesses who are not restaurants. But are trading on the sidewalks without approval.

The Asset Transfer Regulations determine that if a person wants rights on Council property it must be dealt with in a specific manner. The current encroachment process is not the correct manner in which to do the rights allocation and all the encroachment agreements are open ended and is not allowed in terms of the regulations as it comes down to a permanent transfer of the asset.

There will be a communication to the public attached as **ANNEXURE 1**.

All the restaurants will be given 30 days' notice to apply for a Lease Agreement and the application will then be processed by the administration. For this purpose, a new application form was designed that will be provided to all businesses that clearly stipulates what is required for their application to be considered.

Due to the number of applications that is expected it is proposed that the approval of agreements of 3 years and less be delegated to the Municipal Manager. The Municipal Manager can refer any of the applications to the Executive Mayor in consultation with the Mayoral committee.

The first restaurant that went through this new process was Meraki on the corner of Church and Ryneveld Streets. The item was dealt with by the Executive Mayor in consultation with the Mayoral Committee and it was recommended that on a first instance these types of leases do not run longer than three years before a renewal application would be required.

5. RECOMMENDATIONS

It is recommended:

- a) that Council takes note of the intended communication to the public;
- b) that Council takes note that all restaurants and business will be given notice to apply/re-apply for a lease to use council property for outdoor dining purposes; and
- c) that the approval of the leases of three (3) years and less be delegated to the Municipal Manager for approval.

6 BACKGROUND AND DISCUSSION

6.1 BACKGROUND

Stellenbosch is a unique town. Residents, Students, Local Visitors, and International Tourists alike enjoy the variety of restaurants, cafes, wine bars and coffee shops that are on offer. Restaurants spilling onto sidewalks and patrons enjoying meals and drinks beneath giant oak tree canopies have become synonymous with our town. As a municipality, we fully embrace the uses and opportunities that outdoor dining brings and we want to work with Business Owners to preserve this unique character. In the same vein we want to ensure that everyone, especially people with limited mobility, can make use of sidewalks safely.

6.2 DISCUSSION

It has however become prudent for the Municipality to standardise the outdoor dining operations to ensure that everyone operates within the confines of the law, whereby all businesses that offer outdoor dining must apply or re-apply for a lease of the space they are using for outdoor dining.

This approach will standardise the approval process of the leases and replace the current encroachment agreements. The Municipality strives to create an environment that is conducive to economic activity while at the same time addressing all the current violations. The current encroachment approach is outdated and not in compliance with the latest legislation.

To give effect to this, the municipality has put in place the following measures as it relates to businesses who offer outdoor dining options:

- All businesses that use the sidewalks (Municipal property) for outdoor dining or the display of goods for sale must apply for a lease for the area they use or want to use.
- All businesses in the CBD that are participating in outdoor dining or the selling of goods on the sidewalk will receive a letter from the municipality shortly.
- **Current encroachments**
Business Owners who are presently in possession of an approved Encroachment Agreement and who applies within 30 days after the receipt of the letter may continue with the outdoor dining use until the lease application has been considered.
- **Encroachment in process**
Business Owners who have applied for an encroachment but are not in possession of an approved Encroachment Agreement must re-apply for a lease. These Business Owners will be allowed to continue with the current use until the lease application has been processed.
- **Illegal encroachments**
Business Owners who have not applied on/before 1 June 2022 and are presently not in possession of an approved agreement, but are operating nevertheless, must apply within 30 days and must cease all operations until the lease application has been considered.
- All new establishments intending to operate an outdoor dining facility or sell good from outside their shops must apply before starting the operate such an outdoor dining/shopping facility.
- Any business owner who does not apply within the 30 days' time frame will have to cease their operations with immediate effect.
- Please note that the application will require at least a sketch plan of how the outdoor space will be used and need to be clearly demarcated to stop spilling over the area agreed on.
- If any structure is built or intended to be built on the area it will require and approved building plan.
- All Business Owners must ensure that the intended encroachment area complies with zoning regulations.
- No advertising boards can be placed on pavements.
- Full information will be provided with the letters that will be delivered to all businesses.

Business Owners must ensure that they operate within the approved area as illegal encroachments will be addressed going forward.

It should be emphasised that this process is intended to promote better outdoor experience, limit illegal activities and to ensure fair competition amongst business.

6.3 FINANCIAL IMPLICATIONS

There is provision for “outdoor dining encroachment tariffs” that will be used to determine the costs for the rental of the areas that the restaurants apply for.

6.4 LEGAL IMPLICATIONS

The Asset Transfer Regulations applies to all rights that is acquired by a third party of Council property and depending on the value of the land and the term of the rights there are provisions that must be complied with.

6.5 STAFF IMPLICATIONS

There is a multi-departmental group, consisting of Planning, the Roads Section and Contract Management, driving the process.

6.6 PREVIOUS / RELEVANT COUNCIL RESOLUTIONS:

None

6.7 RISK IMPLICATIONS

The risk is mitigated by the content of the item.

APPENDIXES

Appendix 1 – Communication to the public.

FOR FURTHER DETAILS CONTACT:

NAME	Annalene de Beer
POSITION	Director Corporate Services
DIRECTORATE	Corporate Services
CONTACT NUMBERS	021-808 8018
E-MAIL ADDRESS	Annalene.deBeer@stellenbosch.gov.za
REPORT DATE	15 June 2022

APPENDIX 1

Statement by Municipal Manager Geraldine Mettler

June 2022

FOR IMMEDIATE RELEASE

Stellenbosch is a unique town. Residents, Students, Local Visitors, and International Tourists alike enjoy the variety of restaurants, cafes, wine bars and coffee shops that are on offer. Restaurants spilling onto sidewalks and patrons enjoying meals and drinks beneath giant oak tree canopies have become synonymous with our town. As a municipality, we fully embrace the uses and opportunities that outdoor dining brings, and we want to work with Business Owners to preserve this unique character. In the same vein we want to ensure that everyone especially people with limited mobility can make use of sidewalks safely.

It has however become prudent for the Municipality to standardise the outdoor dining operations to ensure that everyone operates within the confines of the law. Whereby all businesses that offer outdoor dining must apply or re-apply for a lease of the space they are using for their outdoor dining.

This approach will standardise the approval process of the leases and replace the current encroachments. The Municipality strives to create an environment that is conducive to economic activity while at the same time addressing all the current violations. The current encroachment approach is outdated and not in compliance with the latest legislation.

To give effect to this, the municipality has put in place the following measures as it relates to businesses who offer outdoor dining options:

- All businesses that use the sidewalks (Municipal property) for outdoor dining or the display of goods for sale must apply for a lease for the area they use or want to use.
- All businesses in the CBD that are participating in outdoor dining or the selling of goods on the sidewalk will receive a letter from the Municipality shortly.

Current encroachments

- Business Owners who are presently in possession of an approved Encroachment Agreement and who applies within 30 days after the receipt of the letter may continue with the outdoor dining use until the lease application has been considered.

Encroachment in process

- Business Owners who have applied for an encroachment but are not in possession of an approved encroachment agreement must re-apply for

a lease. These Business Owners will be allowed to continue with the current use until the lease application has been processed.

Illegal encroachments

- Business Owners who have not applied on/before 1 June 2022 and are presently not in possession of an approved agreement, but are operating nevertheless, must apply within 30 days and must cease all operations until the lease application has been considered.
- All new establishments intending to operate an outdoor dining facility or sell good from outside their shops must apply before starting the operate such an outdoor dining/shopping facility.
- Any business owner who does not apply within the 30 days' time frame will have to cease their operations with immediate effect.
- Please note that the application will require at least a sketch plan of how the outdoor space will be used and need to be clearly demarcated to stop spilling over the area agreed on.
- If any structure is built or intended to be built on the area it will require and approved building plan
- All Business Owners must ensure that the intended encroachment area complies with zoning regulations.
- No advertising boards can be placed on pavements.
- Full information will be provided with the letters that will be delivered to all businesses.

Business Owners must ensure that they operate within the approve area as illegally encroachments will be addressed going forward.

It should be emphasis that this process is intended to promote better outdoor experience, limit illegally activities and to ensure fair competition amongst businesses.

Effective 1 July 2022

9.2.6	STATUS REPORT ON STELLENBOSCH MUNICIPALITY PARKING PROVISION
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KINDLY NOTE: Item will be distributed under separate cover in due course.

***THE AGENDA HAS BEEN DISCUSSED WITH THE SPEAKER,
CLLR Q SMIT AND HE AGREES WITH THE CONTENT.***
