

WESGRO

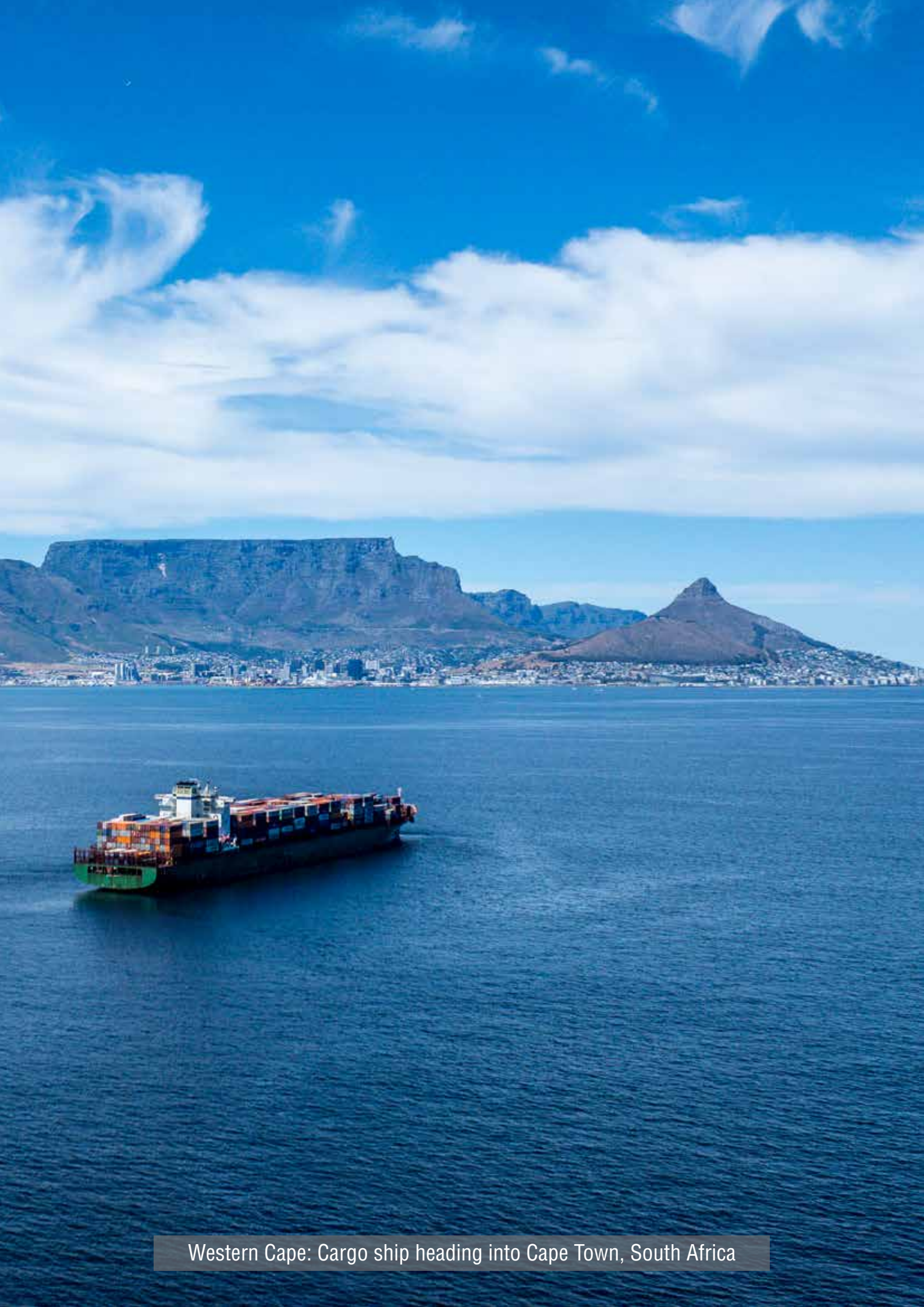
CAPE TOWN & WESTERN CAPE
A LEADING REGIONAL ECONOMY



2023/24 ANNUAL REPORT







Western Cape: Cargo ship heading into Cape Town, South Africa

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PART A: GENERAL INFORMATION



Western Cape: Knysna Heads, Garden Route, South Africa

PART A: GENERAL INFORMATION

PUBLIC ENTITY'S GENERAL INFORMATION

Registered Name:	Wesgro
Registration Number (If Applicable):	Not Applicable
Physical Address:	7th Floor, Media24 Building 40 Heerengracht Street Cape Town 8000
Postal Address:	Po Box 1678 Cape Town 8000
Telephone Number:	021 487 8600
Email Address:	info@wesgro.co.za
Website Address:	www.wesgro.co.za
External Auditor:	Auditor-General South Africa
Banker:	Absa Regional Office, 1st Floor, Bridge Park East, Bridgeway, Century City, 7441
Board Secretariat:	Giselle Naidoo

LIST OF ABBREVIATIONS

AITR	Audit, IT and Risk
AGOA	African Growth and Opportunity Act
AfCFTA	African Continental Free Trade Area
AGSA	Auditor-General of South Africa
ASEAN	Association of Southeast Asian Nations
B2B	Business to Business
B-BBEE	Broad Based Black Economic Empowerment
B2C	Business to Consumer
CBAM	Carbon Border Adjustment Mechanism
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CIPC	Companies and Intellectual Property Commission
CTIA	Cape Town International Airport
DEDAT	Department of Economic Development and Tourism
DEVAC	Development of the African Continent
DTIC	Department of Trade Industry and Competition
EAP	Export Advancement and Promotion
ESEID	Economic Sectors, Employment, and Infrastructure Development
ESG	Environmental, Social, and Governance
EU	European Union
FDI	Foreign direct investment
FTE jobs	Full-time equivalent jobs
FY	Financial Year
G4J	Growth for Jobs
GDP	Gross Domestic Product
GNU	Government of National Unity
GRAP	Generally Recognised Accounting Practices
HR	Human Resources
IP	Investment Promotion
IPAs	Investment Promotion Agencies
IPAP	Industrial Policy Action Plan
IT	Information Technology
ITC	Information Technology and Communication
LNG	Liquefied Natural Gas

ME	Middle East
MEC	Member of Executive Council
MFMA	Municipal Finance Management Act
MOA	Memorandum of Agreement
MOU	Memorandum of Understanding
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
NCA	National Credit Act
NDP	National Development Plan
NT	National Treasury
NTSS	The National Tourism Sector Strategy
OFDI	Outward foreign direct investment
PFMA	Public Finance Management Act
PSP	Provincial Strategic Plan
R&D	Research and Development
SA	South Africa
SADC	Southern African Development Community
SALGA	South African Local Government Association
SAT	South African Tourism
SCOPA	Standing Committee on Public Accounts
SDG	Sustainable Development Goals
SCM	Supply Chain Management
SIC	Standard Industrial Classification
SOP	Standard Operating Procedure
Stats SA	Statistics South Africa
TTIPA	Trade, Tourism and Investment Promotion Agency
UN	United Nations
UNCTAD	United Nations Conference on Trade and Development
USA	United States of America
UK	United Kingdom
VIP	Vision Inspired Priorities
WC	Western Cape
WTO	World Trade Organization
ZAR	South African Rand

1 FOREWORD BY THE CHAIRPERSON

Buoyed by economic resilience in a number of key markets in early 2024, indications are that the global economy is stabilising with relatively steady growth forecast for both 2024 and 2025. Notwithstanding upside short-term risks posed to inflation, the outlook appears balanced overall and global growth is forecast at 3.2% in 2024 and 3.3% in 2025. Yet, with more than half of the global population heading to national polls in 2024, the reality is that these results could significantly shape the course of the world's future. Democracy is expected to come under increasing pressure in a number of globally influential economies in the short term. That said, while the risk of an increase in protectionist policies poses a threat to the global economy, economic policies promoting multilateral relationships and structural reforms could boost productivity, supply gains and growth with positive spillovers worldwide.

Closer to home, the outcome of the national elections held on 29 May 2024 indicates a level of political maturity and welcome cooperation among South Africa's major political parties. The firm commitment from key players, including President Ramaphosa and big business, to ensure that the newly formed Government of National Unity (GNU) works, is encouraging. Also encouraging is the GNU's stated focus on and commitment to advancing the three strategic priorities of driving inclusive growth and job creation; reducing poverty and tacking the high cost of living; and building a capable, ethical and developmental state. This indicates a continuation of positive reforms started under the previous administration.

This is a positive development not only for the country, but for the province as a whole. The renewed commitment by national government to drive inclusive economic growth and job creation is closely aligned to Wesgro's mandate of enabling inclusive and sustainable economic growth to facilitate job creation. We are also confident that the collaboration between the previous administration and the private sector will strengthen further, enabling the implementation of key priority interventions in several sectors. These are critical if the country is to put in place far-reaching economic reforms needed to achieve inclusive, job-rich, sustainable economic growth.

From a provincial perspective, the Western Cape's economic recovery continues, with robust output recorded across several key sectors. The tourism sector continues to record solid growth, with Cape Town International Airport's (CTIA) international terminal welcoming 2.8 million two-way passengers through the terminal in the

financial year (FY) 2024. This achievement reflects the ongoing efforts of the Cape Town Air Access partnership to enhance the Western Cape's global connectivity, with CTIA seeing a notable increase in flight frequencies throughout the season, demonstrated by the five new routes and four new airlines were secured in the FY 2024.

Similarly, Cruise Cape Town has had an equally exceptional season, with the Port of Cape Town welcoming 68 ship calls in the 2023/24 season, notably higher than what was originally scheduled. This was due in part to the unrest in the Middle East and the repositioning of cruise lines around the tip of Africa. Encouragingly, the current forecast for the forthcoming 2024/25 season is equally robust. With the cruise industry contributing an estimated R1.2 billion to the annual local GDP in the 2022/23 cruise season, the growth of this industry is of great significance to the province, and the associated direct foreign spend will further aid economic growth and sustain jobs across the province.

The province also remains of interest to a number of global companies, in the renewable energy, software & IT, and tech sectors in particular, with Cape Town and surrounds home to a number of international corporations who recognise the province's value proposition. This is complemented by an enabling and innovative administration, and a firm commitment at all levels of leadership to create the environment for inclusive and sustainable economic growth. The Western Cape Government and City of Cape Town's commitment to ensuring an enabling, sustainable economic environment with the requisite infrastructure is critical for future investment. As is the firm commitment to the entrenching of a green economy and incorporation of climate change considerations, all of which are critical for the enabling of compliance of local manufacturers and exporters to increasingly stringent international carbon restrictions and requirements.

As the Western Cape's official trade and investment promotion agency, Wesgro is committed to driving inclusive and sustainable economic growth to create jobs, and to promote Cape Town and the Western Cape to be a globally competitive regional economy. And for Wesgro to remain competitive in today's fast changing global order, this increasingly requires the Agency to reconceptualise and realign the organisation's strategic objectives with global developments. And it is this agility, along with the Agency's ability to focus and place strategic emphasis on knowledge, innovation, technology, and sustainability

that enables Wesgro to remain relevant and thrive in all aspects of doing business in an increasingly competitive, innovative, disruptive, and sustainability-focused global business environment.

It is with immense pride and gratitude that I congratulate Wesgro on achieving a clean audit opinion for FY2023-24. This milestone is a testament to the relentless dedication, hard work, and collaborative spirit that has driven us to achieving this milestone. Together, we have turned challenges into opportunities, ensuring a sustainable and prosperous future for the Western Cape.

The Agency's achievements over the past financial year are testimony to this, with a number of firsts achieved across the organisation. From the record-high R7.75 billion of new investments facilitated by the Investment Promotion Team, to the R6.8 billion of export declarations (including Creative Industries) reached by the Export Team, to the 30 new conference bids secured for the period FY2023/24 – FY2025/26+ with a projected direct impact of R1.03 billion. The Agency has also proudly been awarded several global awards for its exceptional media work.

Building on the success of the Agency's Air Access and Cruise Cape Town strategic projects - both of which are catalytic delivery models to leverage private sector collaboration - Wesgro, with the support of the Western Cape Education Department has also recently launched the Edu Invest initiative, the overarching objective of which is to unlock the future of education in the Western Cape through securing private sector investment into education.

As we look ahead, the Agency is firmly committed to the Western Cape Government's Growth for Jobs (G4J) strategy, the overarching objective of which is to facilitate and enable a R1 trillion provincial economy by 2035. Wesgro's role is the critical bridge between the private and public sector ensuring the effectiveness of this strategy in enabling the private sector to grow and create opportunities. Wesgro also recognises the importance of being able to thrive in an increasingly competitive, sustainable, and innovative world, and to do so, remains focused on promoting the province's value proposition, building the Western Cape's brand globally, and continually striving to boost competitiveness.

As the new Chairperson of the Wesgro Board, I would like to thank all of the Board, both outgoing and new members, for their dedication and service over the past year, and for all that has been achieved.

I would also like to acknowledge the hard work and dedication of the full Wesgro team under the capable leadership of Chief Executive Officer, Wrenelle Stander and her Executive over the past 12-months and am confident that this very able team

will continue to successfully make a difference in ensuring that the Western Cape economy remains an example of what can be achieved in our country.

I would also like to extend a sincere thank you to Premier Alan Winde, Executive Mayor Geordin Hill-Lewis, outgoing Member of Executive Council (MEC), Mireille Wenger and Alderman James Vos for their unwavering support, vision and tireless efforts working with Wesgro to grow the Western Cape economy. I would also like to acknowledge our newly appointed MEC, Dr. Ivan Meyer, who I look forward to working closely with.



Dr. Shirley Zinn
Chairperson
of the Wesgro
Board



2 CHIEF EXECUTIVE OFFICER'S OVERVIEW

The Western Cape has a strong economic story to tell. The key fundamentals are in place. The vision for the province is clear and is set out in the provincial Growth for Jobs Strategy. In the Western Cape, the leadership team is aligned across the tiers of government. The investment environment is relatively conducive with a focus on cutting red tape and rolling out the red carpet for investors. Wesgro forms part of the broader leadership team in the province.

Over the FY24 financial year we worked hard to:

- a) Differentiate the Western Cape as a leading regional economy;
- b) Capture the Western Cape's share of global investment;
- c) Grow Western Cape exports of goods and services;
- d) Grow the leisure and business tourism pie to support the export target;
- e) Be a sustainable and innovative Wesgro (Future-fit Wesgro)

1.1 Differentiate the Western Cape as a leading regional economy.

Sustainability, Innovation, and Knowledge are themes driving the global competitiveness of the destination and have underpinned how we land the various value propositions for investors, tourists, buyers, and filmmakers.

We have increased the brand recognition and equity of Cape Town and the Western Cape across all our mandates and ensured that we are well-positioned to compete in a cut-throat world fighting to retain its share of market, investments, skills, and technological advantage. For its part, Wesgro has successfully taken the Western Cape's value proposition to the world and brought the world to the Western Cape. Our Tourism, Trade and Investment teams hosted 63 inward delegations, 93 outward missions and interacted with 47 countries.

Notably, we focused on Strengthening the Made in the Cape region of origin export brand, which promotes products and services that tell the unique story of people, process and place. We piloted new innovative ways to activate this brand. The Made in the Cape Market

at the V&A Waterfront, a first-of-its kind showcased 45 exporters chosen off the CapeTradePortal.com.

In addition, we invested funds to showcase the unique visitor experiences through domestic and international tourism campaigns i.e. Neverending Tourist campaign in USA, Germany and Netherlands; and With Love from the Locals campaign in South Africa. Using innovative channels to reach new audiences, the team launched their second campaign in the metaverse with popular Starlight Adventures in the Cape Karoo Roblox game. The work of the Agency has achieved global recognition and has won multiple local and international awards during FY24. Despite our budget being small relative to competitors, we managed to use smart tactics to win over audiences.

We have made strides in our work to ensure Industry Net-Zero Readiness in the Western Cape. Not only did we strengthen our profile in global and local conversations on sustainability, we also attracted international coverage. We had share of voice at international, national and provincial dialogues at COP28, AGOA Forum, the AfCFTA Business Forum, Carbon Border Adjustment Mechanism roundtables and the South African National Workshop on Climate Trade Measures. Consequently, we have become a trusted source of knowledge, insights and know-how with both public and private sector stakeholders.

In addition, we have a vested interest in ensuring that Western Cape businesses continually invest and expand their existing businesses. We have worked tirelessly to build business confidence in the Western Cape by convening the public private ecosystem on 39 occasions to bridge the gap between the private sector and government. Amongst others: our Business Outlook Event on Energy Resilience, the CEO roundtables with the Premier and Mayor, as well as the annual EU Investment Breakfast Event demonstrated our unique ability to convene our ecosystem and operate collaboratively.

1.2 Capture the Western Cape's share of global investment.

Our focus on specific and targeted measures to attract, facilitate, and support investment into energy resilience, the green transition, including renewables, green hydrogen, and water is starting to bear fruit. We have

facilitated 14 committed investment projects with an estimated value of R7.75 billion to be realised over the next five years.

Of the 14 new projects facilitated by Wesgro during FY24, 57% came from green economy investments. Many of the green economy investments were attracted together with GreenCape into renewable energy manufacturing, sustainable agriculture, water recycling and electric mobility. 65% of investments came from re-investment and expansion projects from existing Western Cape businesses while 35% came from foreign investors: Ireland, Luxemburg, Tanzania, Namibia and the United States.

We finalised the Western Cape Green Hydrogen Strategy, subsequently approved by the Provincial government. In addition, Wesgro signed an MoU with Gasunie to complete a feasibility study of a cross border green hydrogen pipeline from Namibia to Western Cape.

1.3 Grow Western Cape exports of goods and services.

Wesgro has continued to innovate in the way we approach trade, more so than in any other part of our business. We have leveraged technology to connect more exporters with more buyers; built capacity to ensure a deliberate focus on the services sector; focussed on building relationships with global buyers, increasing the number of Western Cape exporters, diversifying the export basket and building the Made in the Cape region of origin brand.

Our annual Made in the Cape hosted Buyers' Event attracted 56 international buyers and impacted 420 Western Cape exporters from the Primary Agriculture, Food & Beverage, Services, Manufacturing, Clothing & Textiles, and Cosmetics industries. 233 exporters were supported by exporter training and exporter mentoring sessions. We increased the scope, speed and scale of our export offering through the Cape Trade Portal with 204 international buyers; 347 Western Cape exporters listing 6 420 products and services.

Wesgro built capacity to ensure a deliberate focus on the services sector, with 70% of jobs in the Western Cape coming from this sector. We built a dedicated services trade team, who actioned several international services missions. We launched a services research study, and executed on services workshops to support Western Cape business.

We have made strides in leveraging strategic partnerships with the private sector, which goes to expand support and opportunities for Western Cape business. Amongst

others, we've leveraged our relationship with Standard Bank to connect with businesses in China.

We worked hard to unlock new markets such as China, ASEAN, and Middle East, notwithstanding the importance of our traditional FDI source markets, i.e. Europe, USA, UK, and the rest of Africa.

The Trade team has benefitted from the expertise of the Advocacy and Advisory capability established to influence export competitiveness, market access, and increased climate related regulations.

1.4 Grow the leisure and business tourism pie to support the export target.

Tourism continues to be a key focus for Wesgro because of its labour intensity, its multiplier effect, its ability to generate opportunities for Small, Micro to Medium Enterprises (SMMEs) and its ability to support increased exports and foreign direct investment. The post pandemic recovery of the tourism sector in the Western Cape has been rapid.

In the Tourism economy, we are talking about growth. Our focus has shifted to finding ways that can deliver inclusive growth, counteract seasonality, and facilitate regional spread. We partnered with 22 leisure events across the province, and leveraged the positive international media exposure by partnering with key Jewel events. By the end of March 2024, eight of the province's top ten source markets were fully recovered and air passenger movements exceeded pre pandemic levels. Domestic trips recovered well and domestic spend had exceeded pre-pandemic figures in the province.

Good progress was made in the business tourism space. 30 bids were secured in the year, with an economic impact of R1.03bn in priority sectors for the province. We are seeing the return of medium- to large-sized business events, and an encouraging resumption of in-person conferences.

Finally, over the period under review, we played a facilitating and advisory role and convened tourism players across the private and public sector tourism ecosystem to remove barriers, unlock opportunities and mitigate risk. We showcased our destination to 2 600 media and travel trade, locally and globally.

1.5 Be a sustainable and innovative Wesgro (Future-fit Wesgro).

The Agency has experienced rapid change. We are on a journey to ensure that we are future-fit, relevant, trusted

and able to support our clients in a way that will be required now and into the future. Current and future clients value trusted data, analytics, insights, know-how and thought leadership. They would prefer this information in real-time, through an always-on central data repository.

As an Agency we face the “urgency of now” to be a central economic knowledge hub, while at the same time improving the user experience. We are prioritising a digital transformation journey to ensure an increase in scale, scope and speed for our clients and stakeholders.

A changing economy requires the Agency to remain responsive. We have built competency in the following new areas to leverage shifting investment patterns and unlock systemic challenges to better support the economy: energy resilience; green hydrogen, water, ports, green transition, and services trade. In addition, we continue to benchmark ourselves relative to other Tourism, Trade and Investment Promotion Agencies to ensure we remain future-fit, relevant and trusted.

Over the period under review, we made progress with replicating our intellectual property in catalytic delivery models. All the key catalytic interventions powered by Wesgro have demonstrated the immense impact that strategic collaboration, typically with the private sector, can have on the economic ecosystem.

- Cape Town Air Access, powered by Wesgro, received the global Destination Marketing Award at Routes World for the second year in a row. In addition facilitated five new direct routes to Cape Town and four new airlines.
- Cruise Cape Town, powered by Wesgro, welcomed 67 ship calls over the recent cruise season, October 2023-June 2024, with 109 046 total passengers and 40 889 crew. The economic impact for the recent cruise season was estimated to be R1.3bn for the Western Cape.
- Edu Invest, powered by Wesgro, and in partnership with the Western Cape Education Department, was successfully launched to attract private sector investment into education with a specific focus on new independent schools. Edu Invest has already established a robust school development investment pipeline.

We have moved into our new premises (July 2024), which will not only provide a better working environment but one which will be fit for purpose for the stakeholders and

clients we engage with. This is indeed an exciting new chapter for the Wesgro journey.

Finally, we achieved a remarkable outcome in Wesgro’s audit turnaround. The outcome has shifted from a qualified audit opinion in 2021/22 to an unqualified audit opinion in 2022/23 and finally a clean audit in 2023/24 with no SCM findings and no irregular expenditure. We remain dedicated to continuing to improve our governance practices, delivering success across our mandates; being digitally enabled, and continuing to be stakeholder facing to ensure value for all our stakeholders.



Wrenelle Stander
Chief Executive
Officer, Wesgro



INVEST IN
CAPE TOWN
& THE WESTERN CAPE
marketed by **WESGRO**

investSA
ONE STOP SHOP
powered by **WESGRO**

CAPE TOWN
AIR ACCESS
powered by **WESGRO**

EDU 
INVEST
powered by **WESGRO**




MADE IN THE
CAPE
Powered by **WESGRO**

DISCOVER
Cape Town
AND THE WESTERN CAPE, SOUTH AFRICA.
marketed by **WESGRO**

CRUISE
CAPE TOWN
powered by **WESGRO**

CAPE TOWN
& **WESTERN CAPE**
convention bureau by **WESGRO**

3 STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF THE ACCURACY OF THE ANNUAL REPORT

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

- All information and amounts disclosed in the annual report are consistent with the annual financial statements audited by the Auditor-General South Africa.
- The annual report is complete, accurate, and free from any omissions.
- The annual report has been prepared in accordance with the guidelines on the annual report as issued by National Treasury.
- The annual financial statements (contained in Part F of this report) have been prepared in accordance with the South African standards of Generally Recognised Accounting Practices (GRAP), standards applicable to the public entity.



Wrenelle Stander
Chief Executive Officer
Date: 30 August 2024

- The accounting authority is responsible for the preparation of the annual financial statements and for the judgements made in this information.
- The accounting authority is responsible for establishing and implementing a system of internal control, which has been designed to provide reasonable assurance regarding the integrity and reliability of the performance information, the human resources information and the annual financial statements.
- The external auditor is engaged to express an independent opinion on the annual financial statements.
- In our opinion, the annual report fairly reflects the operations, the performance information, the human resources information, and the financial affairs of the public entity for the financial year ended 31 March 2024.



Dr. Shirley Zinn
Chairperson of the Board
Date: 30 August 2024

4 STRATEGIC OVERVIEW

WHY (Vision)

In collaboration with partners, drive inclusive and sustainable economic growth, create jobs. Promote and facilitate Cape Town and the Western Cape to be a globally competitive regional economy.

WHAT (Mission)

- Be instrumental in ensuring that the Western Cape is an investment destination of choice for global and local investors
- Be instrumental in ensuring that the Western Cape is a sought-after source market globally for goods and services
- Be instrumental in ensuring that Cape Town and the Western Cape is considered a world class tourism destination
- Differentiate the Western Cape as a leading regional economy
- Lead the dialogue on, and drive international economic competitiveness of Cape Town and the Western Cape together with partners
- Ensure Wesgro is a leading sub-national TTIPA globally

WHO (Values)

Wesgro's Management and Staff will strive to uphold the following values in all its business activities:

- Professionalism and commitment to excellence
- Efficient and outcomes-driven
- Accountability
- Innovation
- Enabling
- Passionate
- Courage
- Integrity and trust

HOW (Strategy)

1. Increase brand recognition and equity for Tourism, Trade and Investment.
2. Ensure Industry Net-Zero Readiness in Western Cape across Tourism, Trade and Investment.
3. Build Professional Advocacy & Advisory for Tourism, Trade and Investment.
4. Replicate catalytic delivery models to leverage private sector collaboration: CT Air Access, Cruise CT, Edu Invest, Cape of Great Events.
5. Focus on emerging sectors that also support growth in the province i.e. Energy resilience (including LNG), Green transition (including renewables, green hydrogen, and water), Increase in R&D focus. Increase in Venture capital flows.
6. Continued focus on established markets and unlocking new markets for Tourism, Trade and Investment: Focus on China (FY25), Association of Southeast Asia Nations (ASEAN), Africa, Brazil, Middle East (ME).
7. Increase investment from existing Western Cape businesses.
8. Digital transformation of the Wesgro value proposition as far as possible.
9. Leverage and grow trade in Services and facilitate the linkages with investment.
10. Diversify and increase access to Funding.

Wesgro's Strategy in Action



Increase Brand Recognition and Equity for Tourism, Trade and Investment



Ensuring Industry Net-Zero Readiness in the Western Cape across Tourism, Trade and Investment



World Hydrogen Summit in Rotterdam
Working to capture share of global green hydrogen investment



Western Cape Premier, Alan Winde, reviews the
Green Riders Training Academy programme



Hosting global delegates at
Africa's Green Economy Summit



Cape Town welcomed the opening of Africa's first all-female
workforce solar panel manufacturer in Ndabeni.



ESG, strategic minerals and energy –
key themes at Mining Indaba

Build Professional Advocacy & Advisory for Tourism, Trade and Investment



Wesgro, the Department of Trade, Industry and Competition (the DTIC), and the Western Cape Government, co-hosting an African Growth and Opportunity Act (AGOA) Provincial Stakeholders Dialogue with Western Cape exporters in Cape Town.



Head of Advocacy & Advisory, Karen Bosman, shared her thoughts on the role of investment promotion agencies in achieving the objectives of the African Continental Free Trade Area (AfCFTA) during a panel discussion at the AfCFTA Business Forum held in Cape Town.



Working to unlock market access through Film Policy and Bylaws workshop.



Wesgro was at COP28 in Dubai together with GreenCape, and participated in discussions at the South African pavilion. President Ramaphosa opened the South African pavilion.



Wesgro Green Economy Specialist participating in a World Economic Forum First Movers Coalition workshop on decarbonisation of logistics.



Panel discussion at the AGOA Private Sector Forum 2023, on "Recommendations for improving AGOA utilisation and better connecting US and African companies."

Replicate Catalytic Delivery Models to Leverage Private Sector Collaboration: CT Air Access, Cruise CT, Edu Invest, Cape of Great Events



Wrenelle Stander (CEO) at Panel at BARSAA event in Cape Town.



First EdTech Roundtable.



Minister de Lille and SAT CEO Nombulelo Guliwe visit the Convention Bureau at Meetings Africa.



Cruise Cape Town celebrating the opening of the 2023/24 cruise season with the inaugural ship visit at the Cape Town Cruise Terminal.



LAM Mozambique's arrival: direct route to Maputo.

Focus on Emerging Sectors that also Support Growth in the Province



World Hydrogen Summit.



Wesgro, alongside the Western Cape Department of Agriculture, participating in Nampo Cape Exhibition.



Connecting investors at Africa's Green Economy Summit (AGES).



Premier of the Western Cape, Alan Winde, speaking at Africa's Green Economy Summit (AGES).



Wesgro and GreenCape collaboration: CEO's guide to going solar distributed to business.



#EnlitAfrica2023 at the Cape Town International Convention Centre.

Continued Focus on Established Markets and Unlocking New Markets for Tourism, Trade, Investment and Film



Japanese delegation to discuss green hydrogen.



Delegation to Business Sweden.



EU Chamber Breakfast – Royal Cape Yacht Club, Cape Town. Boosting private sector participation stands out as a crucial priority as EU looks to strengthen economic partnership with SA.



Investment, trade and tourism ties with the ASEAN bloc strengthened.



Buyers from around the world convene in Cape Town for the second 'Made in the Cape' 2024 expo.



Taking tourism offerings to Latin American buyers.

Increase Investment from Existing Western Cape Businesses



Facilitating company expansion of electric vehicle (EV) charging platform. Zimi charge is an EV charging platform built specifically for commercial fleets.



Visit to Sea Harvest quayside with Minister Sihle Zikalala of the Department of Public Works and Infrastructure.



Connecting business with Government to unlock red tape at DEVAC Infrastructure Conference 2023.



Valternative Electric bikes and battery swap stations installed at Shell garages. The Valternative – Shell partnership was facilitated by Wesgro.



EV charger by Zimi, charging an electric last mile delivery vehicle.



Pick n Pay site with Deputy Mayor: Alderman Eddie Andrews, KaacKai's CEO: Emma Muller & team as well as Pick n Pay executive member.

Digital Transformation of the Wesgro Value Proposition



Cape Town was showcased in the metaverse at Routes World Airline Conference 2023.



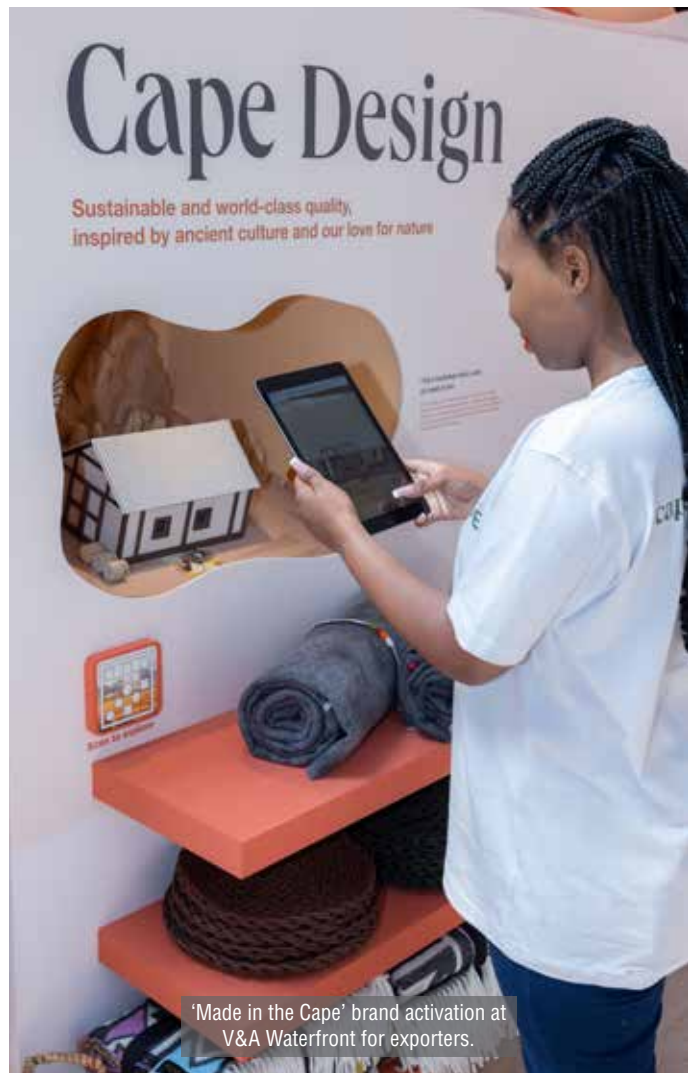
Digitising the export promotion value proposition. Connecting global buyers and Western Cape exporters.



Brand video to promote Western Cape goods and services.



Taking the Karoo into the meta verse.



'Made in the Cape' brand activation at V&A Waterfront for exporters.

Leveraging and Growing Trade in Services and Facilitating the Links with Investment



Working to strengthen the local ecosystem at Africa Tech Festival



Africa Tech Festival



Spotlighting Western Cape tech companies at Viva Tech 2023



AFSIC, AVCA's London Summit; Strengthening investment relationships with key source markets.

5 CONSTITUTIONAL, LEGISLATIVE AND OTHER MANDATES

5.4.1. Constitutional mandate

Schedule 4 of the Constitution of the Republic of South Africa, 1996 lists functional areas of concurrent national and provincial legislative competencies. Those areas which are relevant for Economic Development and Tourism are:

- Consumer Protection
- Industrial Promotion
- Tourism
- Trade

Schedule 4B of the Constitution identifies local tourism as a local government matter of concurrent national and provincial legislative competence, to the extent set out in sections 155(6) (a) and (7) of the Constitution.

5.4.2. Legislative mandate

Although Wesgro is governed by several Acts, this section provides an overview of the Acts that significantly impact the work of the Agency.

Western Cape Tourism, Trade and Investment Promotion Agency Act, 1996 (Act 3 of 1996) as amended in 2005 and 2013

To provide for the establishment, appointment, powers and functions of the Western Cape Tourism, Trade and Investment Promotion Agency (Wesgro) in order to promote and support the economic growth and development of the Province, and to provide for matters incidental thereto. [Long title amended by section 14 of Act 6 of 2013, with effect from 28 August 2013.]

Wesgro is a Schedule 3C Public Entity. Its legislative mandate, as provided for in the Objects of the Western Cape Investment and Trade Promotion Agency Amendment Act, 2013 (Act 6 of 2013), include:

- (f) “to furnish tourism, trade and investment marketing assistance and expert and specialised advice, information and guidance to any business, company or association of persons who so request it from the

Agency or would assist the Agency in achieving its objects;

- (h) to act as a tourism, trade and investment promotion agent on behalf of the province and to facilitate coordinated destination marketing activities for the Western Cape;
- (l) to develop, implement and promote a provincial tourism, trade and marketing strategy and implement any project that realises growth in the economy of the Western Cape;
- (n) to exercise such other powers which, in the opinion of the Minister are necessary for the achievement of its objects and which the Minister, in consultation with the Board, may confer upon the Agency by notice in the Provincial Gazette;
- (o) to promote the province as a tourism destination;
- (p) to promote leisure and business tourism and events; and
- (q) to promote the alignment of provincial marketing activities in all tourism sectors in the Province in collaboration with private and public entities.”

Broad-Based Black Economic Empowerment Act, 2003 (Act 53 of 2003), as amended by the B-BBEE Amendment Act, 2013 (Act 45 of 2013)

The B-BBEE Act establishes a legislative framework for the promotion of black economic empowerment; empowers the Minister to issue codes of good practice, and to publish transformation charters; establishes the Black Economic Empowerment Advisory Council; and provides for matters connected therewith. The B-BBEE Amendment Act introduced several changes, of which the following are deemed to be the most significant:

- The establishment of a B-BBEE Commission that provides an oversight and advocacy role
- The definition of “fronting practices” and the criminalisation of such practices
- All organs of state to report on compliance with B-BBEE regulations in their annual reports.

The amendments to the B-BBEE Codes of Good Practice came into effect on 1 May 2015.

Tourism Act, 2014 (Act 3 of 2014)

This Act makes provision for the development and promotion of sustainable tourism for the social, economic and environmental benefit of South African citizens. Its objectives include the promotion of responsible tourism practices; the effective marketing of South Africa both domestically and internationally through South African Tourism (SAT); the promotion of quality tourism products and services; the promotion of economic growth and development of the sector; and the establishment of concrete intergovernmental relations to develop and manage tourism. It specifically makes provision for further training and registration of tourist guides, a code of conduct and ethics for tourist guides and procedures for lodging complaints and disciplinary measures.

5.4.3. Policy Mandates

5.4.3.1 National Policy framework

Industrial Policy Action Plan (IPAP)

The Industrial Policy Action Plan (IPAP) is firmly entrenched in Government's overall policy and plans to address the key challenges of economic and industrial growth and race-based poverty, inequality and unemployment. IPAP 2018 is a product of the Economic Sectors, Employment and Infrastructure Development (ESEID) cluster. The responsibility for its implementation lies with Government as a whole, and a wide range of entities, including state-owned companies. IPAP 2018 focuses on the following ten key themes that inform the work of the Department of Trade, Industry and Competition (DTIC) and serve as a roadmap for the wider industrial effort:

- Grow the economy
- Strengthen efforts to raise aggregate domestic demand – mainly through localisation of public procurement and intensified efforts to persuade the private sector to support localisation and local supplier development.
- Step up South Africa's export effort
- Create and reinforce policy certainty and programme alignment
- Strengthen ongoing efforts to build a less concentrated, more competitive economic and manufacturing environment in which barriers to entry for new entrants are lowered
- Build a stronger system of industrial finance and incentives to support and secure higher levels of private sector investment in the productive sectors of the economy and grow exports

- Press ahead with technology-intensive, value-adding beneficiation projects which fully leverage SA's comparative resource endowment advantage into a global competitive advantage
- Optimise technology transfer and diffusion and, working closely with the Department of Science and Technology, further ramp up the effort to commercialise "home-grown" R&D in key sectors
- Support the further strengthening of energy-efficient production and carbon mitigation efforts and measures in a manner that allows for sustainable adaptation by all the energy-intensive sectors of the economy
- Understand, grasp, and prepare for the foreseeable effects of the Digital Industrial Revolution and emergent disruptive technologies, collaboratively adapting SA's production and services sectors to meet the challenges, including those related to employment displacement.

Medium Term Strategic Framework (MTSF)

The Medium Term Strategic Framework (MTSF) is the Government's strategic plan for the 2020–2024 electoral term. The MTSF sets out the actions that Government will take, and the targets to be achieved. It also provides a framework for the other plans of national, provincial and local government.

National Development Plan (NDP)

The National Development Plan (NDP) represents a vision for the South Africa of 2030. It aims to enable faster economic growth, higher investment and greater labour absorption. The NDP contains detailed plans and interventions across all sectors of the economy to enable the achievement of this vision.

National Evaluation Policy Framework (NEPF), 2011

The National Evaluation Policy Framework (NEPF) provides both the basis for a minimum system of evaluation across Government and a common language for evaluation in the public service. Its purpose is to ensure good quality evaluations that give information about what is working and what is not and, in this way, help to improve the effectiveness and impact of Government's work. To improve performance, the framework underlines the need to use credible and objective evaluation-derived evidence in planning, budgeting, organisational improvement and policy review, and in programme and project management.

National Tourism Sector Recovery Plan (TSRP)

In response to the COVID-19 pandemic, the National Department of Tourism initiated the development of a Tourism Sector Recovery Plan (TSRP) to facilitate the recovery of the sector to preserve jobs and livelihoods, facilitate new job opportunities, match demand and supply, and strengthen transformation. The TSRP is aligned with the Economic Reconstruction and Recovery Plan (ERRP) which identifies tourism as one of the priority areas of intervention, particularly in relation to infrastructure development; mass public employment; green economy interventions; the inclusion of women and youth; and skills development.

National Tourism Sector Strategy (NTSS)

The National Tourism Sector Strategy (NTSS) aims to inspire and accelerate the responsible growth of the tourism industry. It has the following three core themes, with specific focus areas which have national, provincial and local perspectives:

- THEME 1: Tourism growth and the economy
- THEME 2: An enhanced visitor experience
- THEME 3: Sustainability and good governance

South African Economic Reconstruction and Recovery Plan (ERRP)

The ERRP, launched in November 2020, is aimed at stimulating equitable and inclusive growth. The ERRP has three phases:

- Engage and Preserve – which includes a comprehensive health response to save lives and curb the spread of the pandemic
- Recovery and Reform – which includes interventions to restore the economy while controlling the health risks and lastly
- Reconstruct and Transform – which entails building a sustainable, resilient and inclusive economy.

In terms of the ERRP, the following priority interventions are highlighted:

- Aggressive infrastructure investment
- Employment orientated strategic localisation, reindustrialisation and export promotion
- Energy security
- Support for tourism recovery and growth
- Gender equality and economic inclusion of women and youth
- Green economy interventions
- Mass public employment interventions
- Strengthening food security and
- Macro-economic intervention.

State of the Nation Address (SONA)

In the State of the Nation Address (SONA), held on 8 February 2024, the president highlighted the following five key areas of focus:

- Youth unemployment remains a challenge; however, interventions continue to be implemented
- Ensuring there is trust in public institutions
- Implementing the Just Energy Transition to fight climate change and create growth and jobs
- Ensuring there is water security.

5.4.3.2. Provincial Policy Framework

Department of Economic Development and Tourism (DEDAT) Five-Year Strategy 2020–2025

DEDAT's 2020–2025 five-year strategy remains well-aligned with the Provincial Strategic Plan and the Western Cape Recovery Plan. It consists of five focus areas, namely

- Investing through promotion and catalytic infrastructure
- Growing exports
- Addressing skills gaps
- Accelerating ease of doing business
- Resourcing resilience

These departmental focus areas and their respective outcomes form the cornerstone of the DEDAT's five-year strategy.

Tourism Blueprint 2030

The vision of the draft Tourism Blueprint 2030 is a body of work that has been co-created by a broad range of tourism stakeholders to provide a roadmap for the Western Cape's long-term tourism vision, goals, objectives, policies and potential investment opportunities. The blueprint has identified four main barriers to tourism such as those related to air access, visa regimes, safety and security as well as the ability of small business to respond to technological innovation.

The draft Tourism Blueprint 2030 aims to:

- Renew focus on domestic markets
- Improve the ease of doing business for tourism businesses
- Raise the global profile of Destination Western Cape.
- Identify and develop tourism infrastructure
- Drive geographic spread of tourism benefits throughout the province
- Grow visitor numbers and yield
- Prioritise tourism development growth within each district across the province.

- Improve customer experiences (quality and service excellence)
- Develop industry partnership programmes through action platforms like the Western Cape Broadband Strategic Framework (2012).

The framework sets out a holistic approach to address access (infrastructure), readiness and usage of government by citizens and businesses in improving government service delivery, strengthening citizens' access to opportunities and information, and increasing economic competitiveness.

City of Cape Town: Inclusive Economic Growth Strategy (IEGS)

The strategy is a short-, medium- and long-term plan for addressing the economic crisis facing Cape Town within the greater Western Cape context. The strategy prioritises how certain challenges such as inadequate economic growth, entrenched inequality and widespread unemployment can be addressed through improved collaboration between city government, the private sector and other spheres of government.

Western Cape Climate Change Response Strategy

The newly revised Western Cape Climate Change Response Strategy: Vision 2050 (2022) is a strategy and pathway which aims to achieve a climate-resilient province by 2040 and to be a net-zero emitter by 2050, with significant in-roads made in the strategy implementation by 2030. Within this context, the Western Cape Agricultural Sector Climate Change Framework and Implementation Plan (SmartAgri)(2016) also has relevance.

State of the Province Address (SOPA)

During the State of the Province Address (SOPA), delivered on 19 February 2024, the premier outlined the Western Cape Government's focus areas for the next year as:

- Growing the economy to create jobs
- Implementing the Growth for Jobs (G4J) Strategy as a roadmap to building a R1 trillion economy
- Ending load-shedding
- Focus on infrastructure – enabling public transport and creating a logistics hub
- Ensuring good governance in the province.

Western Cape Growth for Jobs Strategy (G4J)

By 2035, the Western Cape will be a R1 trillion inclusive economy, growing at between 4 and 6% per annum. This will be achieved through enabling a competitive business environment driven by private sector-led opportunities and market growth.

The G4J strategy further identifies seven Priority Areas of Focus which will act as enablers to accelerate economic growth. Wesgro has been an early adopter of the strategy. As indicated in the figure below, Wesgro is implementing activities in all seven of the pillars of G4J.

Growth4Jobs

A synergy for breakout inclusive economic growth in the Western Cape

Enable the Business Environment

Strengthening geographic synergies, and spatial transitions and catalysers

- Export facilitation & support
- Domestic & local markets
- Confidence-building and brand

Stimulate Market Growth

Enable private sector-led economic growth – through horizontal enablement & improved competitiveness

- Energy sustainability & transition to net carbon zero
- Infrastructure
- Mobility and logistics
- Broadband and Digital Transformation
- Technology & Innovation
- Logistics
- Skills & education
- Basic services inclusive of water, waste and sanitation
- Capital
- Entrepreneurship
- Safety
- Capable state & good governance
- Improved access to economic opportunities and employability

Support Growth Opportunities

Support private sector-led economic growth by being agile and responsive to opportunities

- Investment
- Partnerships & eco-systems collaboration with private sector
- Efficient and effective regulation
- Advocacy and lobbying
- Economic IQ
- Financial & non-financial support
- Leveraging national resources
- Leveraging enablers

Growth4Jobs

Priority Focus Areas (PFAs) – For Horizon 1 (Up To 2026)

Creating Growth Opportunities through Investment

- Investment facilitation
- Economic IQ
- Energy Investment (energy security)
- Manufacturing (green)
- Education Infrastructure
- Competitiveness dashboard
- Green investment
- Tech
- InvestSA ease of doing business
- Investor confidence

Technology and Innovation

- Ecosystem development and support
- Advocating for competitive regulatory frameworks
- WC Venture Capital Hub
- WC as EdTech Capital
- Central WC Knowledge Hub Platform
- Creative Industries Hub
- Services Exports
- Investor confidence

Stimulating Market Growth through Exports and Domestic Markets

- Export facilitation in line with exports strategy
- Tourism consideration
- Differentiating the WC Cape Trade Portal
- Made in the Cape brand
- Tourism dashboard
- Trade advocacy WC global market access
- Exporter advancement programme
- Services Exports Hub
- InvestSA ease of doing business
- Investor confidence

Infrastructure & Connected Economy (including mobility & logistics, broadband & digital transformation)

- Cape Town Air Access (including air cargo)
- Cruise Cape Town
- Green Economy
- Africa's Tech Capital
- Investor confidence
- CT Cargo Container Access

Energy Sustainability and Transition to Net-Zero Carbon

- Economic IQ
- Energy security investment
- Manufacturing (green)
- Industry awareness
- Green Economy
- Investor confidence

Improved Access to Economic Opportunities and Employability (skills & education, transport, housing etc)

- Export Advancement Programme
- EdTech Capital
- Tertiary institution Collaborations (skills pipeline)
- Investor confidence

Water Security and Resilience

- Water infrastructure and efficiency investment
- Climate mitigation investment
- Investor confidence

5.4.3.3 International Policy Framework

Sustainable Development Goals (SDGs)

The 2030 Agenda for Sustainable Development, adopted by all United Nations Member States in 2015, provides a shared blueprint for peace and prosperity for people and for the planet, now and into the future. At its heart are the 17 Sustainable Development Goals (SDGs) which are an urgent call for action by all countries – developed and developing – in a global partnership. They recognise that ending poverty and other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth – all while

tackling climate change and working to preserve our oceans and forests.

South Africa adopted the 2030 Agenda for Sustainable Development, aimed at prosperity for people and the planet. In this, South Africa joins the global call for urgency to ending poverty and other deprivations with the SDG blueprints. The core aims are to improve health and education, reduce inequality, and spur economic growth – all while tackling climate change and working to preserve our oceans and forests.

No.	SDG sector	SDG Addressed	Types of investment
1.	Food and agriculture	SDG 2: Zero hunger	Investment in agriculture, research, rural development, etc.
2.	Health	SDG 3: Good health & wellbeing SDG 5: Gender equality	Investment in infrastructure, e.g. new hospitals, and R&D on vaccines and medicines
3.	Education	SDG 4: Quality education SDG 5: Gender equality	Infrastructural investment, e.g. new schools
4.	Water, sanitation and hygiene	SDG 6: Clean water and sanitation SDG 5: Gender equality	Investment in provision of water and sanitation to households, agriculture and industry
5.	Energy	SDG 7: Affordable and clean energy SDG 5: Gender equality	Investment in renewable energy and in power generation, transmission and distribution of electricity
6.	Transport infrastructure	SDG 9: Industry, innovation and infrastructure & SDG 11: Sustainable cities and communities	Investment in roads, airports, ports and rail
7.	Telecommunications	SDG 9: Industry, innovation and infrastructure	Investment in analogue and digital connectivity (fixed lines, mobile and internet)
8.	Climate Change mitigation	SDG 13 Climate action SDG 5: Gender equality	Investment in sustainable infrastructure, research and deployment of climate-friendly technologies, etc.
9.	Climate change adaptation	SDG 13 Climate action SDG 5: Gender equality	Investment to cope with climate change impacts in agriculture, infrastructure, water management, coastal zones, etc.
10.	Ecosystems and biodiversity	SDG 14: Life under water SDG 15: Life on land	Investment in conservation and safeguarding ecosystems, marine resource management, sustainable forestry, etc.

Source: ESCAP, adapted from UNCTAD (2020)



Western Cape: Wind turbines in Vredenburg, West Coast, South Africa

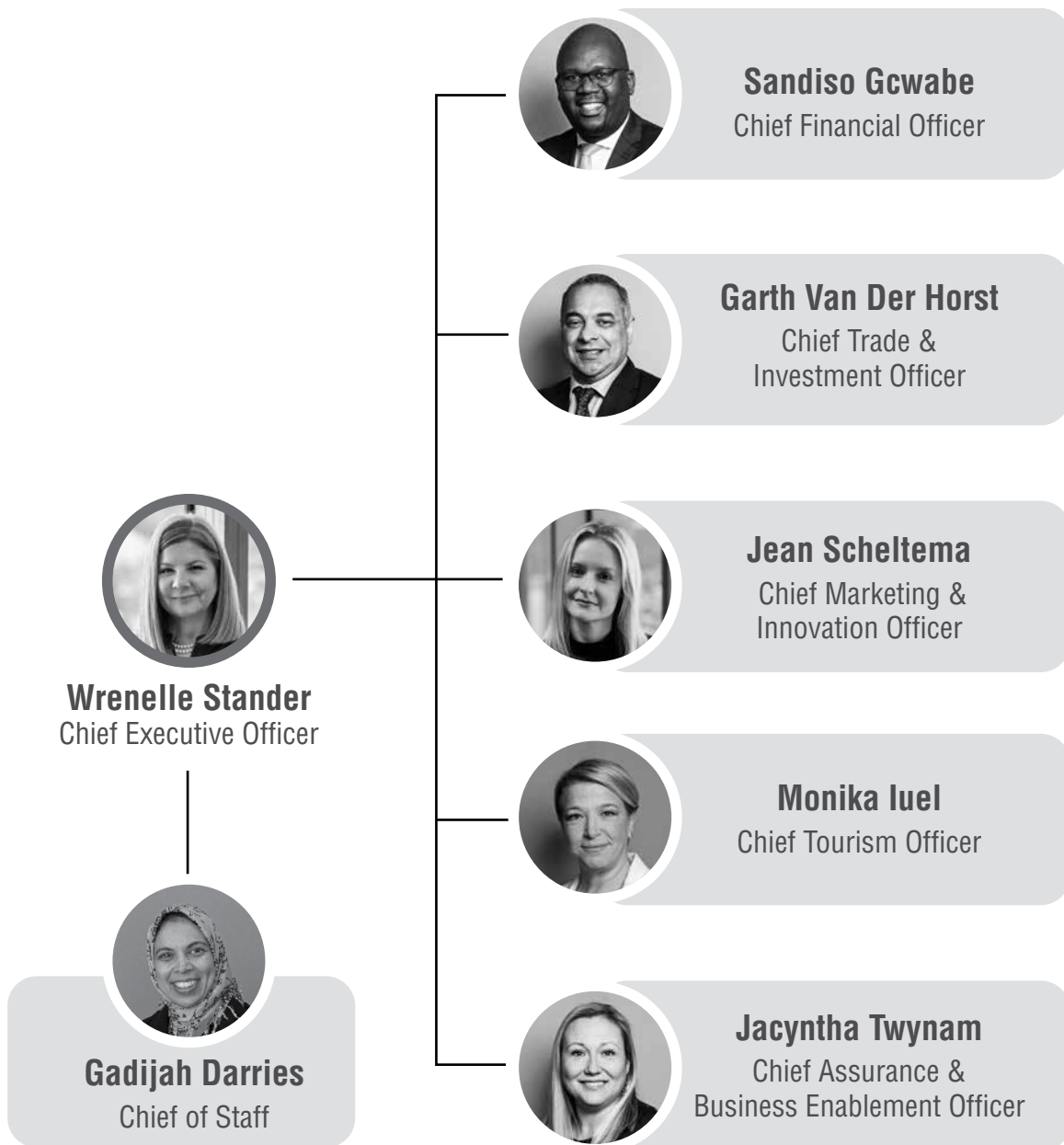
6 ORGANISATIONAL STRUCTURE: BOARD MEMBERS



Wesgro is a Schedule 3C public entity, as stipulated in the Public Finance Management Act, ACT 1 OF 199 (PFMA), and is managed by a board of directors appointed by the executive authority.

Name	Title	Date of Appointment
1 Dr. Shirley Zinn	Chairperson	02 August 2023
2 Ms. Natalie Jabangwe	Member of the Board	03 August 2023
3 Mr. Velani Mboweni	Member of the Board	03 August 2023
4 Ms. Sabine Lehmann	Member of the Board	16 August 2023
5 Executive Mayor Hendrik Du Rand	SALGA Representative to the Board	01 February 2022
6 Councilor Nicolaas Louw	SALGA Representative to the Board	01 February 2022
7 Mr. Lance Greyling	Ex-officio Member of the Board appointed by the shareholder Mayor, City of Cape Town	01 June 2017
8 Mr. Johannes van Rooyen	Member of the Board	01 November 2017
9 Mr. Sazi Ndwandwa	Member of the Board/ Chairperson of the Audit, IT and Risk Committee	23 November 2021
10 Mr. Geoffrey Jacobs	Member of the Board / Chairperson of the Human Resource and Remuneration Committee	17 March 2021
11 Mr. Simon Kaye	Ex-officio Member of the Board appointed by the shareholder, Minister	24 August 2022
12 Mr. Paul Cluver	Member of the Board	12 December 2022
13 Mr. Timothy Scholtz	Member of the Board	12 December 2022
14 Dr. David Bridgman	Member of the Board	15 December 2022
15 Ms. Wrenelle Stander	Chief Executive Officer/ Ex-officio member	15 October 2021

ORGANISATIONAL STRUCTURE: EXECUTIVE COMMITTEE



PART B: PERFORMANCE INFORMATION



Western Cape: Saldanha Bay, Cape West Coast, South Africa

PART B: PERFORMANCE INFORMATION

2.1 Auditor's Report: Predetermined Objectives

The Auditor-General South Africa (AGSA) performed audit procedures to evaluate the usefulness and reliability of the reported performance information on selected performance indicators in accordance with the criteria developed from the performance management and reporting framework. The procedures were in accordance with the AGSA findings engagement methodology. This engagement is not an assurance engagement. Accordingly, the AGSA do not express an assurance opinion or conclusion. All material findings will be included under the heading "Report on the annual performance report" in the auditor's report.

See page 123 of the Auditor-General's report, contained in Part F of this report (Financial information).

2.2. Overview of Wesgro's Performance

Service Delivery Environment

During the 2023/24 financial year the Agency achieved great strides in all its programmes. Looking at the estimated economic impact and the number of direct jobs facilitated in the Western Cape, Wesgro exceeded its targets for the year under review.

Differentiating the Western Cape as a leading regional economy led to the implementation of six strategic campaigns with a reach of 21,4 million people.

Attracting and facilitating investment in the City of Cape Town and the Western Cape led to 14 committed investment projects with an estimated economic value of R7.7bn. A total of 3 913 direct jobs are set to be realised over the next five years.

The Agency promoted and facilitated the signing of 157 trade agreements from exporters of goods and services. This equated to a five-year export value of R6.8bn with 4 948 jobs facilitated.

The City of Cape Town and the Western Cape was continuously promoted as a leisure and business destination with the implementation of various tourism destination marketing initiatives. The Convention Bureau secured 30 bids for the period under review with an estimated economic impact of R1.03bn.

Organisational Environment

Wesgro is operating in increasing challenging times. Globally, geopolitical tensions continue to dominate headlines, while on a national level, the decrease in the national fiscus and the changes in government following the elections on 29 May 2024, mean that resilience and responding to the changing environment are the order of the day.

The 2023–2024 financial year was the first year that Wesgro had a fully functioning executive committee to implement the Vision of the Board. This involved driving inclusive and sustainable economic growth, job creation and promoting the City of Cape Town and the Western Cape as a globally competitive regional economy. Innovation, knowledge and the strengthening of internal capacity as for the year under review. This was to ensure the efficient use of current resources.

The strategic decision was made to move offices from our current location to the Media 24 building. The move will provide greater accessibility and visibility of our service offering. It was also a strategic decision made in the current fiscal environment in which Wesgro operates. The actual move is scheduled to take place during quarter 1 of the 2024–2025 financial year.

Wesgro achieved an unqualified audit opinion with no material findings (Clean Audit) for the 2023/24 financial year. In 2022/23, the entity achieved an unqualified audit opinion with material findings on SCM.

Key policy developments and legislative changes

No key policy developments or legislative changes occurred during the period under review.

2.3 Progress towards Achievement of Institutional Impacts and Outcomes

The 2020/21–2024/25 Strategic Plan encapsulates the mandate of the Agency as set out in the Western Cape Investment and Trade Promotion Agency Amendment Act, 2013 (Act 6 of 2013).

The Strategic Plan 2020/21–2024/25 was amended during the year under review to ensure alignment with the Annual Performance Plan 2023/24. The changes were made in response to the Accounting Authority's strategic directives which took place in consideration with the Executive Authority. The current fiscal environment and the budgetary allocations also contributed to the amendments made during the financial year. The amended Strategic Plan was tabled in November 2023.

Wesgro's Investment programme's outcome target for the five years is to recruit and facilitate 5 698 jobs in the Western Cape with a rand value of committed investments of R12.4bn. The 2023–2024 financial year's target was to facilitate R2.47bn investment projects resulting in 1 124 jobs for the City of Cape Town and the Western Cape. At the end of 2023/24 financial year, Wesgro facilitated R7.7bn worth of committed investments in the province, resulting in 3 913 jobs.

Wesgro's Export programme's outcome target for the five-year cycle is to recruit and facilitate R20.9bn worth of signed agreements, resulting in 3 278 jobs in the province. During the year under review a strategic

decision was made to incorporate the Film promotion team into the Export programme to streamline business operations. Therefore the performance achievements of the film promotion team will be included in the Export programme's achievements. During the 2023–2024 financial year Wesgro's Export programme facilitated trade agreements to the total rand value of R6.8bn, resulting in 4 948 jobs. The R4.2bn target, which represented the value of the signed trade agreements for the financial year under review, was surpassed, as were the number of jobs that were facilitated.

The outcome target for Wesgro's Tourism programme for the five-year cycle is to market Cape Town and the Western Cape and to support destination marketing initiatives with an estimated economic value of R3.5bn. The programme's name changed from Destination Marketing Organisation to Tourism during the year under review. At the end of the 2023–2024 financial year the total estimated economic value of conference bids was R1.03bn. This epic performance achievement was achieved against an annual target of R689 million.

The Marketing and Innovation programme's target for the five-year outcome is to reach 20 million people through the implementation of strategic campaigns focused on driving the economic competitiveness of the destination. At the end of the 2023/24 financial year Wesgro's Marketing and Innovation team achieved a reach of 21,4 million people against the 10 million people target for the 2023–2024 financial year.

2.4 Institutional Programme Performance Information

2023/24 BUSINESS SNAPSHOT

CLEAN AUDIT

as per the audit report of the Auditor-General of South Africa

INVESTMENTS

R7.75bn

facilitating **3 913** Jobs

EXPORTS

R6.8bn

Export declaration signed, facilitating **4 948** jobs

GLOBAL AWARD WINNER

Cape Town Air Access powered by Wesgro received the global destination marketing award at Routes World.

TRADE INNOVATION

'Made in the Cape' market at the V&A Waterfront showcased

45 exporters that were registered on the Cape Trade Portal

ECONOMIC IMPACT OF BUSINESS EVENTS FACILITATED

R1.03bn

ENGAGING IN GLOBAL AND LOCAL CONVERSATIONS

Ensuring industry Net-Zero readiness in the Western Cape across Tourism, Trade and Investment.

CREATING BRAND AWARENESS BY REACHING

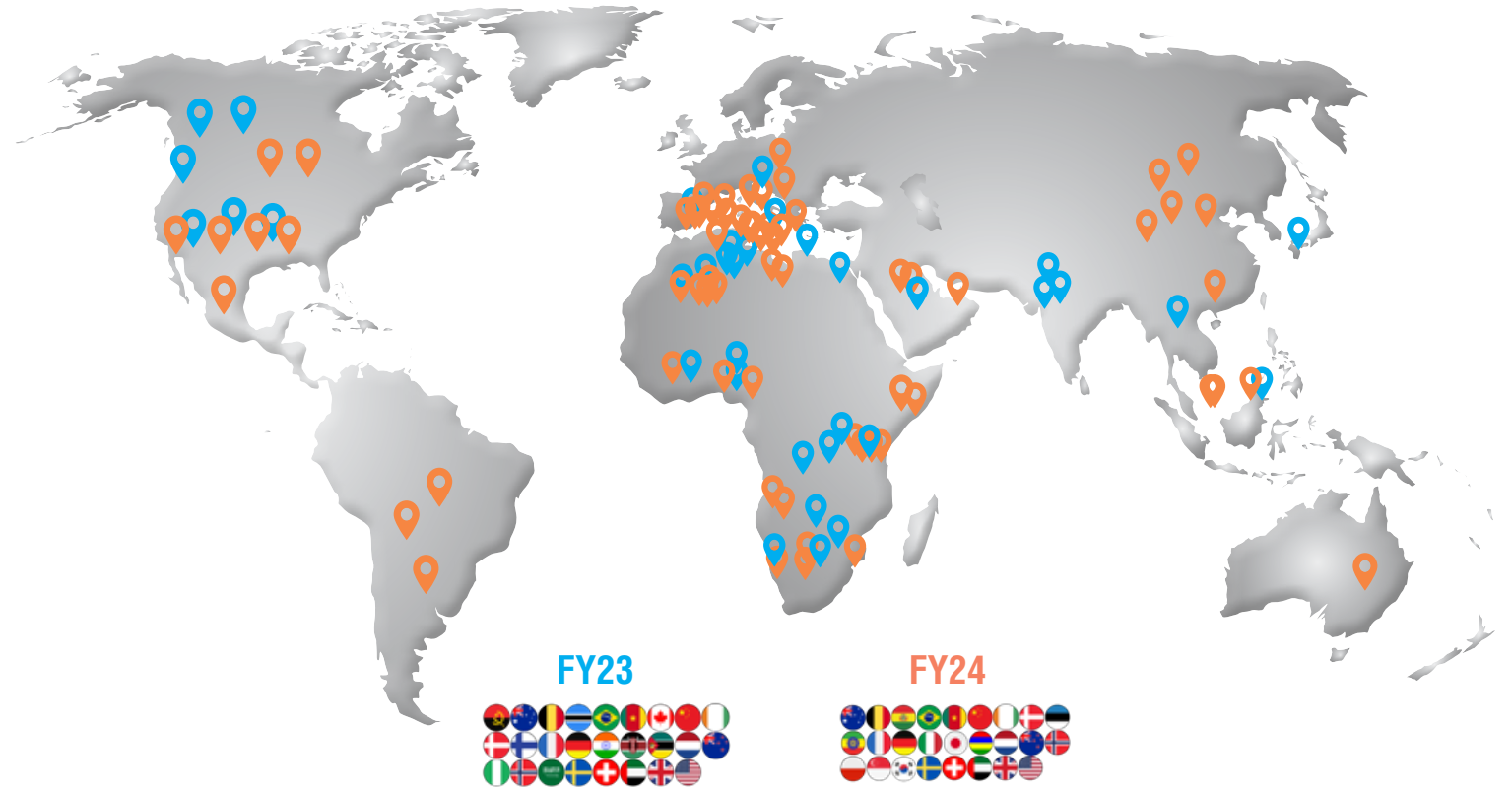
21.4m

people

BUSINESS CONFIDENCE

Convening public and private ecosystem: CEO Roundtables and Business Outlook events

Taking the Western Cape to the World. Bringing the World to the Western Cape.



93
outward
missions

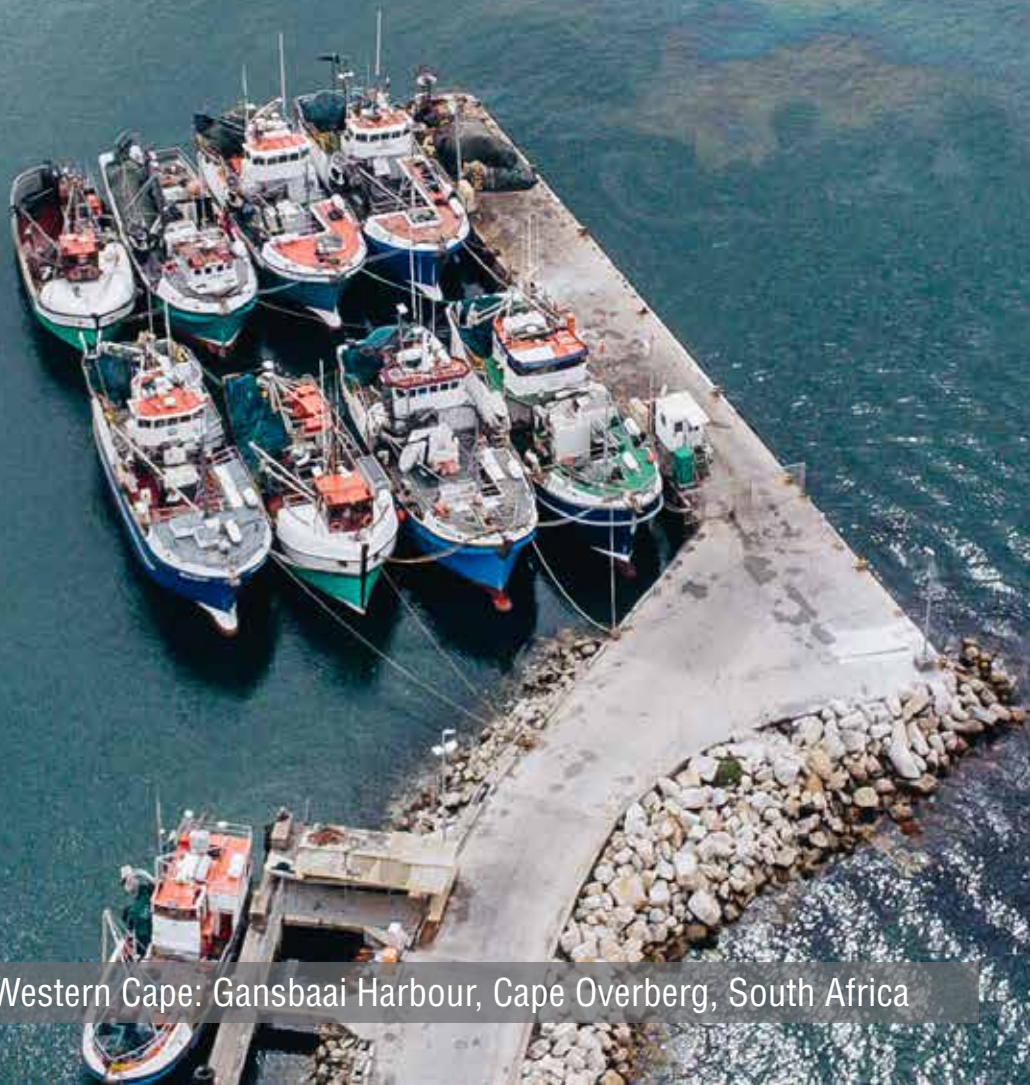
63
inward
missions

47
countries
engaged
(FY24)



Western Cape: Cape Town city at night illuminated skylines, South Africa

Be a sustainable and innovative Wesgro (Future-Fit Wesgro)



Western Cape: Gansbaai Harbour, Cape Overberg, South Africa

Programme 1: Finance

Purpose

The purpose of the Programme is to provide efficient, cost effective, transparent and responsive financial management to the Agency and ensure that the principles of good corporate governance are implemented. Effective

financial management is aimed at upholding of the legislative requirements of the Agency. It also ensures that the necessary resources are provided to efficiently run core operations.

Programme structure

This programme does not have sub-programmes.

Strategic outcome

Strategic outcome	
Strategic outcome	Enhance good governance practices through compliance with prescribed financial and non-financial regulations and guidelines.
Outcome statement	5-Year outcome: An unqualified Audit report with no material findings. 2023/24 Outcome: An unqualified Audit report with no material findings.
Baseline	The Agency achieved an unqualified audit for the 2022/23 financial year.
Justification	The concept of value for money is an integral part of the strategic and operational activities. The Programme identifies and implements interventions to achieve value for money that will improve service delivery, eliminate wasteful allocation of resources, enhance public confidence and ensure compliance.
Links	This objective is linked to the Public Finance Management Act (PFMA), National Treasury Regulations, Provincial Treasury Instructions, King IV in terms of good governance and integrated service delivery through partnerships and spatial alignment.

Strategic objectives, performance indicators, planned targets and actual achievements

Wesgro as a schedule 3C public entity is committed to creating sustainable value for the Agency and for key stakeholders in the public and private sectors. Wesgro enables the optimal use and application of resources. This involves ensuring all dependencies, related risks and opportunities, and their respective financial implications, are identified, measured, tracked and inform decision-making. This facilitates the implementation of the Agency's strategy in a sustainable and efficient manner.

The requirements of the PFMA, National Treasury, and Provincial Treasury regulations are critical to the success of this programme. The emphasis is on adherence to the guidelines. These inform the programme's outputs and key performance indicators. Continuous staff development, and reviews of policy and Standard Operating Procedures (SOPs) are critical to ensuring compliance.

Following the completion of the external audit for the 2022/23 financial year, the Agency developed a comprehensive Audit Action Plan to address the issues raised. To ensure that the Agency was compliant, Wesgro embarked on a journey to recruit professionally skilled staff. An Internal Control Unit has also been established within the Agency. In addition, the team is also being professionalised by ensuring that only people with suitable qualifications, experience and skills are appointed.

The Agency achieved an unqualified Audit Opinion with no material findings for the 2023/24 financial year.

Outlined below are the key steps taken by the entity to achieve a turnaround in the audit outcome for the 2023/24 financial year:

- The creation of a new Internal Control Unit in the Finance Department and the appointment of the Head of Internal Control from 1 April 2023

This position is filled by a professionally qualified Chartered Accountant with extensive public sector Supply Chain Management (SCM) experience and external audit expertise

- Professionalisation of the Finance Department by ensuring that only individuals with suitable qualifications, experience, and skills are appointed.
- Comprehensive training of all employees on the SCM processes in the public sector
- Digitalisation procurement processes through the introduction of mandatory usage of the ePS platform for local request for quotation (RFQ) procurement from 1 April 2023, with system training provided to all buyers
- Digitalisation of the travel management process through the introduction of a travel management solution, with system training provided to all bookers and travellers
- Review and approval of the SCM delegations to ensure clear and accountable procurement processes.
- Development and communication of SCM standard operating procedures, guidelines, and templates to the entire Agency
- Implementation of tracking registers for all procurement activities to enhance transparency and accountability
- Post-transactional review of SCM transactions by the Internal Control Unit to ensure compliance and integrity.

The finance team's ongoing commitment to enhanced professional capabilities has yielded significant benefits for Wesgro, resulting in a noteworthy reduction of R685,000 in external audit fees from the 2022/23 financial year. The clean audit and the reduction in audit fees not only underscores improved financial controls but also showcases our dedication to optimising resource allocation across the Agency. The successful digitalisation of quotation and travel procurement processes, coupled with the professionalisation initiative, has unlocked operational efficiencies, empowering the SCM Unit to provide more effective support to the Agency while streamlining procurement procedures.

Strategic objective

Wesgro achieved an unqualified Audit Opinion with no material findings (Clean Audit) for the 2023/24 financial year. In 2022/23, the entity achieved an Unqualified Audit report with no findings.

Key performance indicators, planned targets and actual achievements

Programme 1: Finance									
Outcome	Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Audited Actual Performance 2022/23	Planned Annual Target 2023/24	**Actual Achievement 2023/24	Deviation from planned target to Actual Achievement 2023/24	Reasons for deviations
Unqualified Audit report with no material findings	Financial, SCM, IT and HR outputs	Positive financial viability rating	4	4	4	4	4 (Good)	-	The operational budget was exceeded by 4% as a result of prepayments in relation to a multi-year marketing campaign.
		Percentage achievement of annual budgeted operational expenditure	98%	98%	96%	98%	104%	4%	

Strategy to overcome underperformance

Not applicable

Linking performance with budget

Programme	Budget	Actual expenditure	(Over-)/ Under- expenditure	Budget	Actual expenditure	(Over-)/ Under- expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Finance	R20 220	R26 670	(R6 451)	R16 202	R21 073	(R4 871)
Total	R20 220	R26 670	(R6 451)	R15 173	R21 073	(R4 871)



Western Cape: Vineyards in Stellenbosch, Cape Winelands, South Africa

Capture the Western Cape's share of global investment. R200bn by 2035



Western Cape: Wind turbines in Cape Overberg, South Africa

Programme 2: Investment

Purpose

Be instrumental in ensuring that Cape Town and the Western Cape is an investment destination of choice for global and local investors.

Programme structure

Sub-programme 2.1: Core investment promotion

Wesgro attracts direct investment to the Western Cape from international, national and local sources.

Sub-programme 2.2: Ancillary investment promotion

- Agribusiness Investment Desk is responsible for landing new direct investments into the Western Cape's agri-business sector and retaining existing investments and supporting their expansions.
- One Stop Shop (OSS) – Investor Centre supports local and foreign investors on behalf of InvestSA.
- District Stakeholder Desk manages the relationship between the various District Municipality stakeholders across all Wesgro programmes.

Strategic outcome

Strategic outcome	
Strategic outcome	Facilitate investment and jobs into the Western Cape.
Outcome statement	5-year outcome: To recruit and facilitate R12.4 billion committed investments into the province, resulting in 5 698 jobs. 2023/24 outcome: To recruit and facilitate R2.47bn committed investment into the province, resulting in 1 124 jobs.
Baseline	A total of R4.13bn investments was committed, resulting in 1 507 jobs during the 2022/23 financial year.
Justification	The facilitation of investment projects into the Western Cape is a core function of Wesgro and it is imperative that the Agency remain consistent and a leader in investment generation.
Links	The objective is aligned to VIP 2: Economy and Jobs and the Western Cape Government Growth for Jobs (G4J) strategy. The objective is also aligned to the National Development Plan and Vision 2030 in relation to economic growth and industry development.

Strategic objectives, performance indicators, planned targets and actual achievements

Wesgro aims to contribute to capturing the Western Cape's share of global investment commitments, which are particularly focused on energy resilience and the green transition (including renewables, green hydrogen, and water), and increasing investment from local Western Cape businesses. The Western Cape has traditionally sourced much of its investment from the United States (US) and Europe and while Wesgro has continued to look to these markets for further investment, additional strategic stakeholder engagements have focused on trying to unlock more investment from China, the ASEAN region and the Middle East.

Key milestones for the 2023–2024 financial year were achieved in landing R7.75bn of investments, against a target of R2.47bn. These projects are set to create 3 913 jobs over the next five years, which will surpass the target of 1 124 jobs. 14 investment projects were landed during the 2023-2024 financial year. Wesgro's partnership with GreenCape was a key contributing factor towards these milestones being achieved.

Wesgro's investment pipeline was significantly bolstered during the year under review with the Tech, Business Services, Green economy and Agribusiness sectors showing positive growth in investment leads. In addition, the investment pipeline for manufacturing, real estate, infrastructure and health and life sciences looks robust. Strategic collaborations with Wesgro's partners, namely GreenCape, Atlantis Special Economic Zone (ASEZ) and Freeport Saldanha, regarding green economy investment promotion, ensured that Wesgro remained at the forefront of driving interest in this strategically important sector.

In further pursuing the green transition, Wesgro collaborated with Freeport Saldanha, DEDAT and ASEZ in the development of the Green Hydrogen Strategy for the Western Cape. This strategy reflected the province's approach in the development of the industry in the Western Cape, in partnership with other provinces and national government. To this end, the Western Cape government signed a Memorandum of Understanding (MoU) relating to Green Hydrogen cooperation with the Northern Cape and Eastern Cape. Wesgro supports this endeavour to drive green hydrogen collaboration not only in South Africa but in the Wwestern Southern African Development Community (SADC) Green Hydrogen corridor.

Wesgro continued to work on promoting Cape Town as Africa's tech capital by promoting Cape Town on both local

and international platforms, such as Africa Tech Festival, VivaTech, as well as other international investment missions. Wesgro also supported advocacy efforts to improve legislation that would allow more venture capital funding to flow into South Africa and into Western Cape start-ups.

Wesgro's lead generation efforts focused on engaging both foreign and local investors through events, direct engagements, international missions and engagements with key intermediaries, such as business associations and chambers of commerce. The investment promotion initiatives were strategically directed to ensure that Cape Town and the Western Cape is viewed as a destination of choice for both local and foreign investors.

Wesgro's investment promotion mandate was showcased on the global stage through numerous international missions, including those to the United Kingdom, China, Germany, Saudi Arabia, Ethiopia, Sweden, Singapore, Netherlands, Hong Kong, France, Denmark and Botswana. These missions were focused on promoting the Western Cape as an investment destination; learning lessons from other countries on investment promotion; and building stronger ties for shared economic growth.

Locally, Wesgro hosted business delegations from a wide range of countries, including the US, Germany, China, Japan, Estonia, Belgium, the UK, Austria, Côte d'Ivoire, Singapore, Netherlands, Italy, Sweden, Norway, and Switzerland. There continued to be a strong interest in South Africa and the Western Cape as an investment destination, despite some of the challenges such as loadshedding, which negatively impacted the country in 2023–24.

One of the highlights for the year was Wesgro's 'Invest in Cape Town and the Western Cape' event held in London in October 2023, where a Wesgro team was accompanied by MEC Mireille Wenger and Alderman James Vos. The focus was on the green economy, tech and agriculture. The investment week also included attendance at AFSIC and the African Private Capital Association (AVCA) London Summit, as well as direct meetings with a few key potential investors. The mission week was aimed at enhancing the UK as key source market of investment, while also meeting other global investors present at the Africa-focused events during the week.

Another highlight was Wesgro's anchoring of the South African exhibition stand at the World Hydrogen Summit in Rotterdam, Holland, in May 2023. Wesgro was

accompanied by a strong delegation of South African green hydrogen project developers, as well as key partners from DEDAT and Freeport Saldanha. The event helped highlight the green hydrogen potential of the country as a whole, including showcasing some of the green hydrogen projects.

Lastly, Wesgro undertook an important investment mission to Xiamen City, Fujian province, in China to focus on attracting companies in the green economy, specifically producers of solar panels, lithium-ion batteries and components of these products.

Locally, Wesgro built on its outreach to Western Cape companies to extend its business growth services offering, focused on expansion and retention. To this end, Wesgro also engaged with key business associations, chambers and accelerators across sectors including tech, property, green economy, health and agribusiness. These key relationships helped the Agency build on its capacity for assisting in the growth of the Western Cape economy.

During 2023–2024, Wesgro’s engagements with investors highlighted not only the opportunities but also the challenges that businesses experience when they decide to invest in the Western Cape and South Africa. The One Stop Shop (OSS) plays a significant role in addressing these challenges.

Wesgro has been tasked to set up and operationalise the provincial ‘One Stop Shop’. This is an initiative run by the DTIC’s InvestSA division, which connects various arms of both national and regional government who endeavour to assist potential investors and businesses with regulatory and administrative bottlenecks. The partners are the Companies and Intellectual Property Commission (CIPC), DTIC Incentives, Department of Labour, Department of Home Affairs, Visa Facilitation Services (VFS Global), the South African Revenue Services (SARS), Green Cape, Freeport Saldanha, the City of Cape Town Mayor’s Office, the Western Cape Government’s Red Tape Unit and Wesgro.

The OSS’s performance has contributed to improving the ease of doing business for international and local investors. The support provided included handling more than 111 operational enquiries, 60 corporate and stakeholder engagements, and 31 regulatory approvals with partners such as SARS, the Department of Home Affairs, Western Cape municipalities, Eskom, and other government entities.

A summary of the committed investments facilitated by Wesgro, in some cases in collaboration with key partner GreenCape, is laid out below:

Committed investment projects 2023/24							
No.	Company	Source country	Sector (SIC Classification)	Wesgro Strategic Focus	Rand value (R’)	Jobs	District
1	Kamal Cisco Steel	Tanzania	Manufacturing	Circular Economy, Manufacturing	R 4 000 000 000	800	City of Cape Town
2	Solar MD	South Africa	Manufacturing	Green Economy, Manufacturing	R 2 000 000 000	350	City of Cape Town
3	Kirby International Group	Ireland	Professional, scientific and technical activities	Services	R 150 000 000	45	City of Cape Town
4	Pick n Pay (Zevenwacht Mall)	South Africa	Wholesale and retail trade; repair of motor vehicles and motorcycles	Green Economy, Circular economy	R 150 000 000	200	City of Cape Town
5	Confidential	Luxembourg	Financial and insurance activities (Financial Services)	Services	R 90 000 000	30	City of Cape Town
6	Valternative Energy	South Africa	Transportation and storage	Green Manufacturing, E-mobility	R 300 000 000	1500	City of Cape Town

Committed investment projects 2023/24							
No.	Company	Source country	Sector (SIC Classification)	Wesgro Strategic Focus	Rand value (R')	Jobs	District
7	Confidential	South Africa	Manufacturing	Manufacturing	R 300 000 000	150	City of Cape Town
8	ZimiCharge	South Africa	Transportation and Storage	Services, E-mobility	R 50 000 000	50	City of Cape Town
9	Green Riders – Ebike	South Africa	Transportation and Storage	Green Manufacturing (e-mobility)	R 33 000 000	600	City of Cape Town
10	Karoo Pak	South Africa	Agriculture, forestry and fishing	Agri processing	R 16 000 000	8	Garden Route
11	Maltento	South Africa	Water supply; sewerage, waste management and remediation activities	Green Economy	R 60 460 160	20	City of Cape Town
12	Sea H4	South Africa	Agriculture, forestry and fishing	Green Economy	R4 105 660	10	West Coast
13	Darling Green Estate Pty Ltd	South Africa	Real estate activities	Real Estate, Green Economy	R600 000 000	130	West Coast
14	Anthm	USA	Accommodation and food service activities	Services	R5 000 000	20	City of Cape Town
Total					R7 758 565 820	3913	

Strategic objective

The total five-year outcome target for the period 2020/21 to 2024/25 is to recruit and facilitate R12.4bn in committed investments in the Western Cape, resulting in 5698 jobs. The annual outcome target for 2023/24 in attracting committed investments into the province of R2.47bn and 1 124 jobs and the actual achievement for 2023/24 is R7.75bn in rand value of investments with 3 913 jobs facilitated in the province.

In the 2022/23 financial year, the entity attracted R4.13bn in rand value of investments in the Western Cape and facilitated 1 507 jobs.

Key performance indicators, planned targets and actual achievements

		Programme 2: Investment						
Outcome	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Audited Actual Performance 2022/23	Planned Annual Target 2023/24	** Actual Achievement 2023/24	Deviation from planned target to Actual Achievement 2023/24	Reasons for deviations
Rand value of committed investment into the Province								
No. of jobs facilitated from committed investments into the Province	Investment projects committed Number of investment projects committed	17	8	14	18	14	-4	The output indicator was not achieved due to an increase in loadshedding that affected investor confidence.

Strategy to overcome underperformance

Wesgro continues to focus on creating a robust investment pipeline during the 2023–24 financial year. The Western Cape economy, like economies around the world, is exposed to global economic headwinds, the changing global socio-political climate, as well as global natural disasters. In addition, investor sentiment is still affected by South Africa’s energy crisis and persistent loadshedding.

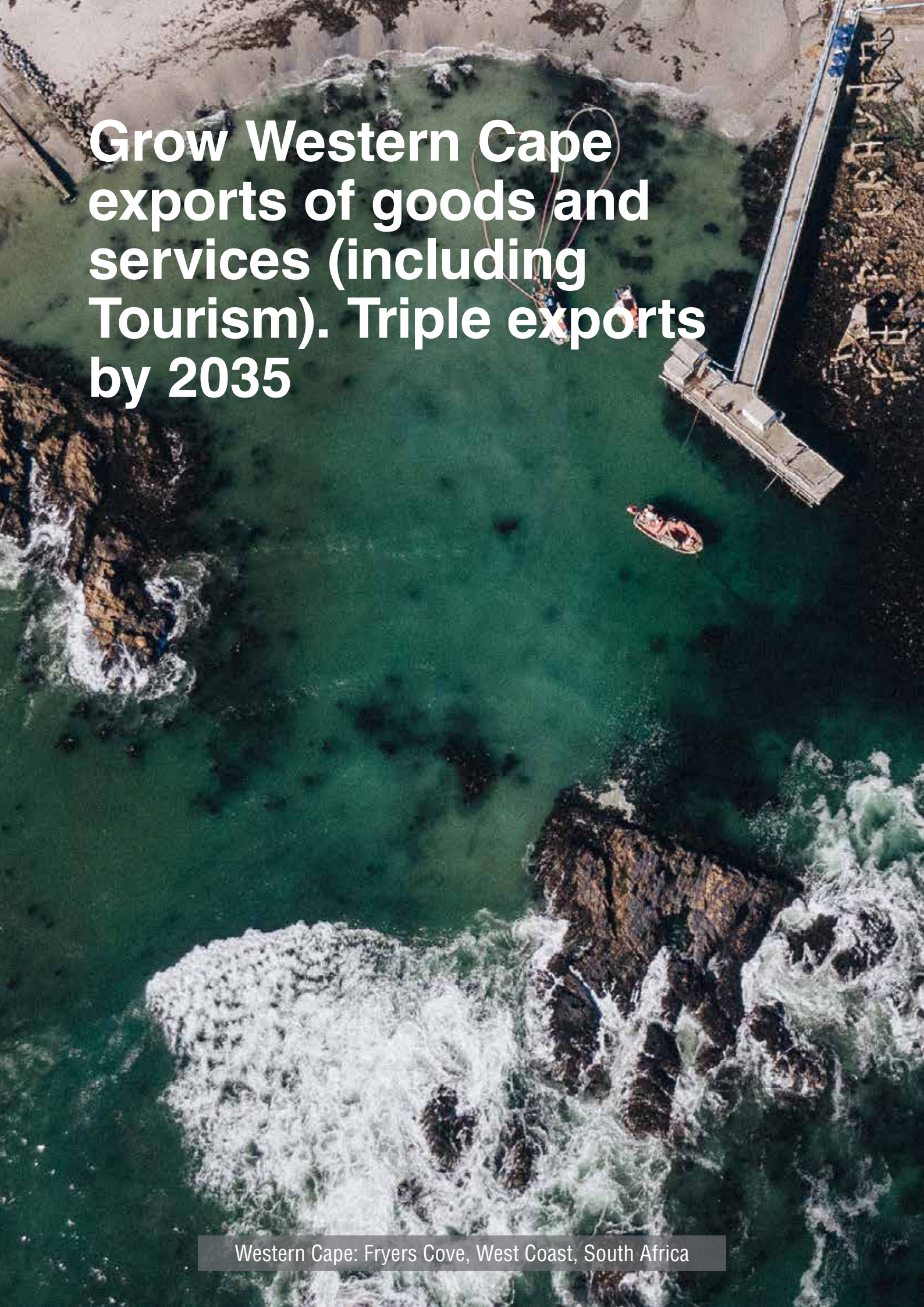
Despite a robust investment pipeline, these challenges remain a part of Wesgro’s operating environment and influence the number of investment projects committed. A critical part of Wesgro’s strategy is to differentiate the Western Cape as a leading regional economy so as to create a compelling value proposition for capturing the province’s share of global investment.

Linking performance with budget

Programme	2023/24			2022/23		
	Budget	Actual expenditure	(Over-)/ Under- expenditure	Budget	Actual expenditure	(Over-)/ Under- expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Investment	R27 159	R29 540	(R2 382)	R21 896	R18 215	R3 681
Total	R27 159	R29 540	(R2 382)	R21 896	R18 215	R3 681



Western Cape: Barrydale, border of the Overberg and Klein Karoo, South Africa

An aerial photograph of a coastal area. In the upper right, a long wooden pier extends into the water. A small boat is near the pier. A paraglider is visible in the sky above the water. The water is a deep green color. In the lower right, there are large, dark rocks with white waves crashing against them. The overall scene is a mix of natural beauty and human-made structures.

Grow Western Cape exports of goods and services (including Tourism). Triple exports by 2035

Western Cape: Fryers Cove, West Coast, South Africa

Programme 3: Export

Purpose

Be instrumental in ensuring that Cape Town and the Western Cape is a sought-after source market globally for goods and services.

Programme structure

This programme does not have sub-programmes.

Strategic outcome

Strategic outcome	
Strategic outcome	To promote and facilitate global exports of goods and services from qualified companies in the Western Cape.
Outcome statement	5-year outcome: To recruit and facilitate R20.9 billion in trade agreements, resulting in 3 278 jobs. 2023/24 outcome: To recruit and facilitate R4.2bn in trade agreements, resulting in 655 jobs.
Baseline	A total value of R2.0bn in trade agreements were committed, resulting in 320 direct jobs.
Justification	By promoting and facilitating exports, the economy of the Western Cape will grow, and continuous job creation will be sustained. In addition, exposure to markets will increase demand for brands.
Links	The objective is aligned to VIP 2: Economy and Jobs and the Western Cape Government Growth for Jobs (G4J) strategy. The objective is also aligned to the National Development Plan and Vision 2030 in relation to economic growth and industry development.

Strategic objectives, performance indicators, planned targets and actual achievements

Leveraging technology and e-commerce to expand exports through the Western Cape's online marketplace and resource centre, www.capetradeportal.com is core to facilitating the exports of goods and services from qualified companies in the Cape Town and the Western Cape. We have leveraged technology to connect more exporters with more buyers through the Cape Trade Portal.

Wesgro has continued to innovate in the way we approach trade. Strong relationships have been built with our longstanding export markets. The output targets for the 2023–2024 financial year were achieved because of the strategic approach implemented to facilitate an enabling environment for exporters. An annual review of priority markets and sectors was conducted to ensure that targeted market strategies are implemented. We will continue to nurture these and to grow even further. We will cast a wider net to include markets such as China, the ASEAN, and the Middle East.

The services sector contributes +70% towards the Western Cape's gross value added (GVA) and employment. Establishing a strong services trade ecosystem is essential for future growth in the Western Cape, as detailed in the Western Cape's Growth for Job Strategy 2030. Wesgro established a dedicated unit for trade in services to provide support to Western Cape businesses in promoting exports. The unit commissioned a research study in trade in services to identify the largest export opportunities, and to ensure export promotion activities are data-led. The study will be published in 2024–2025.

The 'Made in the Cape' brand promotes products and services that tell the unique story of Cape Town and the Western Cape. Driven by quality, trust, diversity and sustainability, the brand positions the Western Cape as a sought-after source market. During the year under review, several activations took place, including a 'Made in the Cape' pop-up store in the Waterfront as well as the second edition of Wesgro's flagship 'Made in the Cape' business to business (B2B) buyers' programme.

The flagship 'Made in the Cape' pop-up store activation took place at the V&A Waterfront; where 45 Western Cape and Cape Trade Portal registered selected exporters were featured over a period of three weeks. Pioneering trade innovation, which involved augmenting reality, was used

to bring miniature scenes to life for consumers across sustainability initiatives, wine, Cape design products, the Cape Floral Kingdom and more. The 'Made in the Cape' Waterfront activation initiative attracted an estimated 2 million visitors in foot traffic who passed through the area. News24 and *Business Day* covered the initiative and the media coverage reached 1,5 million people.

The 'Made in the Cape' 2024 B2B Hosted Buyers' Programme took place from 4–7 March 2024. It was aimed at expanding international buyer networking, to help drive inward buyer missions so that Western Cape businesses could be connected with international buyers in an easy, sustainable and cost-effective manner. It served as a pivotal platform for interaction between global buyers and exporters from the Western Cape, spotlighting the region's varied, premium, and eco-friendly products and services. 'Made in the Cape' welcomed 42 international buyers from 23 different countries, 362 exporters spanning seven key sectors such as primary agriculture, food & beverage, services, manufacturing and clothing & textiles, among others. Some 840 B2B meetings took place.

In creating an enabling environment for Cape Town and Western Cape exporters, Wesgro's Export Advancement and Promotion (EAP) programme focuses on building export competence and capability in Western Cape companies. The initiative focuses on providing export training, local and international mentoring and advisory services to clients facing challenges in market access, expansion, and export capability. The EAP programme supports companies by addressing all aspects of the export process through theory and practical methodologies. Modules cover orientation to export, preparing to export and developing an export marketing plan, financial risk management, and export costing and logistics. During the 2023–2024 financial year the EAP programme conducted nine export training courses and 233 companies from the City of Cape Town and local municipalities benefitted from the training.

In conjunction with the EAP programme Wesgro also facilitates the Business Development Mentorship (PUM) programme, a Dutch mentorship programme for Western Cape companies needing business guidance on process improvement to boost exports. Skills transfer is tailored to the exporter's requirements, which are enhanced by the PUM mentors' extensive global experience. The 2023–2024 four companies joined the programme.

A total of 30 companies were mentored through the Wesgro one-on-one export mentorship programme which helped to iron out the challenges with regard to exports that companies face.

Growing the exports of goods and services and ensuring access to international markets for Western Cape based exporters, Wesgro undertook 60 missions with 797

exporters. The outward selling and the inward buying missions were strategically executed to ensure that the exporters acquired valuable collaborations, regarding buyer and exporter relations.

Wesgro surpassed its targets in relation to exports during the 2023–2024 financial year. A total of 157 trade agreements were signed for the financial year.

The table below provides a breakdown of the business agreements signed:

Global exports 2023/24						
No.	Company	Country	Broad sector	Rand value	Jobs	District
1	Herbs-Aplenty (Pty) Ltd	Morocco	Food & Beverage	R10 000 000	2	Overberg
2	So African Consulting	Portugal	Food & Beverage	R25 000 000	10	City of Cape Town
3	Klein River Cheese	United States	Food & Beverage	R9 000 000	3	Overberg
4	Rozendal Farm cc	United States	Food & Beverage	R167 000	0	Cape Winelands
5	Iris Fresh	Spain	Primary Agriculture	R3 000 000	0	City of Cape Town
6	Iris Fresh	Germany	Primary Agriculture	R150 000	0	City of Cape Town
7	Iris Fresh	Netherlands	Primary Agriculture	R150 000	1	City of Cape Town
8	Iris Fresh	Malaysia	Primary Agriculture	R9 000 000	1	City of Cape Town
9	Iris Fresh	Malaysia	Primary Agriculture	R1 000 000	0	City of Cape Town
10	RenderHeads (Pty) Ltd	United States	Services – Creative Industries	R1 385 000	3	City of Cape Town
11	Ultrapure HOCL (Pty) Ltd	Kuwait	Healthcare	R3 600 000	5	City of Cape Town
12	Nuiba 373	Cameroon	Food & Beverage	R50 000	0	Cape Winelands
13	Southern Fruit Trading (Pty) Ltd	Kenya	Primary Agriculture	R22 791 600	1	City of Cape Town
14	Confidential	France	Services – Creative Industries	R5 928 262	2	City of Cape Town
15	Langeberg & Ashton Foods	Chile	Food & Beverage	R200 000 000	0	Cape Winelands
16	Banhoek Chilli Oil Company (Pty) Ltd	United States	Food & Beverage	R20 000 000	5	Cape Winelands
17	Bayede Marketing (Pty) Ltd	Rwanda	Food & Beverage	R4 400 000	0	Cape Winelands
18	Carteirra SA P/L	China	Food & Beverage	R5 000 000	10	Overberg
19	Carteirra SA P/L	China	Food & Beverage	R2 000 000	8	Overberg
20	Carteirra SA P/L	China	Food & Beverage	R2 000 000	8	Overberg
21	De Pizan Beverages (Pty) Ltd	Singapore	Food & Beverage	R14 500	0	City of Cape Town
22	Confidential	Japan	Food & Beverage	R650 000	0	Cape Winelands
23	RenderHeads (Pty) Ltd	China	Services – Creative Industries	R555 050	2	City of Cape Town

Global exports 2023/24						
No.	Company	Country	Broad sector	Rand value	Jobs	District
24	Carmien Tea	Sri Lanka	Food & Beverage	R1 600 000	0	West Coast
25	Carmien Tea	United Arab Emirates	Food & Beverage	R1 000 000	0	West Coast
26	Benjamin Commodities	India	Primary Agriculture	R110 000 000	45	City of Cape Town
27	Benjamin Commodities	India	Primary Agriculture	R78 300 000	0	City of Cape Town
28	Benjamin Commodities	India	Primary Agriculture	R60 000 000	0	City of Cape Town
29	Rio Largo Olive Estate	United States	Food & Beverage	R2 000 000	5	Cape Winelands
30	Rio Largo Olive Estate	Canada	Food & Beverage	R100 000	0	Cape Winelands
31	Rio Largo Olive Estate	Netherlands	Food & Beverage	R200 000	0	Cape Winelands
32	Rio Largo Olive Estate	Japan	Food & Beverage	R300 000	0	Cape Winelands
33	Rio Largo Olive Estate	United States	Food & Beverage	R100 000	0	Cape Winelands
34	Funky Ouma	United States	Food & Beverage	R2 800 000	3	Cape Winelands
35	Gun Bay Wines & Spirits	Cameroon	Food & Beverage	R100 000	2	City of Cape Town
36	Agri4Africa	Egypt	Manufacturing – Other	R4 000 000	1	Cape Winelands
37	Ask Carla Kote	China	Food & Beverage	R939 600 000	3000	City of Cape Town
38	Herbs-Aplenty (Pty) Ltd	Germany	Food & Beverage	R5 000 000	2	Overberg
39	Cape Honeybush Tea Company	Italy	Food & Beverage	R8 000 000	2	Garden Route
40	Cape Honeybush Tea Company	United States	Food & Beverage	R5 000 000	0	Garden Route
41	Cape Honeybush Tea Company	Japan	Food & Beverage	R230 000	0	Garden Route
42	African Logistics and Shipping	Guinea	Food & Beverage	R5 000 000	0	City of Cape Town
43	ATF Trading	Ivory Coast	Other	R60 000 000	8	City of Cape Town
44	ATF Trading	Nigeria	Other	R50 000 000	5	City of Cape Town
45	Excell Screen & Digital Printers	Ivory Coast	Services – Other	R15 000 000	5	City of Cape Town
46	CK Consulting and Product Managers	Cameroon	Services – Other	R61 261 597	55	City of Cape Town
47	Confidential	Cameroon	Manufacturing – Other	R150 000 000	15	Cape Winelands
48	Confidential	Ivory Coast	Manufacturing – Other	R80 000 000	10	Cape Winelands
49	Confidential	Cameroon	Food & Beverage	R300 000 000	25	City of Cape Town
50	Confidential	Democratic Republic of the Congo	Food & Beverage	R150 000 000	8	City of Cape Town
51	The Biscuit Factory	Namibia	Food & Beverage	R500 000	10	City of Cape Town
52	Fair Golden	Ivory Coast	Primary Agriculture	R90 000 000	15	City of Cape Town

Global exports 2023/24						
No.	Company	Country	Broad sector	Rand value	Jobs	District
53	Fair Golden	Democratic Republic of the Congo	Primary Agriculture	R20 000 000	5	City of Cape Town
54	Greenie SA (Pty) Ltd	United States	Other	R500 000	1	City of Cape Town
55	Chumile Holdings	Nigeria	Services – Other	R12 000 000	5	City of Cape Town
56	Perdeberg Wines	Mozambique	Food & Beverage	R10 000 000	0	Cape Winelands
57	BSCG Pty (Ltd)	Canada	Food & Beverage	R24 876	0	City of Cape Town
58	BSCG Pty Ltd	United States	Food & Beverage	R18 884	0	City of Cape Town
59	Holden Manz Wine Estate	Rwanda	Food & Beverage	R2 500 000	0	Cape Winelands
60	Holden Manz Wine Estate	Cameroon	Food & Beverage	R2 500 000	0	Cape Winelands
61	Funky Ouma	Netherlands	Food & Beverage	R1 100 000	3	Cape Winelands
62	Funky Ouma	Finland	Food & Beverage	R250 000	2	Cape Winelands
63	Funky Ouma	Germany	Food & Beverage	R2 500 000	3	Cape Winelands
64	24 Bit Games (Pty) Ltd	United States	Services – Creative Industries	R2 500 000	4	City of Cape Town
65	24 Bit Games (Pty) Ltd	Sweden	Services – Creative Industries	R2 000 000	4	City of Cape Town
66	Carmen Stevens Wines (Pty) Ltd	Netherlands	Food & Beverage	R85 000	0	Cape Winelands
67	FSP Collection (Pty) Ltd	France	Manufacturing – Other	R300 000	0	City of Cape Town
68	Greenie	United States	Clothing and Textiles	R500 000	0	City of Cape Town
69	Greenie	France	Clothing and Textiles	R4 900	0	City of Cape Town
70	Potterswork	Brazil	Manufacturing – Other	R50 000	0	City of Cape Town
71	Potterswork	Belgium	Manufacturing – Other	R70 000	0	City of Cape Town
72	Potterswork	United Kingdom	Manufacturing – Other	R755 754	1	City of Cape Town
73	So African Consulting T/A So African Natural Oils	Portugal	Healthcare	R60 000 000	15	City of Cape Town
74	Southern Right Foods (Pty) Ltd	Ireland	Food & Beverage	R1 054 816	2	City of Cape Town
75	Southern Right Foods (Pty) Ltd	Brunei	Food & Beverage	R2 077 213	2	City of Cape Town
76	Southern Right Foods (Pty) Ltd	Mauritius	Food & Beverage	R3 060 251	3	City of Cape Town
77	Southern Right Foods (Pty) Ltd	Botswana	Food & Beverage	R794 687	0	City of Cape Town
78	Leonista	Japan	Food & Beverage	R1 000 000	5	City of Cape Town
79	Leonista	Netherlands	Food & Beverage	R2 000 000	5	City of Cape Town
80	Leonista	United Kingdom	Food & Beverage	R400 000	5	City of Cape Town

Global exports 2023/24						
No.	Company	Country	Broad sector	Rand value	Jobs	District
81	The Art of Taste	Saudi Arabia	Food & Beverage	R4 000 000	0	Cape Winelands
82	Whimsical Collection	Germany	Clothing and Textiles	R300 000	2	City of Cape Town
83	Whimsical Collection	Réunion	Clothing and Textiles	R120 000	0	City of Cape Town
84	Whimsical Collection	France	Clothing and Textiles	R300 000	2	City of Cape Town
85	Whimsical Collection	France	Clothing and Textiles	R100 000	0	City of Cape Town
86	Whimsical Collection	Sweden	Clothing and Textiles	R120 000	2	City of Cape Town
87	Bili Beadwear	France	Clothing and Textiles	R25 000	0	City of Cape Town
88	Bili Beadwear	France	Clothing and Textiles	R45 000	2	City of Cape Town
89	Good Hope Meats (Pty) Ltd	Mauritius	Primary Agriculture	R6 000 000	2	City of Cape Town
90	Good Hope Meats (Pty) Ltd	Democratic Republic of the Congo	Primary Agriculture	R7 500 000	2	City of Cape Town
91	Good Hope Meats (Pty) Ltd	Angola	Primary Agriculture	R1 500 000	0	City of Cape Town
92	Confidential	Germany	Services- Creative Industries	R372 000	0,107	City of Cape Town
93	Confidential	Germany	Services- Creative Industries	R63 000	0,012	City of Cape Town
94	Confidential	Germany	Services- Creative Industries	R376 000	0,1097	City of Cape Town
95	Holden Manz Wine Estate	Kenya	Food & Beverage	R2 000 000	0	Cape Winelands
96	Holden Manz Wine Estate	Zambia	Food & Beverage	R1 000 000	0	Cape Winelands
97	Redamancy vineyards (Pty) Ltd	Denmark	Food & Beverage	R122 400	0	Cape Winelands
98	Cape Foods (Pty) Ltd	Netherlands	Food & Beverage	R25 000 000	12	City of Cape Town
99	Cape Foods (Pty) Ltd	Ireland	Food & Beverage	R18 000 000	5	City of Cape Town
100	Cape Foods (Pty) Ltd	Netherlands	Food & Beverage	R8 000 000	3	City of Cape Town
101	Cape Foods (Pty) Ltd	United Kingdom	Food & Beverage	R4 000 000	1	City of Cape Town
102	Confidential	Netherlands	Services – Other	R200 000 000	32	Cape Winelands
103	Confidential	United Kingdom	Services – ITC	R17 000 000	0	City of Cape Town
104	Cape Honeybush Tea CC	Italy	Food & Beverage	R5 000 000	0	Garden Route
105	Cape Honeybush Tea CC	Germany	Food & Beverage	R500 000	0	Garden Route
106	Zoetendal Vineyards Pty Ltd	Denmark	Food & Beverage	R475 000	3	Overberg
107	HopYacht Pty Ltd	France	Boatbuilding	R100 000 000	25	City of Cape Town
108	Southern Right Foods (Pty) Ltd	Italy	Food & Beverage	R1 565 152	4	City of Cape Town

Global exports 2023/24						
No.	Company	Country	Broad sector	Rand value	Jobs	District
109	Confidential	United Arab Emirates	Services – Creative Industries	R539 000	0,1	Cape Winelands
110	Confidential	Germany	Services – Creative Industries	R350 000	0,73	City of Cape Town
111	Confidential	Germany	Services – Creative Industries	R1 358 420	1,1	City of Cape Town
112	Confidential	Germany	Services – Creative Industries	R170 000	0,12	City of Cape Town
113	Langeberg & Ashton Foods	United Kingdom	Food & Beverage	R675 000 000	0	Cape Winelands
114	Langeberg & Ashton Foods	United Kingdom	Food & Beverage	R375 000 000	0	Cape Winelands
115	Langeberg & Ashton Foods	Germany	Food & Beverage	R285 000 000	0	Cape Winelands
116	Langeberg & Ashton Foods	Japan	Food & Beverage	R170 000 000	0	Cape Winelands
117	Langeberg & Ashton Foods	Canada	Food & Beverage	R200 000 000	0	Cape Winelands
118	Bayede Marketing Pty Ltd	Belarus	Food & Beverage	R36 216 000	10	Cape Winelands
119	PrettiPersonal	Zambia	Cosmetics	R5 000 000	50	City of Cape Town
120	PrettiPersonal	Zambia	Healthcare	R7 000 000	10	City of Cape Town
121	PrettiPersonal	Zambia	Cosmetics	R3 000 000	20	City of Cape Town
122	PrettiPersonal	Zambia	Healthcare	R20 000 000	20	City of Cape Town
123	Thokozani Winelands Investments (Pty) Ltd	Denmark	Food & Beverage	R244 800	1	Cape Winelands
124	Thokozani Winelands Investments (Pty) Ltd	Denmark	Food & Beverage	R189 000	1	Cape Winelands
125	Thokozani Winelands Investments (Pty) Ltd	Netherlands	Food & Beverage	R12 077 131	20	Cape Winelands
126	Confidential	United States of America	Services – Creative Industries	R300 000 000	75,38	City of Cape Town
127	Confidential	Germany	Services – Creative Industries	R30 000 000	35,44	City of Cape Town
128	Confidential	Germany	Services – Creative Industries	R20 000 000	32	City of Cape Town
129	Confidential	Germany	Services – Creative Industries	R12 000 000	16,61	City of Cape Town
130	Confidential	France	Manufacturing – Other	R846 766	3	City of Cape Town
131	Confidential	Australia	Manufacturing – Other	R788 804	3	City of Cape Town
132	Confidential	Brazil	Manufacturing – Other	R1 058 458	3	City of Cape Town
133	Confidential	United Kingdom	Manufacturing – Other	R10 597 250	6	City of Cape Town
134	Confidential	United States America	Manufacturing – Other	R21 879 635	12	City of Cape Town

Global exports 2023/24						
No.	Company	Country	Broad sector	Rand value	Jobs	District
135	Confidential	Belgium	Services – Creative Industries	R7 000 000	87,17	City of Cape Town
136	Confidential	Germany	Services – Creative Industries	R11 413 698	5	City of Cape Town
137	Confidential	United Kingdom	Services – Creative Industries	R10 337 806	3	City of Cape Town
138	Confidential	United Kingdom	Services – Creative Industries	R6 644 841	2	City of Cape Town
139	Confidential	Germany	Services – Creative Industries	R4 028 662	2	City of Cape Town
140	Confidential	United Kingdom	Services – Creative Industries	R5 359 800	2	City of Cape Town
141	Confidential	United Kingdom	Services – Creative Industries	R7 888 145	3	City of Cape Town
142	Confidential	Germany	Services – Creative Industries	R7 382 762	2	City of Cape Town
143	Confidential	United Kingdom	Services – Creative Industries	R2 119 996	1	City of Cape Town
144	Confidential	Poland	Services – Creative Industries	R2 583 180	1	City of Cape Town
145	Confidential	United States of America	Services – Creative Industries	R2 928 675	1	City of Cape Town
146	Confidential	Switzerland	Services – Creative Industries	R2 629 024	0,97	City of Cape Town
147	Confidential	Germany	Services – Creative Industries	R2 952 070	0,65	City of Cape Town
148	Confidential	Germany	Services – Creative Industries	R2 922 897	0,69	City of Cape Town
149	Confidential	Germany	Services – Creative Industries	R5 989 923	1,78	City of Cape Town
150	Confidential	Germany	Services – Creative Industries	R1 738 902	0,45	City of Cape Town
151	Confidential	Turkey	Services – Creative Industries	R2 652 271	0,86	City of Cape Town
152	Confidential	United Kingdom	Services – Creative Industries	R250 000 000	148	City of Cape Town
153	Confidential	United States	Services – Creative Industries	R1 234 000 000	895	City of Cape Town
154	Confidential	Poland	Services – Creative Industries	R2 000 000	1,8	City of Cape Town
155	Confidential	Poland	Services – Creative Industries	R16 000 000	29,2	City of Cape Town
156	Taste Africa Foods (Pty) Ltd	United States of America	Food & Beverage	R300 000	0	City of Cape Town
157	Taste Africa Foods (Pty) Ltd	United States of America	Food & Beverage	R140 000	0	City of Cape Town
Total				R6 814 790 857	4948	

Strategic objectives, performance indicators, planned targets and actual achievements

The total five-year outcome target for the period 2020/21 to 2024/25 is to recruit and facilitate R20.88bn in trade agreements, resulting in 3 278 jobs. The annual outcome target for 2023/24 in estimated rand value of trade agreements signed is R4.2bn, and the number of jobs facilitated is 655. The actual achievement for 2023/24 is R6.81bn in rand value of trade agreements signed and 4948 jobs. In the 2022/23 financial year, the entity attracted R3.14bn in rand value of trade agreements signed and facilitated 906 jobs.

Key performance indicators, planned targets and actual achievements

Programme 3: Export								
Outcome	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Audited Actual Performance 2022/23	Planned Annual Target 2023/24	**Actual Achievement 2023/24	Deviation from planned target to Actual Achievement	Reasons for deviations
Rand value of trade agreements signed								
	Trade agreements signed	66	61	83	60	157	97	
Number of jobs facilitated from trade agreements signed	Number of trade agreements signed							Due to efficient planning of the team and strategic implementation of the 'Made in the Cape' project, an increased number of trade agreements were signed. Continued digitisation of Wesgro's export value proposition also contributed to this overachievement.

Strategy to overcome underperformance

Not Applicable

Linking performance with budget

Programme	2023/24			2022/23		
	Budget	Actual expenditure	(Over-)/ Under expenditure	Budget	Actual expenditure	(Over-)/ Under- expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Export	R30 307	R27 661	R2 646	R26 967	R21 387	R5 580
Total	R30 307	R27 661	R2 646	R26 967	R21 387	R5 580



Western Cape: Successful harvest in the Langkloof, Garden Route, South Africa

Grow the leisure and business tourism pie to support the export target

Western Cape: Swartberg Pass during sunset in the Little Karoo, South Africa

Programme 4: Tourism

Purpose

Be instrumental in ensuring that Cape Town and the Western Cape is considered a world class tourism destination. Leverage the tourism ecosystem to support breakout growth.

Programme structure

Sub-programme 4.1: Leisure Tourism

Leisure Tourism, in partnership with industry and other stakeholders, focuses on attracting leisure visitors to the province.

In order continue to attract international and domestic tourists to Cape Town and the Western Cape, the destination must ensure that it evolves to respond to the changing needs of the visitor, which have shifted since the pandemic.

Promotion activities need to attract domestic, regional and international tourists, focusing on geographic spread across the regions as well as addressing seasonality, to ensure that economic activity happens across the province and all year round. Data-led decision-making

when selecting source markets is critical to ensure that investment is rewarded with maximum returns and partnering with industry to benefit from their audiences will deliver even further return on investment.

Sub-programme 4.2: Convention Bureau

The Convention Bureau's primary purpose is to position, market and sell the destination to host meetings, incentives, conferences and trade exhibitions.

Sub-programme 4.3: Cruise Cape Town

The Cruise Cape Town project is aimed at growing the cruise economy in Cape Town and the Western Cape. The objectives of the project are to: retain cruise visits to Cape Town Port, improve cruise excursion offerings, facilitate the reduction of constraints to the cruise economy, improve Cape Town and the Western Cape's competitiveness in the cruise industry, and support growth and job creation in the tourism and other industries associated with the cruise economy. Cruise Cape Town works with public and private sector partners.

Strategic outcome

Strategic outcome	
Strategic outcome	Enhance the attractiveness, awareness and accessibility of the of region and drive conversion.
Outcome statement	5-year outcome: To market Cape Town and the Western Cape and generate an estimated economic value of R3.5 billion in tourism marketing initiatives. 2023/24 outcome: To market Cape Town and the Western Cape and generate an estimated economic value of R689m in tourism marketing initiatives.
Baseline	An estimated value of R423.8m was generated from tourism marketing initiatives for the 2022/23 financial year.
Justification	Wesgro's strategic mandate is to conduct tourism marketing and promotion for Cape Town and the Western Cape.
Links	The objective is aligned to VIP 2: Economy and Jobs and the Western Cape Government Growth for Jobs (G4J) strategy. The objective is also aligned to the National Development Plan and Vision 2030 in relation to economic growth and industry development.

Strategic objectives, performance indicators, planned targets and actual achievements

Wesgro is a critical role player in ensuring that Cape Town and the Western Cape is considered a competitive and world class tourism destination. The 2023–2024 financial year was an unprecedented year for business tourism. A record number of 75 bid documents were submitted and 30 bids were secured, with an economic impact of R1.029bn, and resulting in additional business events until 2029. This achievement can be attributed to strategic lead generation projects, such as sales trips within the domestic market, east and west African workshops and the partnership with the BestCities Global Alliance Forum among others.

To remain competitive, considerable focus and financial resources were spent on re-affirming the destination's ability to host business events. Business development opportunities, which included attending in-person roadshows and trade shows, took priority over efforts to create awareness using traditional marketing tools.

Wesgro actively sourced opportunities for Cape Town and the Western Cape through the attending of four trade shows during the year, namely IBTM in Barcelona, IMEX America, IMEX Frankfurt and Meetings Africa. The resultant 200+ B2B meetings ensured continuous lead development.

Wesgro continues to influence the leisure market in attracting international and local tourists to Cape Town and the Western Cape. The international travel trade show and road show circuit opened fully this year, and Wesgro participated in 16 trade and road shows in all the identified source markets (the UK, Germany, the US, the Netherlands and France).

A total of 107 travel trade agents were hosted during the 2023–2024 financial year from the UK, Germany, North America, Belgium and France. In addition, six travel media delegations were hosted from the Netherlands, the UK and France; five media groups were hosted from Brazil; and one media/

travel trade group was hosted from Central and Eastern Europe.

Wesgro's partnership with CapeNature is of great importance to our sustainability efforts. As the custodian of the province's natural environment, CapeNature is tasked with nature conservation and awareness, preserving biodiversity, and providing facilities for education, research, and training. Through the Cape Nature partnership Wesgro amplified different projects; the campaign partnership promoted the Western Cape to the domestic market and maximised on our joint investment through leveraging media channels, platforms, and CapeNature's database.

Wesgro worked on several projects to highlight and focus on the province's key visitor experiences. These projects focused on promoting Cape Cycle routes, the Cradle of Human Culture routes, as well as wine tourism. The local campaign, Happy Birthday SA Wine, reached over 1,6 million readers through 21 articles. Wesgro supported 22 regional jewel events that benefitted local communities and contributed to regional spend, as well as six Jewel events with their compelling global appeal and audience.

Wesgro continues to play an exceptional role in facilitating the growth of the cruise economy in Cape Town and the Western Cape. The focus for the 2023–2024 financial year was on strengthening relationships with existing and new partners in order to promote the entire coastline and include smaller harbours in itineraries. Two of the iconic Cunard Queens (Queen Mary 2 and Queen Victoria) made a simultaneous appearance at the Port of Cape Town; it was the first time in history that the two ships were in the same African port at the same time.

The cruise economy and the cruise line itineraries were significantly impacted by the Red Sea crisis. Cruise lines were compelled to reposition their vessels around the tip of Africa, resulting in an increase in ship calls in the Port of Cape Town and extending the local cruise season.

Strategic objective

The total five-year outcome target for the period 2020/21 to 2024/25 is to market Cape Town and the Western Cape and support tourism destination marketing initiatives with an estimated economic value of R3.45bn. The annual outcome target for 2023/24 is R689m. The actual achievement for 2023/24 is R1.029bn. In 2022/23 the entity achieved a total estimated economic value of tourism destination marketing initiatives of R423.82m.

Key performance indicators, planned targets and actual achievements

Programme 4: Tourism									
Outcome	Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Audited Actual Performance 2022/23	Planned Annual Target 2023/24	** Actual Achievement 2023/24	Deviation from planned target to Actual Achievement 2023/24	Reasons for deviations
Total estimated economic value of tourism destination marketing initiatives	Bids secured	Number of bids secured	15	18	30	20	30	10	Due to international bidding cycles being most active during middle and end of the calendar year, an increase in bidding activity resulted in higher bid conversion. In addition, an increase in the bidding pipeline and shorter lead times between bids submitted and secured is another characteristic for overperformance.

Strategy to overcome underperformance

Not applicable

Linking performance with budget

Programme	Budget	Actual expenditure	(Over-)/ Under expenditure	Budget	Actual expenditure	(Over-)/ Under- expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
	Tourism	R30 655	R25 578	R5 077	R40 382	R42 114
Total	R30 655	R25 578	R5 077	R40 382	R42 114	(R1 732)



Western Cape: Clanwilliam Dam, West Coast, South Africa

Differentiate the Western Cape as a leading regional economy



'Made in the Cape' Market, V&A Waterfront, Cape Town, South Africa

Programme 5: Marketing and Innovation

Purpose

Differentiate the Western Cape as a leading regional economy. Lead the dialogue on and drive international economic competitiveness of Cape Town and the Western Cape together with partners.

Programme structure

Sub-programme 5.1: Marketing and Communications

The sub-programme conducts the marketing and communication for Wesgro across investment, export, and tourism areas. The sub-programme's objective is to build the brand of Cape Town and the Western Cape. In order to do this, Wesgro makes use of earned media communication and digital media to promote the competitiveness value proposition of the destination into key markets.

Sub-programme 5.2: Research

The sub-programme provides local and global insights in terms of investment, trade, tourism and film developments and trends, and to provide evidence-based research to augment the Agency's strategic direction and promotional activities.

Sub-programme 5.3: Advocacy and Advisory

The Sub-programme provides support to ensure effective advocacy and advisory services through knowledge management. The unit supports the gathering, synthesis and diffusion of information both internally to align knowledge and information across the Agency and to inform internal strategy, and externally to support Wesgro's objectives of being a thought leader and advocate for a competitive Western Cape economy. This includes ensuring that Wesgro's voice is heard in public policy processes, whether at local, provincial or national levels as well being seen as a trusted advisor in the business community.

Sub-programme 5.4: Catalytic Projects

To support and enhance Wesgro's mandate, the catalytic projects team works on externally funded, multi-stakeholder projects that are aimed at significantly improving competitiveness of Cape Town and the Western Cape.

Strategic outcome

Strategic outcome	
Strategic outcome	Drive the economic competitiveness of the destination through strategic campaigns
Outcome statement	5-year outcome: To reach 20 million people through strategic campaigns focused on driving the economic competitiveness of the destination. 2023/24 outcome: To reach 10 million people through strategic campaigns focused on driving the economic competitiveness of the destination.
Baseline	Baseline needs to be established.
Justification	By focusing on driving the economic competitiveness of the destination, we will attract more interest in the Cape and help improve economic growth and job creation
Links	The objective is aligned to VIP 2: Economy and Jobs and the Western Cape Government Growth for Jobs (G4J) strategy. The programme is aligned to the sector competitiveness, investment, and trade focus areas of the PISP.

Strategic objectives, performance indicators, planned targets and actual achievements

Increasing brand recognition and equity for tourism, trade and investment is central to the strategic approach of the Marketing and Innovation Unit.

To differentiate the Western Cape as a regional economy, digitise its value proposition and build the brand of Cape Town and the Western Cape, six campaigns focused on tourism, investment and export promotion. In particular, the domestic tourism campaign, “With love from the locals”, received significant coverage on TV, radio and print media and was warmly welcomed by industry. The ‘Made in the Cape’ Market at the V&A Waterfront was a first of its kind and showcased 45 exporters chosen from the CapeTradePortal.com. At the market, virtual reality and artificial intelligence were used to bring to life the stories of Cape goods from around the province. The output indicator target of four strategic campaigns was overachieved for the 2023–2024 financial year. The outcome target of reaching 10 million people was also surpassed due to the success of the international Neverending Tourist campaign.

Wesgro remains at the forefront of innovation, knowledge sharing and advocacy.

Much progress has been made in building a professional Advocacy & Advisory service across the mandates and the financial year saw the strengthening of this area. Advocating for change to increase market access for the Western Cape’s goods and services, aiming for net-zero readiness in the Western Cape, and working with industry to understand the challenges impacting business gained momentum. The team has become a trusted source with both public and private sector stakeholders. Wesgro had a presence at international, national and provincial dialogues at COP28, AGOA Forum, the African Continental Free Trade Area (AfCFTA) Business Forum, and CBAM (Carbon Border Adjustment Mechanism) roundtables. The impact of the global green transition on competitiveness,

both at a destination and business level, and the potential of the AfCFTA’s Investment Protocol to attract investment to Africa were highlighted on international platforms.

Replicating catalytic delivery models to leverage private sector collaboration enabled the introduction of new areas into the business, resulting in diversification and an increase in access to funding.

In partnership with the Western Cape Education Department, Wesgro launched Edu Invest on 26 October 2023. This catalytic project’s primary objective is to attract private sector investment in education with a specific focus on new no-fee/low-fee school infrastructure. Underpinning this project is the understanding that collaborating with the private sector will be essential for meeting the growth in demand for education in the province. The project was successfully initiated, with a robust investment pipeline established for school development. Three industry roundtables were hosted during the period under review to enable greater collaboration with the private sector.

Cape Town Air Access – powered by Wesgro – achieved great strides by helping to secure five additional new direct international routes to Cape Town International Airport (CTIA). Remarkably, CTIA achieved full recovery of international passengers from January 2023 onwards, in relation to 2019. In addition, the international terminal recorded record-breaking numbers by handling over 300 000 two-way passengers during both December 2023, and January and March 2024 for the first time ever. This achievement can be attributed to the effective collaborative effort of all Cape Town Air Access public and private sector partners enabling the team to successfully conclude route negotiations with airlines. To cap the multiple successes of the year, Cape Town Air Access received the global Destination Marketing Award at Routes World for the second year in a row, highlighting its work in building airline partnerships while promoting the Western Cape as a destination of choice. The second annual Western Cape Air Cargo conference was also held during

the year, in partnership with the Export Promotion unit, providing opportunities for industry thought leadership, capacity building and most importantly interaction between all stakeholders operating in the Western Cape air cargo space.

With the Port of Cape Town operating as a key enabler of exports from the Western Cape, Wesgro has set out to deepen its knowledge of logistics, to gain a better understanding of both the port's challenges and opportunities. Through ongoing strategic engagements with both private and public sector stakeholders, Wesgro will further determine how it can play a constructive and supportive role through enabling collaboration. Ultimately, our shared goal is to contribute to improving the efficiency and productivity of the port.

Innovation is a driver of economic growth and competitiveness and for this reason, Wesgro developed a strategic framework to focus its efforts. A key building block of this strategic framework is increasing access to early-stage Venture Capital. During a 'funding winter' and with Africa attracting only around 1% of the global share of Venture Capital, it has been acknowledged that more must be done to unlock this investment category. Creating an enabling regulatory and policy environment will be key to achieving this objective, as well as ongoing positioning of Cape Town and the Western Cape as Africa's Tech and Venture Capital.

Becoming a central knowledge hub and focusing on knowledge dissemination have underpinned the effort.

Recognising the pivotal role of data-driven decision-making in today's global business landscape, Wesgro has prioritised diversifying and enhancing datasets and sources to inform the Agency's business decisions, insights, and destination positioning. By providing advisory services to the Western Cape Government, Western Cape industry, and internal stakeholders on selected topics, Wesgro ensures its mandate has a broad impact across all sectors. In the

last financial year, Wesgro's Research Unit published 76 publications.

Demonstrating thought leadership on prominent global topics, six opinion editorials were featured in major business titles such as *Pioneers Magazine*, *Business Day*, *TechCentral*, *MoneyWeb*, and *Accountancy SA*.

To promote net-zero readiness in the Western Cape, Wesgro engaged with key stakeholders to collaborate on green transition initiatives. Given the significant emphasis on energy and sustainability by both Wesgro and the provincial government, the Agency facilitated knowledge dissemination by packaging energy-related collateral for stakeholders. Wesgro actively participated in key platforms, including panels on environmental, social and governance (ESG) issues and financing in the mining sector; and the South African National Workshop on Climate Trade Measures, hosted by the European Roundtable on Climate Change and Sustainable Transition and the South African Institute for International Affairs. By distributing easy-to-consume infographics on the feasibility of going green and financing renewable energy options, Wesgro kept local businesses informed across various channels, thereby maintaining confidence in the region's green initiatives.

Throughout the year under review, Wesgro convened stakeholders and inspired confidence in the Cape through the organisation of 39 events. Notable highlights included the CEO Roundtables on Renewable Energy, Mobility, Corporate SA, Education, Africa Day Seminar, the Africa Agri Investments Indaba, the Premier's Diplomatic brunch, the EU Investment Breakfast, and the 32nd International Joint Conference on Artificial Intelligence. Testimonials from CEOs spanning various sectors highlight the effectiveness of the CEO Roundtables in bolstering business confidence, bridging the gap between the private sector and government, and sparking numerous follow-up discussions and solutions.

Strategic objective

Baseline to be established as it is a new indicator. The target for 2023/24 to reach competitiveness of the destination. The actual achievement for 2023/24 is 10 million people through strategic campaigns focused on driving the economic 21,38 million people reached.

Key performance indicators, planned targets and actual achievements

Programme 5: Marketing and Innovation									
Outcome	Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Audited Actual Performance 2022/23	Planned Annual Target 2023/24	** Actual Achievement 2023/24	Deviation from planned target to Actual Achievement 2023/24	Reasons for deviations
Number of people reached	Strategic campaigns	Number of strategic campaigns	New indicator	New indicator	New indicator	4	6	2	The target was exceeded because of the additional digital drive of the Neverending Tourists Germany/ Netherlands and United States resulted in a total of 6 campaigns for the 2023/2024 financial year.

Strategy to overcome underperformance

N/A

Linking performance with budget

Programme	Budget	Actual expenditure	(Over-)/ Under expenditure	Budget	Actual expenditure	(Over-)/ Under- expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Marketing and Innovation	R54 652	R64 768	(R10 116)	R47 292	R41 029	R6 263
Total	R54 652	R64 768	(R10 116)	R47 292	R41 029	R6 263

BE A SUSTAINABLE AND INNOVATIVE WESGRO (FUTURE-FIT WESGRO)





Wesgro, a touch of blue

Programme 6: Assurance and Business Enablement

Purpose

The Assurance and Business Enablement Programme is responsible for the implementation of an integrated approach, which considers results-based implementation and direct alignment to Wesgro's strategic direction, monitoring and evaluation, corporate governance, board compliance, IT and Human Resource Management and the requisite support to the CEO.

Programme structure

Sub-programme 6.1: Human Resource Management; IT & Office Management

The IT team focusses on maintaining sound IT and administrative systems and infrastructure. Effective systems and processes are a necessary component to maintain credibility, ensure accountability, improve operating efficiencies, and generate institutional memory.

The Human Resources team ensures that the Agency becomes the employer of choice and maintains an excellent, talented, and skilled workforce. A priority is to attract, recruit and retain staff by creating a culture and climate conducive to sustaining a motivated workforce.

The sub-programme also ensures legislative compliance with regard to human resource management.

Sub-programme 6.2: Assurance, Governance, Monitoring and Evaluation

The sub-programme provides direction, analysis and reporting about Monitoring and Evaluation of Wesgro's performance. The sub-programme focuses on ensuring that all strategies, annual performance plans and reports, business plans, operational plans and standard operating procedures are in line with the relevant provincial and national policy and legal frameworks. The sub-programme also ensures that all performance reporting deadlines are met and works closely with the internal and external auditors to ensure that predetermined objectives are compliant. The sub-programme is also responsible for ensuring that the Agency is compliant with relevant laws such as the Protection of Private Information Act (POPIA) and the Promotion of Access to Information Act (PAIA).

The sub-programme provides a secretariat function to the Board. It includes board administration and advisement on governance, legal and regulatory matters.

Strategic outcome

Strategic outcome	
Strategic outcome	Enhance good governance practices through compliance with prescribed financial and non-financial regulations and guidelines
Outcome statement	An unqualified Audit report with no material findings. 2023/24 outcome: An unqualified Audit report with no material findings.
Baseline	The Agency achieved an unqualified audit for the 2022/23 financial year.
Justification	The concept of value for money is an integral part of the strategic and operational activities. The Programme identifies and implements to enhance public confidence and ensure compliance
Links	This objective is linked to the Public Finance Management Act (PFMA), National Treasury Regulations, Provincial Treasury Instructions, King IV Report in terms of good governance and integrated service delivery through partnerships and spatial alignment.

Strategic objectives, performance indicators, planned targets and actual achievements

Wesgro has worked tirelessly in the area of business enablement towards achieving the mission of being a leading sub-national TTIPA globally. Multiple projects were implemented during the financial year in the various teams and some of these will be highlighted in this section.

The relocation of Wesgro to new offices was a strategic decision taken by management to secure a location at a competitive rate that meets the requirements of a globally competitive TTIPA. Securing a lease at Media24, ideally situated next to the globally-renowned Cape Town International Convention Centre (CTICC), commenced the relocation process. Fitting out of the new premises commenced in the last quarter of the financial year and Wesgro took occupation in July 2024.

Wesgro also took the decision to relocate its information and communication technology (ICT) infrastructure in a data centre, which was aligned with the relocation timelines. The outcome of this process led to Wesgro locating its ICT infrastructure in a world-class data centre that is also energy efficient.

Good governance, compliance and performance have always been the foundation for Wesgro's business

processes. The continuous improvement of business processes to achieve an unqualified audit report confirmed that consistency is key in creating an efficient Wesgro. The focus for the 2023–2024 financial year was on strengthening the monitoring and evaluation processes. This was to ensure the credibility of performance reporting and to position Wesgro as a top-performing, global sub-national trade and investment promotion agency. The verification of performance information, and providing assurance regarding the data collected and disseminated to the Wesgro stakeholders, has proven to be valuable.

Governance is enhanced at Board level through effective board administration and legal advisory services. Strengthening corporate governance continues to be critical to ensuring that Wesgro is a top performing agency and public entity. Strategic board deliberations and alignment with the CEO and the executive committee ensure that Wesgro continues to remain true to its mandate.

Wesgro's staff continues to be its most important asset of the Agency. To ensure Wesgro staff is kept engaged about the developments at Wesgro, Wesgro Townhalls, Wesgro Tea and Wesgro Masterclasses were implemented during the year under review. These created excellent platforms for staff to interact on a personal and professional level.

Strategic objective

Wesgro achieved an unqualified Audit Opinion with no material findings (Clean Audit) for the 2023/24 financial year. In 2022/23, the entity achieved an Unqualified Audit report with no findings.

Key performance indicators, planned targets and actual achievements

Programme 6: Assurance and Business Enablement									
Outcome	Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Audited Actual Performance 2022/23	Planned Annual Target 2023/24	** Actual Achievement 2023/24	Deviation from planned target to Actual Achievement 2023/24	Reasons for deviations
Unqualified Audit report with no material findings	M&E performance reports	Number of M&E performance reports submitted	8	8	8	8	8	-	-
	Maintenance of the Agency's ICT environment	Number of reports evidencing the maintenance of the Agency's ICT environment	4	4	4	4	4	-	-

Strategy to overcome underperformance

Not applicable

Linking performance with budget

Programme	2023/24			2022/23		
	Budget	Actual expenditure	(Over-)/Under expenditure	Budget	Actual expenditure	(Over-)/Under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Assurance and Business Enablement	R12 817	R9 142	R3 675	R12 417	R8 931	R3 486
Total	R12 817	R9 142	R3 675	R12 417	R8 931	R3 486

2.5 Revenue Collection

Programme	2023/24			2022/23		
	Estimate	Actual Amount collected	(Over-)/Under collection	Estimate	Actual Amount collected	(Over-)/Under collection
Departmental transfers	134 612	132 055	-	129 686	129 686	(4 000)
City of Cape Town	25 000	20 668	4 332	30 918	21 000	13 918
Interest	2 417	2 195	222	1 000	2 554	(1 554)
Other Income	1 305	2 528	1 334	540	8 159	(7 619)
Nett Gain on disposal of assets	-	-	-	-	-	-
Total	163 334	157 446	5 888	162 144	161 399	745

2.6 Capital Investment

Programme	2023/24			2022/23		
	Budget	Actual expenditure	(Over-)/Under expenditure	Budget	Actual expenditure	(Over-)/Under expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Capital Additions (PPE and Intangible Assets)	22 433	6 183	16 250	1 631	3 199	(1 568)
Total	22 433	6 183	16 250	1 631	3 199	(1 568)

PART C: GOVERNANCE



Western Cape: Hermanus, Cape Overberg, South Africa

PART C: GOVERNANCE

3.1 Introduction

The Western Cape Investment and Trade Promotion Agency (Wesgro) is a Schedule 3C public entity, as defined in the Public Finance Management Act, 1999 (Act 1 of 1999), trading in the Western Cape Province of South Africa. Wesgro was established by the Western Cape Tourism Trade and Investment Promotion Agency Act, 1996, as amended by the Western Cape Investment and Trade Promotion Agency Amendment Act, 2013 (Act 6 of 2013). With effect from 01 April 2012, the Agency became responsible for the destination marketing function of Cape Town Routes Unlimited (CTRU). The Western Cape Tourism Act, 2004 (Act 1 of 2004) was repealed on 28 August 2013 by the Western Cape Investment and Trade Promotion Agency Amendment Act, 2013 (Act 6 of 2013).

The directors of Wesgro support the principles of the King IV™ Report on Corporate Governance for South Africa and

will ensure the implementation of the relevant principles where operationally applicable. Responsible corporate citizenship and sound governance practices remain top priorities of the Board, its committees and management.

3.2 Portfolio Committees

Parliament exercises its role through evaluating the performance of a public entity by interrogating its annual financial statements and other relevant documents which have to be tabled as well as any other documents tabled from time to time. The Portfolio Committee exercises oversight over all non-financial information related to the public entity which impacts on service delivery and enhances economic growth. In addition, the Standing Committee on Public Accounts (SCOPA) reviews the annual financial statements and the audit reports of the external auditor

Date of Meeting	Committee	Subject addressed	Manner of address
03 May 2023	Standing Committee on Finance, Economic Opportunities and Tourism	(i) The outcomes/overview of the 2022/23 tourism season in the Western Cape. (ii) The challenges and successes experienced during the 2022/23 tourism season; and Their work in terms of the Remote Working Visas.	Presentation to the Committee (Hybrid)
09 June 2023	Standing Committee on Finance, Economic Opportunities and Tourism	(i) The actions they have taken to engage with the Department of International Relations and Cooperation and its US counterparts on South Africa's inclusion in the African Growth and Opportunity Act (AGOA) upon its reauthorisation; and The challenges the Department/Wesgro has experienced during this process.	Presentation to the Committee (Hybrid)

Date of Meeting	Committee	Subject addressed	Manner of address
22 September 2023	Standing Committee on Finance, Economic Opportunities and Tourism	(i) The tourism readiness plan for the 2023/24 tourism season in the Western Cape; (ii) The Province's state of readiness for the upcoming tourism season; (iii) The expectations for the 2023/24 tourism season; and The outcomes of the G4J Tourism Challenge Fund.	Presentation to the Committee (Hybrid)
27 October 2023	Standing Committee on Finance, Economic Opportunities and Tourism Standing Committee on Public Accounts (SCOPA)	Wesgro Annual Report 2022/23	Presentation to the Committee (in person attendance)

3.3 Executive Authority

The 2023/24 Annual Performance Plan was submitted to the Minister responsible for Finance and Economic Opportunities in March 2023 and retabled in November 2023.

3.4 The Accounting Authority/ The Board

Wesgro has a unitary Board with directors appointed by the Provincial Minister responsible for Finance and Economic Opportunities after consultation with the Executive Mayor of the City of Cape Town. The Board consists of a maximum of 15 directors, with 10 independent directors appointed

by the Minister, two directors nominated by organised local government (one representing the category B municipalities and the other representing the category C municipalities), and three ex-officio members (of which one senior official is nominated by the Minister, one senior official is nominated by the Executive Mayor of the City of Cape Town, and the Chief Executive Officer of Wesgro). The appointment, roles and responsibilities of the Board are clearly articulated in the Wesgro Act, 1996.

Board Charter

The Board Charter was reviewed and approved by the Board.

Composition of the Board		Designation (in terms of the Public Board structure)	Date appointed	Date resigned	Qualification	Area of expertise	Board Directorships (List the entities)	Other Committees or Task Teams	No. of Meetings attended			
									Board	HRRNC	Audit, IT, Risk	Other*
Dr. Shirley Zinn	Board Chairperson	Aug-2023	-	Higher Diploma in Education, B.ED (Honours Degree), Master of Education, Doctor of Education	Business	Silvertree Brands Shirley Zinn Consulting Empowerment Capital Investment Partners Tuesday Consulting MTN SA Make a Difference Foundation Nedbank Eyethu Community Trust Boston Consulting Group Business Engage WESGRO WWF South Africa Sanlam Foundation Roland Greaver Leadership SpurCorp Sanlam Limited Sanlam Life Insurance Ltd V&A Waterfront Cebisani Investments (Pty) Ltd Spar Group Limited Board I&J /Twinscities		3	1	1	18	
Mr. David Green	Board Chairperson	Aug-2014	June 2023	Honours	Business	2 Oceans Aquarium Zeitz Mocca V&A Waterfront Holdings (Pty) & V&A Waterfront Group of Companies The Hotel Company Waterway House Section 2		1	-	-	8	
Ms. Natalie Jabangwe	Board Member	Aug-2023	-	Master of Business Administration Bachelor of Science.	Business	-		3	-	2	4	

Name	Designation (in terms of the Public Board structure)	Date appointed	Date resigned	Qualification	Area of expertise	Board Directorships (List the entities)	Other Committees or Task Teams	No. of Meetings attended			
								Board	HRRNC	Audit, IT, Risk	Other*
Mr. Velani Mboweni	Board Member	Aug-2023	-	Bachelor of Arts (Honours): Political Science, Postgraduate Diploma in Business Administration, Bachelor of Commerce: Philosophy, Politics & Economics	Business	Lula Loop (Pty) Ltd Spec Africa Holdings (Pty) Ltd Grassroots Nexus (Pty) Ltd Council for Scientific & Industrial Research Arengo 47 (Pty) Ltd		3	-	2	6
Ms. Sabine Lehmann	Board Member	Aug-2023	-	Master's in Futures Studies, master's in business administration, BSC Logopaedics (Distinction)	Business	Curiositas t/a Sabine Lehmann Groot Constantia Trust African Association of Visitor Attractions and Experiences		1	-	-	2
Mr. Ian Bartes	Board Member Audit Chairperson	Jun-2014	May 2023	Postgraduate Diploma in Future Studies, Executive MBA B.Com	Business & Marketing	Teach the Future SA Trusted Financial Planners Rudder4Life	Chairperson of the Audit, IT and Risk Committee	-	-	1	7
Mr. Paul Bannister	Board Member	Jun-2014	May 2023	Honours Diploma in Marketing Management	Marketing and media	-	-	-	-	-	-

Name	Designation (in terms of the Public Board structure)	Date appointed	Date resigned	Qualification	Area of expertise	Board Directorships (List the entities)	Other Committees or Task Teams	No. of Meetings attended			
								Board	HRRNC	Audit, IT, Risk	Other*
Ms. Andrea Böhmert	Board Member	Aug-2014	July 2023	Business degree in Marketing, Management, Technology and Innovation Masters in Business Administration	Business	Knife Capital	Member of the Human Resources, Remuneration and Nominations Committee	1	1	-	1
Mr. Geoffrey Jacobs	Board Member	Mar-2021	-	Postgraduate Diploma in Information Systems Master's in Business Administration (MBA) Bachelor of Education (B.Ed) Master of Arts (MA): History	Business	The Caerus Effect Brewz Krew Coffee Company (Pty) Ltd	Member of the Human Resources, Remuneration and Nominations Committee	4	4	-	8
Mr. Sazi Ndwandwa	Board Member	Nov-2021	-	MPhil (Management Coaching), BCom Honours, Accounting, tax, auditing, cost accounting	Business	Dinaledi NPC Hlalisa Property Investments (Pty) Ltd GoldOurs (Pty) Ltd Sakwanda Construction (Pty) Ltd DHT Investments (Pty) Ltd Plett Ganse Vallei CC	Member of the Audit, IT and Risk Committee	3	-	4	16

Name	Designation (in terms of the Public Board structure)	Date appointed	Date resigned	Qualification	Area of expertise	Board Directorships (List the entities)	Other Committees or Task Teams	No. of Meetings attended			
								Board	HRRNC	Audit, IT, Risk	Other*
Mr. Johannes van Rooyen	Board Member	Nov-2017	-	International Management Diploma Management Development Programme	Tourism, hospitality and business	Beacon Island Share Block Cabana Beach Share Block Sabie River Share Block Umhlanga Sands Share Block Drakensberg Sun Chalets Block	Member of the Audit, IT and Risk Committee	4	-	-	7
Mr. Lance Greyling	Ex Officio Board Member HRRNC Chairperson	Mar-2015	-	B.A.SocSci: English, Economics African Studies (Political Science) Hons African Studies (Politics) PGDip Sustainable Development	Public Sector and economic development	Bulungula Incubator Cape Town Tourism Western Cape Economic Development Partnership Atlantis Special Economic Zone Company BlueCape	Chairperson of the Human Resources, Remuneration and Nominations Committee	3	4	-	2
Councillor Nicolaas Louw	SALGA Board Member	Feb-2022	-	NQF5 in Wealth Management NQF4 in Real Estate.	Public sector	-	-	1	-	-	2
Executive Mayor Hendrik Du Rand	SALGA Board Member	Feb-2022	-	3-year Advance diploma in culinary arts	Public sector	FDR Food cc	-	2	-	-	2
Mr. Simon Kaye	Western Cape Department of Health: Ex Officio	Aug-2022	-	BCom HDIP (Higher Diploma in Accountancy) CA(SA).	Public sector	-	-	4	-	-	4

Name	Designation (in terms of the Public Board structure)	Date appointed	Date resigned	Qualification	Area of expertise	Board Directorships (List the entities)	Other Committees or Task Teams	No. of Meetings attended			
								Board	HRRNC	Audit, IT, Risk	Other*
Mr. Paul Cluver	Board Member	Dec-2022		B.Sc. Agric majoring in Horticulture and Economics B.Phil. Value & Policy Studies	Business	De Rust Estate (Pty) Ltd PC Cellars (Pty) Ltd Kromco (Pty) Ltd APL (Pty) Ltd PIWOSA (Pty) Ltd Thandi Farms (Pty) Ltd SAPO Trust Grabouw Development Agency		3	-	-	9
Mr. Timothy Scholtz	Board Member	Dec-2022		B.Com (Accounting) Diploma-information management	Business	Rudder4Life Tekano Automotive Hub Khaya K Lightweight Concrete Factory Atlantis Khaya K Lightweight Concrete Factory Holdings Nkonki27 Masikhule Btw Capital Diversity And Growth Initiative Tbs Capital Holdings Ktrmc Management Services Folu Regenerative Agriculture		4	-	3	11

Name	Designation (in terms of the Public Board structure)	Date appointed	Date resigned	Qualification	Area of expertise	Board Directorships (List the entities)	Other Committees or Task Teams	No. of Meetings attended			
								Board	HRRNC	Audit, IT, Risk	Other*
Dr. David Bridgman	Board Member	Dec-2022		Ph.D., Development Sociology, Agricultural Economics and City & Regional Planning MPS International Development BA (Hons) Cum Laude Development Administration In Service Executive Development Program for World Bank	Business	Ciskei Executive Developments, and Laughing Waters Trust		4	2	-	5
Ms. Wrenelle Stander	Chief Executive Officer	Oct-2021	-	Master's	Business	Sishen Iron Ore Company 5D GEO	-	4	4	4	35
Independent committee members											
Ms. Ayanda Mvandaba	Independent committee member	June- 2022	-	CA (SA)	Business	Member of Audit, IT and Risk Committee		-	-	4	9
Ms. Antoinette Basson	Independent committee member	Feb-2023	-	Hons. B. Compt B. Com	Business	Member of Audit, IT and Risk Committee		-	-	4	10

* Other: Chairperson's working group, SCOPA meetings, Public Accounts Committee meeting, Quarterly meetings with Executive Mayor, Meetings with CEO, Meetings with Minister, Internal audit meetings, External audit meetings, Special HRRNC Meetings, Special AIRC Meetings, Special Board Meetings, Board Strategy, Investment and Tourism Working Groups, Finance Workshop (DEDAT

Committees

Committee	No. of meetings held	No. of members	Names of members
Audit, IT and Risk Committee	4	6	Mr. Ian Bartes (retired May 2023)
			Mr. Sazi Ndwandwa
			Ms. Natalie Jabangwe
			Mr. Velani Mboweni
			Ms. Ayanda Mvandaba
			Ms. Antoinette Basson
			Mr. Geoffrey Jacobs
Human Resources, Remuneration and Nominations Committee	4	5	Mr. Lance Greyling
			Ms. Andrea Böhmert (retired July 2023)
			Dr. David Bridgman
			Ms. Sabine Lehmann

The concepts of “internal” or “external” refers to a member of the Audit, IT and Risk Committee who occupies a position within the Agency

Remuneration of Board members

Name	Remuneration	Other allowance	Other reimbursements	Total
	(R'000)	(R'000)	(R'000)	(R'000)
Dr. Shirley Zinn	69			69
Ms. Natalie Jabangwe	34			34
Mr. Velani Mboweni	33			33
Ms. Sabine Lehmann	12			12
Mr. Geoffrey Jacobs	61			61
Mr. Sazi Ndwandwa	94			94
Mr. Johannes van Rooyen	42			42
Mr. Paul Cluver	34			34
Mr. Timothy Scholtz	62			62
Dr. David Bridgman	45			45
Mr. Paul Bannister**	4			4
Mr. David Green**	35			35
Mr. Ian Bartes**	31			31
Independent committee members				
Ms. Ayanda Mvandaba	41			41
Ms. Antoinette Basson	42			42
Ms Andrea Bohmert**	12			12

**Board members Mr. Ian Bartes retired in May 2023, Mr. Paul Bannister retired in May 2023, Mr. David Green retired in July 2023, and Ms. Andrea Bohmert retired in July 2023

3.5 Risk Management

Wesgro is dedicated to upholding the principles of good governance in alignment with the PFMA. As stewards of public resources, the organisation recognises the imperative to systematically identify, assess, and manage risks. This proactive stance is crucial for safeguarding the achievement of organisational objectives and ensuring the delivery of high-quality services to our stakeholders. Risk management policy and plans have been put in place to ensure that all risks are managed in an integrated manner. The Board is the authorisation body responsible for the governance of risk in the organisation. Risk management is embedded within the Agency as a key part of strategic planning, operational planning, and operations, and is systematic process for evaluating and addressing risks in order to make informed decisions. Risks are prioritised based on their perceived impact and likelihood, enabling a focused and strategic approach to risk management. Significant risks that could hinder the achievement of Wesgro’s strategic objectives are identified, assessed, and prioritised regularly through a risk assessment and accountability framework, and control mechanisms are implemented to manage and monitor these risks.

3.6 Internal Control Unit

To meet its responsibility with respect to providing reliable financial information, the Agency maintains financial and operational systems of internal control as stipulated in Section 51 (a) (ii) of the PFMA. These controls are designed to provide reasonable assurance that transactions are concluded in accordance with management’s authority, that the assets are adequately

safeguarded against material losses or unauthorised acquisition, use or disposal, and that transactions are properly authorised and recorded. Internal auditors monitor the operation of the internal controls and report findings and recommendations to management and the Audit IT and Risk Committee. Corrective actions are taken to address control deficiencies and improve the systems as identified. The Board, through the Audit IT and Risk Committee, provides oversight to the financial reporting processes and internal controls. There are inherent limitations to the effectiveness of any system of internal control, including the possibility of human error and the circumvention or overriding of controls. Accordingly, even an effective internal control system can only provide reasonable assurance with respect to financial statement preparation and the safeguarding of assets. Furthermore, the effectiveness of an internal control system can change with circumstances. The Agency assessed its internal control systems in operation for the current financial year and are satisfied with the assurance provided.

3.7 Internal Audit, IT and Risk Committee

The Audit, IT and Risk (AITR) Committee consists of four Board directors and two external non-Board director members. Mr Sazi Ndwandwa is the Chairperson of the Committee. The purpose of this Committee is to assist management in fulfilling their oversight responsibility for financial management and reporting processes, internal control systems, the audit process, ensuring compliance with laws and regulations, and the management of predetermined objectives.

The table below discloses relevant information on the Audit, IT and Risk Committee members:

Name	Director or external ¹ member	If internal, position in the public entity	Date appointed	Date resigned	No. of meetings attended
Mr. Sazi Ndwandwa	Director	Chairperson	11/2021		4
Mr. Ian Bartes	Director	Chairperson	11/2021	05/2023	
Ms. Natalie Jabangwe	Director	Board member	08/2023		2
Mr. Velani Mboweni	Director	Board member	08/2023		2
Mr. Timothy Scholtz	Director	Board member	12/2022		3
Ms. Ayanda Mvandaba	External member		06/2022		4
Ms. Antoinette Basson	External member		02/2023		4

¹ The concepts of “internal” or “external” refers to a member of the Audit, IT and Risk Committee who occupies a position within the Agency.

3.8 Compliance with laws and regulations

As a Schedule 3C public entity, the Agency complies with the PFMA. Wesgro also complies with the requirements as set out in the National Treasury Regulations, Provincial Treasury Instructions and Provincial Circulars issued during the financial year. The Agency compiles its financial statements in accordance with GRAP standards and ensures that these standards are updated when required, as prescribed by Provincial Treasury.

3.9 Fraud and Corruption

The Agency has an Anti-fraud and Corruption Policy in place, aimed at managing the risk and ensuring the reduction thereof, as well as increasing the level of fraud awareness. In addition, the Agency has implemented a Fraud Prevention Plan, reinforcing existing policies and procedures, emphasising Wesgro's zero-tolerance stance on fraud. The Fraud Prevention Plan is reviewed annually to ensure compliance with relevant legislative and regulatory prescripts and best practice. Various mechanisms were implemented, which allow staff to report cases of fraud and corruption. With the preceding in mind, no fraud or corruption case was reported during the financial year under review.

3.10 Minimising Conflict of Interest

The Agency conducts monthly compliance reviews of all employees and members of the Board. Monthly compliance reports are submitted to Provincial Treasury for review. In addition, all employees are obliged to complete a declaration of interest on an annual basis. Furthermore, all suppliers of goods/ services to the value of over R2 000 are required to submit the relevant compliance documentation, which is reviewed to ensure compliance with the relevant provincial and national regulations pertaining to supply chain management.

3.11 Code of Conduct

Directors and employees are required to maintain the highest ethical standards, ensuring that business practices are conducted in a manner which, in all reasonable circumstances, is beyond reproach. The Agency has a Code of Conduct in place, which is presented to employees during the induction process. Directors and staff are required to complete a declaration of interest on an annual

basis. However, directors declare their interests at every board meeting. Signed copies of the signed declarations are kept on file by the Board secretariat.

The Board is the custodian of good governance practices and sound business conduct within the organisation. In addition, the CEO promotes an organisational culture that promotes ethical practices, individual integrity, and global citizenship.

3.12 Health, Safety and Environmental Issues

Wesgro is committed to the practice and management of its business in a manner compatible with the broader goals of the social, economic, and natural environment. The Agency is also committed to the integration of environmental management into all its activities. Environmental management will thus be regarded as a key performance area for all operational sites. In conjunction with this, health and safety serve as a centre of reference for our organisation within the greater context of the environment in which we work. We are committed to continually improve on the means with which we intend to achieve these desired ends, as defined in our policies.

3.13 Board Secretariat

The role of the secretariat has been acknowledged to encompass, among other functions, the following:

- The secretariat has a key role to play in ensuring that the Board and committee meeting procedures are both followed and reviewed regularly and has the responsibility to ensure that each director is made aware of and provided with guidance as to their duties, responsibilities, and powers
- It is the responsibility of the Board, and in its own best interests, to ensure that the secretariat remains capable of fulfilling its function
- The secretariat is responsible for ensuring that the applicable rules and regulations pertaining to the conduct of the affairs of the Board are complied with and that all matters associated with its efficient operation are maintained
- In addition to the statutory duties of the secretariat, it must provide the Board with detailed guidance as to how their responsibilities should be properly discharged in the best interests of the Agency
- The secretariat must keep abreast of and inform the Board of current governance thinking and practice
- The secretariat is responsible for co-ordinating performance evaluation of the Board of Directors.

3.14 Social Responsibility

The Agency has invested in young graduates. During the year under the review ten young graduates were employed across teams within the Agency to provide them with the opportunity to gain work experience and contribute to the mandate of Wesgro.

3.15 Audit Committee Report

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

The AITR Committee reports that it has complied with its responsibilities arising from the Public Finance Management Act and Treasury Regulations. The Committee also reports that it has adopted appropriate formal terms of reference as its charter, has regulated its affairs in compliance with this charter, and has discharged all its responsibilities as contained therein.

Clean Audit Achieved: Our Clean Governance Journey



2024: Clean

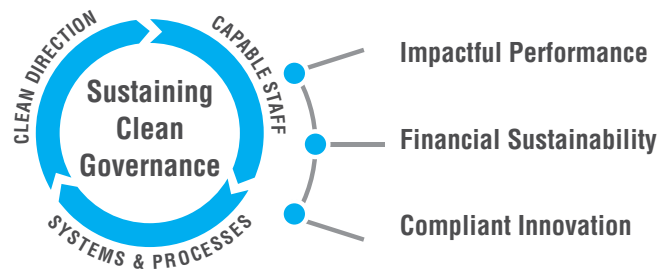
2023: Unqualified

2022: Qualified

Wesgro has, over the past two years, been on a journey towards clean governance as evidenced by an unqualified audit report with no material findings (clean audit).

We are pleased with this transformative turnaround in the audit outcome.

Sustaining Clean Governance: Embedding a Culture of Compliant Impact



In achieving it, we have been aware of the importance of sustaining the clean audit outcome.

The board of directors; The AITR Committee; and the management team will continue to focus on three fundamental drivers for the turnaround achieved by Wesgro towards clean governance; these are:

- Clear governance strategies and frameworks that will guide
- Our capable teams, and supporting them with
- Enabling systems and processes

Assurance Reported by Auditors: Internal Controls are Effective

The committee has reviewed the annual financial statements; the annual performance report; the reports of the internal auditors; and the reports of the external auditors (Auditor-General South Africa).

The committee has engaged with the internal and external auditors to ensure that there are no unresolved issues that emanated from their audit engagements.

The internal auditors confirmed effective controls and reliable reporting for these high priority areas:

- Performance against Predetermined Objectives
- SCM Compliance review
- Financial Discipline review

The audit report of the Auditor-General South Africa confirms that:

- Previous audit findings have been significantly resolved
- The annual financial statements are valid, accurate, and complete
- The annual performance report is valid, accurate, and complete
- In performing its work, Wesgro has complied with laws and regulations (including the submission of monthly and quarterly reports to the Treasury in compliance with the PFMA)
- There is a strong internal control environment.

Based on outcomes of the internal and external assurance providers, the AITR Committee is satisfied that the internal controls implemented by the entity are effective.

The Committee recommends that the audited annual financial statements and the audited annual performance report be accepted and read together with the report of the Auditor-General South Africa.

Looking Ahead: Clean Governance for Strategic Impact

Governance is an enabler for Wesgro achieving its mandate for positive impact in the Western Cape.

The AITR Committee will continue to oversee internal control environment to ensure that there is consistent planning, implementation, monitoring and reporting, giving attention to strategic priorities including:

- Digital transformation for the benefit of internal and external users
- Financial sustainability
- Impactful delivery of the entity's mandate
- Efficient governance processes
- Risk and opportunity management.

Standing Committee

When Wesgro sat before the Standing Committee on Public Accounts, we were challenged to ensure that the visibly positive impact that Wesgro has on the province through its work must be supported by a demonstration of clean governance. We have taken on this challenge and are happy to report that our governance is as clean as our service delivery.

Acknowledgements for achievement of clean governance

In meeting the challenge that was set by the Standing Committee, the AITR Committee acknowledges the management team for its commitment to building a culture of compliant high performance. The Western Cape Government continues to be a source of great support through the MEC and the Department of Economic Development and Tourism; The Provincial Treasury; and the City of Cape Town. The Committee acknowledges and appreciates the support and trust provided by the Board of Wesgro to contribute to the overall strategy of the entity.



Sazi Ndwandwa

Chairperson of the Audit, IT and Risk Committee

Wesgro

01 August 2024

3.16 B-BBEE Compliance Performance Information

The entity has made significant progress towards B-BBEE compliance for the 2021/22 financial year. However, it remains at level 8 accreditation.

Has the Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regard to the following:		
Criteria	Response Yes / No	Discussion
Determining qualification criteria for the issuing of licenses, concessions, or other authorisations in respect of economic activity in terms of any law?	No	It does not fall within the Wesgro ambit of responsibilities
Developing and implementing a preferential procurement policy?	No	Wesgro bases its procurement on the National Treasury procurement as guided by the Treasury Regulation and the Preferential Procurement Policy Framework Act (PPPF)
Determining qualification criteria for the sale of state-owned enterprises?	No	This is not applicable to Wesgro
Developing criteria for entering into partnerships with the private sector?	No	It does not form part of the Wesgro mandate
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	No	Limitation on the Wesgro budget does not provide for such awards.



Western Cape: Stargazing in the Karoo, South Africa

PART D: HUMAN RESOURCES MANAGEMENT



Western Cape: Knysna waterfront, Garden Route, South Africa

PART D: HUMAN RESOURCES MANAGEMENT

4.1 Introduction

The aim of the human resources sub-programme is to ensure compliance with labour law and that the Agency maintains an excellent, skilled workforce. The Agency's biggest asset lies in its human capital, intellectual property

and knowledge of its people. Maintaining and developing the employees of Wesgro will ensure effective delivery of the Agency's services as well as optimal customer service.

4.2 Human Resources Oversight Statistics

Personnel Cost by Programme

Programme	Total Expenditure ¹ for the entity (R'000)	Personnel Expenditure (R'000)	Personnel exp. as a % of total exp.	No of employees	Average personnel cost per employee (R'000)
Assurance & Business Enablement	7 695	5 712	74%	12	475
CEO Office	8 684	6 306	73%	5	1 261
Finance	25 177	7 812	31%	11	710
Investment Promotion	28 093	14 770	53%	19	777
Marketing & Innovation	63 321	21 167	33%	29	730
Tourism (DMO)	24 131	9 035	37%	12	753
Trade	26 220	9 644	37%	13	742
Sub Total	183 320	74 447	41%	101	737
Advisors	0	652	0%	3	217
Grabouw Development Agency	0	497	0%	0*	-
Interns	0	829	0%	8	104
Temps	0	285	0%	0**	-
Grand Total	183 320	76 710	42%	112	685

*The agreement with Grabouw Development Agency ended 31 July 2023.

** The contract for the Temp employee ended 31 January 2024.

1 Personnel expenditure excludes the provision for leave but excludes Board remuneration.

Personnel Cost by salary band

Level	Personnel expenditure (R '000)	% of personnel exp to total personnel cost	No of employees	Average personnel cost per employee (R'000)
Top Management	12 370	16%	6	2 062
Senior Management	18 774	24%	18	1 043
Professionally qualified	14 501	19%	19	763
Skilled	25 776	34%	46	560
Semi-Skilled	2 561	3%	9	285
Unskilled	465	1%	3	155
Sub Total	74 447	98%	101	737
Advisors	652	1%	3	217
Grabouw Development Agency	497	0%	0*	0
Interns	829	1%	8	104
Temps	285	0%	0**	0
Grand Total	76 710	100%	112	685

*The agreement with Grabouw Development Agency ended 31 July 2023.

** The contract for the Temp employee ended 31 January 2024.

Performance Rewards

Wesgro did not pay performance bonuses to staff during the period under review.

Training Costs

Programme	Personnel expenditure (R'000)	Training expenditure (R'000)	Training expenditure as a % of personnel cost	No of employees trained	Average training cost per employee (R'000)
Assurance & Business Enablement	5 712	29	0.51%	15	1.9
CEO Office	6 306	0	0.00%	0	0
Finance	7 812	23	0.29%	3	7.7
Investment Promotion	14 770	162	1.10%	15	10.8
Marketing & Innovation	21 167	124	0.59%	5	24.8
Tourism (DMO)	9 035	0	0%	0	0
Trade	9 644	84	0.87%	8	10.5
Sub Total	74 447	422	0.57%	46	9.2
Advisors	652	0	0%	3	0
Grabouw Development Agency	497	0	0%	0	0
Interns	829	20	2.41%	2	10.0
Temps	285	0	0%	0	0
Grand Total	76 710	442	0.58%	51	8.7

*The number of employees trained (excluding interns) during the year.

Employment and vacancies

Programme	Approved posts	No of employee	Vacancies	% of vacancies
Year	2023/24	2023/24	2023/24	2023/24
Assurance & Business Enablement	13	12	1	8%
CEO Office	6	5	1	17%
Finance	12	11	1	8%
Investment Promotion	20	19	1	5%
Marketing & Innovation	29	29	0	0%
Tourism	14	12	2	14%
Trade	15	13	2	13%
Sub Total	109	101	8	7%
Interns	8	8	0	0%
Grabouw Development Agency	0	0	0	0%
Temps	0	0	0	0%
Part-time employees	3	3	0	0%
Grand Total	120	112	8	7%

*Note: Unable to compare with previous FY due to change in organisational structure.

Employment changes

Salary band	Employment at beginning of period	Appointments	Terminations	Employment at end of the period
Top management	6	0	0	6
Senior management	13	6	1	18
Professionally qualified	16	4	1	19
Skilled	46	6	6	46
Semiskilled	7	2	0	9
Unskilled	3	0	0	3
Sub Total	91	18	8	101
Grabouw Development Agency	1	0	1	0
Interns	9	7	8	8
Temps	2	0	2	0
Part-time personnel	3	0	0	3
Total	106	25	19	112

Reasons for staff leaving

Reason	Number	% of total no of staff leaving
Death	0	0%
Resignation	7	78%
Dismissal	2	22%
Retirement	0	0%
Ill health	0	0%
Expiry of contract	0	0%
Other	0	0%
Total	9	100%

Labour Relations: Misconduct and disciplinary action

Nature of disciplinary action	Number
Verbal warning	3
Written warning	3
Final written warning	2
Dismissal	2

Equity Target and Employment Equity Status

Levels	MALE							
	Black African		Coloured		Indian		White	
	Target	Current	Target	Current	Target	Current	Target	Current
Top management	1	1	0	1	0	0	0	0
Senior management	1	1	1	2	0	2	2	4
Professionally qualified	1	5	1	1	0	0	0	2
Skilled	1	4	0	7	0	0	0	2
Semiskilled	0	1	0	1	0	0	0	0
Unskilled	0	0	0	0	0	0	0	0
Total	4	12	2	12	0	2	2	8

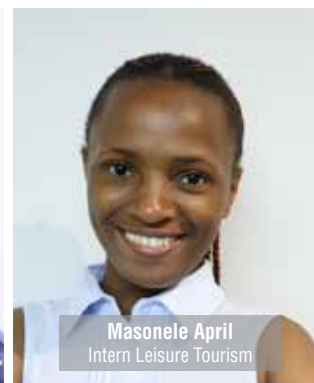
*Excludes Interns

Levels	FEMALE							
	Black African		Coloured		Indian		White	
	Target	Current	Target	Current	Target	Current	Target	Current
Top management	0	0	0	1	0	0	0	3
Senior management	1	0	2	4	0	0	3	8
Professionally qualified	0	1	0	4	0	2	0	1
Skilled	0	14	0	10	0	3	0	4
Semiskilled	0	6	0	3	0	0	0	0
Unskilled	0	1	0	2	0	0	0	0
Total	1	22	2	24	0	5	3	16

*Excludes Interns

*Total (males and females) equates to 101, 31 March 2024

Wesgro Graduate Programme – Financial Year 2023/24



PART E: PFMA COMPLIANCE REPORT



Western Cape: Prince Albert town in the Cape Karoo, South Africa

PART E: PFMA COMPLIANCE REPORT

Irregular expenditure

a) Reconciliation of irregular expenditure

Description	2023/24	2022/23
	R'000	R'000
Opening balance	-	47 320
Add: Correction of prior period error	-	-
Add: Irregular expenditure – current	1 124	24 540
Less: Irregular expenditure condoned	(1 122)	(71 860)
Less: Irregular expenditure recoverable	(2)	-
Less: Irregular expenditure not recovered and written off	-	-
Closing balance	-	-

Reconciling notes

Description	2023/24	2022/23
	R'000	R'000
Irregular expenditure that was under assessment in 2022/23	-	-
Irregular expenditure that relates to 2021/22, and identified in 2022/23	-	-
Irregular expenditure for the current year	1 124	24 450
Total	1 124	24 450

b) Details of current and previous year irregular expenditure (under assessment, determination, and investigation)

Description	2023/24	2022/23
	R'000	R'000
Irregular expenditure under assessment	-	-
Irregular expenditure under determination	-	-
Irregular expenditure under investigation	-	-
Total (Total unconfirmed irregular expenditure (assessment), losses (determination), and criminal conduct (investigation))	-	-

c) Details of current and previous year irregular expenditure condoned

Description	2023/24	2022/23
	R'000	R'000
Irregular expenditure condoned	1 122	71 860
Total	1 122	71 860

d) Details of current and previous year irregular expenditure removed – (not condoned)

Description	2023/24	2022/23
	R'000	R'000
Irregular expenditure NOT condoned and removed	-	-
Total	-	-

e) Details of current and previous year irregular expenditure recovered

Description	2023/24	2022/23
	R'000	R'000
Irregular expenditure recovered	2	-
Total	2	-

f) Details of current and previous year irregular expenditure written off (irrecoverable)

Description	2023/24	2022/23
	R'000	R'000
Irregular expenditure written off	-	-
Total	-	-

Additional disclosure relating to Inter-Institutional Arrangements

g) Details of non-compliance cases where an institution is involved in an inter-institutional arrangement (where such institution is not responsible for the non-compliance)

h) Details of non-compliance cases where an institution is involved in an inter-institutional arrangement (where such institution is responsible for the non-compliance)

Description	2023/24	2022/23
	R'000	R'000
None identified.	-	-

i) Details of current and previous year disciplinary or criminal steps taken as a result of irregular expenditure

Disciplinary steps taken		
	2023/24	2022/23
Consequence management relating to the five matters above resulted in corrective counselling; a verbal warning; a written warning and a dismissal.		The prescribed consequence management processes were followed against the key SCM officials, which resulted in the dismissal of two officials. The former CFO resigned from the Agency.

Fruitless and wasteful expenditure

a) Reconciliation of fruitless and wasteful expenditure

Description	2023/24	2022/23
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment in 2022/23	153	142
Fruitless and wasteful expenditure for the current year	55	15
Fruitless and wasteful expenditure recovered	-	(4)
Fruitless and wasteful expenditure recoverable	(102)	-
Total	106	153

Reconciling notes

Description	2023/24	2022/23
	R'000	R'000
Opening balance	153	142
Add: Fruitless and wasteful expenditure confirmed	55	15
Less: Fruitless and wasteful expenditure recovered	-	(4)
Less: Fruitless and wasteful expenditure recoverable	(102)	-
Closing balance	106	153

b) Details of current and previous year fruitless and wasteful expenditure (under assessment, determination, and investigation)

Description	2023/24	2022/23
	R'000	R'000
Fruitless and wasteful expenditure under assessment	-	-
Fruitless and wasteful expenditure under determination	-	-
Fruitless and wasteful expenditure under investigation	86	356
Total (Total unconfirmed fruitless and wasteful expenditure (assessment), losses (determination), and criminal conduct (investigation))	-	-

Following the completion of an asset count performed by the entity, it was identified that there were 68 assets that could not be located and verified. An investigation into this matter will be conducted in accordance with the compliance framework issued by National Treasury to determine if there were any losses incurred. The cost of these assets are R532 703 with an accumulated depreciation amount of R466 986 and a carrying value of R85 717.

c) Details of current and previous year irregular expenditure recovered

Description	2023/24	2022/23
	R'000	R'000
Fruitless and wasteful expenditure recovered	-	4
Total	-	4

d) Details of current and previous year fruitless and wasteful expenditure not recovered and written off

Description	2023/24	2022/23
	R'000	R'000
Fruitless and wasteful expenditure written off	-	-
Total	-	-

e) Details of current and previous year disciplinary or criminal steps taken as a result of fruitless and wasteful expenditure

Disciplinary steps taken	
2023/24	2022/23
Consequence management resulted in a dismissal of one official.	None

Additional disclosure relating to material losses in terms of PFMA Section 55(2)(b)(i) &(iii)

a) Details of current and previous year material losses through criminal conduct

Material losses through criminal conduct	2023/24	2022/23
	R'000	R'000
Theft	-	-
Other material losses	-	-
Less: Recovered	-	-
Less: Not recovered and written off	-	-
Total	-	-

b) Details of other material losses

Nature of other material losses	2023/24	2022/23
	R'000	R'000
None identified	-	-

c) Other material losses recovered

Nature of losses	2023/24	2022/23
	R'000	R'000
None identified	-	-

d) Other material losses written off

Nature of losses	2023/24	2022/23
	R'000	R'000
None identified	-	-

Information on late and / or non-payment of suppliers

Description	Number of invoices	Consolidated Value
		R'000
Valid invoices received	487	32 922
Invoices paid within 30 days or agreed period	424	30 683
Invoices paid after 30 days or agreed period	47	791
Invoices older than 30 days or agreed period (unpaid and without dispute)	4	14
Invoices older than 30 days or agreed period (unpaid and in dispute)	12	1 434

Information on Supply Chain Management

Procurement through other means

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract
				R'000
Trade show at VivaTech	MSL France/ VivaTechnology	Limited bidding	N/A	1 341

Contract variations and expansions

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value
				R'000
World Hydrogen Summit	Sustainable energy council	Variation	N/A	904
Training programmes- Export advancement	Tradewize International	Variation	N/A	268
Travel services	Rennies travel	Variation	N/A	2 330
Subscription to internet services	Vanilla	Variation	N/A	354
Subscription to FDI markets	FDI markets	Variation	N/A	243
Subscription to Euromonitor	Euromonitor	Variation	N/A	219
Subscription to Rove markets	Rove markets	Variation	N/A	245
Subscription to FDI markets	FDI markets	Variation	N/A	243
Industrial relations services	Labour net	Variation	N/A	57
Subscription to Euromonitor	Euro monitor	Variation	N/A	219
Subscription to Rove markets	Rove markets	Variation	N/A	243
Project management-office premises turnkey solution	Collaboration	Variation	N/A	1 147
Subscription to FDI markets	FDI markets	Variation	N/A	243
Slack subscription	Slack	Variation	N/A	148
Extension of St Georges Mall rental lease	Ryden properties	Variation	N/A	33 782
Extension of CIC One Stop Shop rental lease	Tsogo Sun	Variation	N/A	7 726
Subscription to internet services	Vanilla	Variation	N/A	354
Data CTAA package for air access	OAG	Variation	N/A	2 120
Job grading and remuneration services	Rob Oakley	Variation	N/A	304



Western Cape: Babylonstoren, Franschhoek, Cape Winelands, South Africa

PART F: FINANCIAL INFORMATION



Western Cape: Botmaskop Mountain, Stellenbosch, Cape Winelands, South Africa

PART F: FINANCIAL INFORMATION

Audited Annual Financial Statements for the year ended 31 March 2024

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	The official tourism, trade and investment promotion agency for the Western Cape.
Non executive directors	Simon Kaye (ex-officio member) Timothy Scholtz Councilor Nicholas Louw Geoffrey Jacobs Mayor Francois Du Rand John van Rooyen Velani Mboweni Natalie Jabangwe Sabine Lehmann Paul Cluver Shirley Zinn Sazi Ndwandwa Lance Greyling (ex-officio member) David Bridgman Wrenelle Stander (Chief Executive Officer) (ex-officio member) Antoinette Basson (Independent member of the Audit, IT and Risk Committee) Ayanda Mvandaba (Independent member of the Audit, IT and Risk Committee)
Registered office	7th Floor Media24 Building 40 Heerengracht Street Cape Town 8001
Business address	7th Floor Media24 Building 40 Heerengracht Street Cape Town 8001
Postal address	P O Box 1678 Cape Town 8000
Bankers	ABSA Bank
Auditors	Auditor-General South Africa
Telephone	021 487 8600
E-Mail	info@wesgro.co.za
Website	www.wesgro.co.za

Index

Audited Annual Financial Statements for the year ended 31 March 2024

The reports and statements set out below comprise the audited annual financial statements presented to the provincial legislature:

	Page
Board's Responsibilities and Approval	121
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Statement of Financial Position	128
Statement of Financial Performance	129
Statement of Changes in Net Assets	130
Cash Flow Statement	131
Statement of Comparison of Budget and Actual Amounts	132
Accounting Policies	133 – 142
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Abbreviations used:

CEO	Chief Executive Officer
CFO	Chief Financial Officer
GRAP	Generally Recognised Accounting Practice
DEDAT	Western Cape Department of Economic Development and Tourism
DoA	Western Cape Department of Agriculture
DTIC	Department of Trade, Industry and Competition
PFMA	Public Finance Management Act
DoE	Western Cape Department of Education
PT	Western Cape Provincial Treasury

Board's Responsibilities and Approval

Audited Annual Financial Statements for the year ended 31 March 2024

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

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

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

The members acknowledge that they are ultimately responsible for the system of internal financial control established by the entity and place considerable importance on maintaining a strong control environment. To enable the members to meet these responsibilities, the board sets standards for internal control aimed at reducing the risk of error or deficit in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the entity and all employees are required to maintain the highest ethical standards in ensuring the entity's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the entity is on identifying, assessing, managing and monitoring all known

forms of risk across the entity. While operating risk cannot be fully eliminated, the entity endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The members 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 audited annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

The members have reviewed the entity's cash flow forecast for the year to 31 March 2024 and, in the light of this review and the current financial position, they are satisfied that the entity has or has access to adequate resources to continue in operational existence for the foreseeable future.

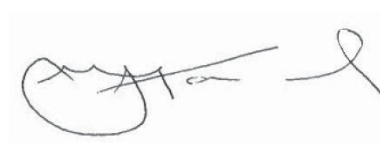
The entity is wholly dependent on the entity for continued funding of operations. The audited annual financial statements are prepared on the basis that the entity is a going concern and that the entity has neither the intention nor the need to liquidate or curtail materially the scale of the entity.

Although the board are primarily responsible for the financial affairs of the entity, they are supported by the entity's external auditors. The external auditors are responsible for independently reviewing and reporting on the entity's audited annual financial statements.

The audited annual financial statements set out on pages 128 to 165, which have been prepared on the going concern basis, were approved by the board on 31 May 2024 and was signed on it's behalf by the chairperson of the board.



Dr. Shirley Zinn
Chairperson



Wrenelle Stander
Chief Executive Officer

Report of the Auditor-General to Western Cape Provincial Parliament on Western Cape Tourism, Trade and Investment Promotion Agency

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Western Cape Tourism, Trade and Investment Promotion Agency set out on pages 128 to 165, which comprise the statement of financial position as at 31 March 2024, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Western Cape Tourism, Trade & Investment Promotion Agency as at 31 March 2024 and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (Standards of GRAP) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the Auditor-General for the audit of the financial statements section of my report.
4. I am independent of the public entity in accordance with the International Ethics Standards Board for Accountants' International code of ethics for professional accountants (including International Independence Standards) (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter

6. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Restatement of corresponding figures

7. As disclosed in note 27 to the financial statements, the corresponding figures for 31 March 2023 were restated as a result of an error in the financial statements of the public entity at, and for the year ended, 31 March 2024.

Responsibilities of the accounting authority for the financial statements

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

Responsibilities of the Auditor-General for the audit of the financial statements

10. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
11. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is provided on page 125, forms part of this auditor's report.

Report on the annual performance report

12. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance information against predetermined objectives for the selected material performance indicators presented in the annual performance report. The accounting authority is responsible for the preparation of the annual performance report.
13. I selected the following material performance indicators related to programme 2: investment and programme 3: export presented in the annual performance report for the year ended 31 March 2024. I selected those indicators that measure the public entity's performance on its primary mandated functions and that are of significant national, community or public interest.
- Number of investment projects committed
 - Number of trade agreements signed
14. I evaluated the reported performance information for the selected material performance indicators against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the public entity's planning and delivery on its mandate and objectives.
15. I performed procedures to test whether:
- the indicators used for planning and reporting on performance can be linked directly to the public entity's mandate and the achievement of its planned objectives
 - all the indicators relevant for measuring the public entity's performance against its primary mandated and prioritised functions and planned objectives are included
 - the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
 - the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
 - the reported performance information is presented in the annual performance report in the prescribed manner
 - there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets.
16. I performed the procedures only to report material findings; and not to express an assurance opinion or conclusion.
17. I did not raise any material findings on the reported performance information for the selected indicators.

Other matter

18. I draw attention to the matter below.

Achievement of planned targets

19. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- or under achievement.
20. The table that follows provides information on the achievement of the planned target and lists the key indicator that was not achieved as reported in the annual performance report. The reason for any underachievement of the target is included in the annual performance report on page 55.

Programme 2: Investment

Target achieved: 0, 00%
Budget spent: 108, 67%

Project description	Planned target	Reported achievement
Number of investment projects committed	18	14

Report on compliance with legislation

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

Other information in the annual report

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

Internal control deficiencies

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

Auditor-General

Cape Town

31 July 2024



**AUDITOR - GENERAL
SOUTH AFRICA**

Auditing to build public confidence

Annexure – Auditor-General’s responsibility for the audit

The annexure includes the following:

- the Auditor-General’s responsibility for the audit
- the selected legislative requirements for compliance testing.

Auditor-General’s responsibility for the audit

Professional judgement and professional scepticism

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

Financial statements

In addition to my responsibility for the audit of the financial statements as described in this auditor’s report, I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the public entity’s internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made

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

Communication with those charged with governance

I communicate with the accounting authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the accounting authority with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act No.1 of 1999 (PFMA)	Section 51 (1)(b)(i); 51 (1)(b)(ii); 51 (1)(e)(iii); 53(4); Section 54(2)(c); 54(2)(d); 55(1)(a); 55(1)(b); Section 55(1)(c)(i); 56(1); 57(b)
Treasury Regulations, 2005	Regulation 8.2.1; 8.2.2; 16A3.2; 16A3.2(a); Regulation 16A6.1; 16A6.2(a) 16A6.2(b); Regulation 16A6.3(a); 16A6.3(b); 16A6.3(c); Regulation 16A6.3(e); 16A6.4; 16A6.5; 16A6.6; Regulation 16A7.1; 16A7.3; 16A7.6; 16A7.7; Regulation 16A8.3; 16A8.4; 16A9.1 (b)(ii); Regulation 16A9.1(d); 16A9.1(e); 16A9.1(f); Regulation 16A9.2; 16A9.2(a)(ii); 30.1.1; Regulation 30.1.3(a); 30.1.3(b); 30.1.3(d); 30.2.1; Regulation 31.1.2(c); 31.2.1; Regulation 33.1.1; 33.1.3
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations 2004	Regulation 17; 25(7 A)
Second amendment National Treasury Instruction No. 5 of 202/21	Paragraph 1
Erratum National Treasury Instruction No. 5 of 202/21	Paragraph 2
National Treasury instruction No 5 of 2020/21	Paragraph 4.8; 4.9; 5.3
National Treasury Instruction No. 4 of 2021/22	Paragraph 4.1
National Treasury Instruction No. 4 of 2015/16	Paragraph 3.4
National Treasury SCM Instruction No. 4A of 2016/17	Paragraph 6
National Treasury SCM Instruction No. 03 of 2021/22	Paragraph 4.1; 4.2 (b); 4.3; 4.4(a); 4.17; 7.2; 7.6
National Treasury SCM Instruction No. 11 of 2020/21	Paragraph 3.4(a); 3.4(b); 3.9
National Treasury SCM Instruction No. 2 of 2021/22	Paragraph 3.2.1; 3.2.4; 3.2.4(a); 3.3.1
Practice Note 11 of 2008/9	Paragraph 2.1; 3.1 (b)
Practice Note 7 of 2009/10	Paragraph 4.1.2
Preferential Procurement Policy Framework Act 5 of 2000	Section 1; 2.1 (a); 2.1 (f)
Preferential Procurement Regulations, 2022	Paragraph 4.1; 4.2; 4.3; 4.4; 5.1; 5.2; 5.3; 5.4
Preferential Procurement Regulations, 2017	Paragraph 4.1; 4.2; 5.1; 5.3; 5.6; 5.7; 6.1; 6.2; Paragraph 6.3; 6.5; 6.6; 6.8; 7.1; 7.2; 7.3; 7.5; Paragraph 7.6; 7.8; 8.2; 8.5; 9.1; 10.1; 10.2; Paragraph 11.1; 11.2
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)



Western Cape: View of Cape Town City Centre and Harbour, South Africa

Statement of Financial Position

Audited Annual Financial Statements for the year ended 31 March 2024

	Note(s)	2024 R'000	2023 Restated* R'000
Assets			
Current Assets			
Cash and cash equivalents	3	18 470	60 940
Receivables from exchange transactions	4	1 868	1 842
Prepayments	5	9 704	12 657
		30 042	75 439
Non-Current Assets			
Receivables from exchange transactions	4	1 457	-
Property, plant and equipment	6	8 729	7 005
Intangible assets	7	1 632	1 286
		11 818	8 291
Total Assets		41 860	83 730
Liabilities			
Current Liabilities			
Provisions	8	5 131	3 756
Payables from exchange transactions	9	5 267	8 706
Operating lease liability	10	-	550
Unspent conditional grants and receipts	11	10 271	47 625
Income received in advance	12	37	5 243
		20 706	65 880
Total Liabilities		20 706	65 880
Net Assets		21 154	17 850
Reserves			
Air Access Development Fund Reserves		5 034	-
Accumulated surplus		16 120	17 850
Total Net Assets		21 154	17 850

Statement of Financial Performance

Audited Annual Financial Statements for the year ended 31 March 2024

		2024	2023
	Note(s)	R'000	Restated* R'000
Revenue			
Revenue from exchange transactions			
Interest received		2 195	2 554
Other income		487	183
Exhibition stands		1 366	1 444
Government grants & subsidies	13	25 888	19 766
Gain on disposal of assets		-	273
Total revenue from exchange transactions		29 936	24 220
Revenue from non-exchange transactions			
Transfer revenue			
Government grants & subsidies	14	156 688	137 368
Total revenue		186 624	161 588
Expenditure			
Employee related costs	15	76 710	63 389
Remuneration of non-executive directors	16	651	494
Depreciation and amortisation	17	4 118	3 345
Marketing expenses	18	30 166	34 674
Workshops, seminars and events	19	32 845	17 834
Lease rentals on operating lease		5 880	5 296
Audit fees	20	4 188	4 488
Loss on foreign exchange		602	19
General Expenses	21	28 160	23 210
Total expenditure		183 320	152 749
Surplus for the year		3 304	8 839

Statement of Changes in Net Assets

Audited Annual Financial Statements for the year ended 31 March 2024

	Air Access Development Reserve	Accumulated surplus / deficit	Total net assets
	R'000	R'000	R'000
Opening balance as previously reported	-	6 996	6 996
Adjustments			
Prior year adjustments 27	-	2 015	2 015
Balance at 01 April 2022 as restated*	-	9 011	9 011
Changes in net assets			
Surplus for the year	-	8 839	8 839
Total changes	-	8 839	8 839
Restated* Balance at 01 April 2023	-	17 850	17 850
Changes in net assets			
Surplus for the year	-	3 304	3 304
Transfer to Air Access development fund reserve	5 034	(5 034)	-
Total changes	5 034	(1 730)	3 304
Balance at 31 March 2024	5 034	16 120	21 154

Cash Flow Statement

Audited Annual Financial Statements for the year ended 31 March 2024

	2024	2023
Note(s)	R'000	Restated* R'000
Cash flows from operating activities		
Receipts		
Government grants	139 877	141 396
Interest	2 870	4 511
Other income and exhibition revenue	1 853	1 627
	144 600	147 534
Payments		
Employee costs	(75 986)	(62 851)
Suppliers	(106 047)	(95 250)
	(182 033)	(158 101)
Net cash flows from operating activities	22 (37 433)	(10 567)
Cash flows from investing activities		
Purchase of property, plant and equipment	6 (4 016)	(2 887)
Purchase of intangible assets	7 (1 021)	(944)
Net cash flows from investing activities	(5 037)	(3 831)
Cash flows from financing activities		
Repayment of other financial liabilities	-	(13 959)
Net cash flows from financing activities	-	(13 959)
Net increase/(decrease) in cash and cash equivalents	(42 470)	(28 357)
Cash and cash equivalents at the beginning of the year	60 940	89 297
Cash and cash equivalents at the end of the year	3 18 470	60 940

The accounting policies on pages 9 to 16 and the notes on pages 17 to 37 form an integral part of the audited annual financial statements.

Statement of Comparison of Budget and Actual Amounts Budget on Cash Basis

Audited Annual Financial Statements for the year ended 31 March 2024

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
	R'000	R'000	R'000	R'000	R'000	R'000
Statement of Financial Performance						
Revenue						
Non-tax revenue						
Sale of Goods and Services other than capital assets	3 722	-	3 722	4 048	326	8%
Transfer revenue of which:						
Departmental transfers	122 055	-	122 055	122 055	-	0%
Other non-tax revenue	37 557	-	37 557	31 343	(6 214)	-17%
Total revenue from non-exchange transactions	159 612	-	159 612	153 398	(6 214)	
Total revenue	163 334	-	163 334	157 446	(5 888)	
Expenditure						
Compensation of employees	(75 863)	-	(75 863)	(75 986)	(123)	0%
Goods and services	(99 946)	-	(99 946)	(106 047)	(6 101)	6%
Payments for capital assets	(22 433)	-	(22 433)	(5 037)	17 396	-78%
Total expenditure	(198 242)	-	(198 242)	(187 070)	11 172	-6%
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	(34 908)	-	(34 908)	(29 624)	5 284	

Please refer to note 30 for explanation of material budget variances.

Accounting policies

Audited Annual Financial Statements for the year ended 31 March 2024

1. Presentation of Audited Annual Financial Statements

The significant accounting policies applied in the preparation of these audited annual financial statements are set out below.

1.1 Basis of preparation

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

These audited annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. The figures presented in the audited financial statements are in South African Rand and all figures are rounded off to the nearest thousand.

These accounting policies are consistent with the previous period.

1.2 Cash and cash equivalents

Cash and cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

1.3 Revenue from exchange transactions

Revenue from exchange transactions refers to revenue that accrued to the Agency directly in return for services rendered / goods sold, the value of which approximates the consideration received or receivable.

Revenue is measured at fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Agency's activities. Revenue is shown net of returns, rebates and discounts.

The Agency recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Agency and when specific criteria have been met for each of the Agency's activities as described below. The amount of revenue is not considered to be reliably measured until all contingencies relating to the sale have been resolved.

Other revenue

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion (recognised as a percentage of work completed) of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably
- it is probable that the economic benefits or service potential associated with the transaction will flow to the entity
- the stage of completion of the transaction at the reporting date can be measured reliably and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.
- the stage of completion of the transaction at the reporting date can be measured reliably and
- when the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue shall be recognised only to the extent of the the expenses recognised are recoverable.

Management fee and exhibition income is recognised as revenue when no significant uncertainty as to its collectability exists. It is also recognised on a basis that reflects the timing, nature and value of the benefits provided.

Accounting policies

Audited Annual Financial Statements for the year ended 31 March 2024

Interest

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

- It is probable that the economic benefits or service potential associated with the transaction will flow to the entity, and
- The amount of the revenue can be measured reliably.

Interest earned on cash and cash equivalents is recognised in the Statement of Financial Performance on the time proportionate basis that takes into account the effective yield on the investment.

1.4 Going concern assumption

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

1.5 Revenue from non-exchange transactions

Revenue from non-exchange transactions refers to transactions where the Agency received revenue from another entity without directly giving approximately equal value in exchange. Revenue from non-exchange transactions is generally recognised to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no liability to repay the amount.

Government grants

Government grants are recognised as revenue when:

- it is probable that the economic benefits or service potential associated with the transaction will flow to the entity,
- the amount of revenue can be measured reliably, and
- to the extent that there has been compliance with any restrictions associated with the grant.

Income received from conditional grants, donations and funding are recognised as revenue to the extent that the Agency has complied with any of the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been met a liability is recognised. Governments grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Agency with no future related costs are recognised in the Statement of Financial Performance in the period in which they become receivable.

Government grants are measured at the fair value of the consideration received or receivable.

1.6 Financial instruments

Financial Instruments include cash and cash equivalents, trade receivables and trade and other payables. Financial assets within the scope of GRAP 104 are classified as financial assets at fair value, financial assets at cost or financial assets at amortised cost, as appropriate. Financial assets and financial liabilities are initially recognised in the Statement of Financial Position when the Agency becomes party to the contractual provisions of the instrument. When financial assets are recognised initially, they are measured at fair value plus, in the case of a financial asset or financial liability not subsequently measured at fair value, directly attributable transaction costs. The Agency determines the classification of its financial asset on initial recognition.

All regular purchases and sales of financial assets are recorded on the trade date, which is the date that the Agency commits to purchase the asset.

Accounting policies

Audited Annual Financial Statements for the year ended 31 March 2024

1.6 Financial instruments (continued) Classification

The entity has the following types of financial assets (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Trade and Other receivables	Financial asset measured at amortised cost
Cash and Cash Equivalents	Financial asset measured at amortised cost

The entity has the following types of financial liabilities (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Trade and Other Payables	Financial liability measured at amortised cost

Financial instruments at fair value

Financial instruments at fair value comprise financial assets or financial liabilities that are:

- derivatives
- combined instruments that are designated at fair value
- instruments held for trading
- non-derivative financial assets or financial liabilities with fixed or determinable payments that are designated at fair value at initial recognition; and
- financial instruments that do not meet the definition of financial instruments.

Financial instruments at amortised cost

Financial instruments at amortised cost are non-derivative financial assets or non-derivative financial liabilities that have fixed or determinable payments, excluding those instruments that the entity designates at fair value at initial recognition or are held for trading. After initial measurement, the instruments are measured at amortised cost using the effective interest method. Gains and losses are recognised in surplus and deficit when the liabilities are derecognised as well through the amortisation process. Trade receivables, cash and cash equivalents and trade and other payables are classified as financial instruments at amortised cost.

Derecognition

A financial asset or portion of a financial asset is derecognised when:

- The rights to receive cash flows from the asset have expired;
- The Agency retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without any material delay to a third party under a 'pass-through' arrangement; or
- Has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position only if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Accounting policies

Audited Annual Financial Statements for the year ended 31 March 2024

1.7 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is charged so as to write off the cost of assets over their estimated useful lives, using the straightline method, based on the following useful lives:

The cost of an item of property, plant and equipment is recognised as an asset when: it is probable that future economic benefits or service potential associated with the item will flow to the entity; and the cost of the item can be measured reliably.

Item	Depreciation method	Average useful life
Furniture and fittings	Straight line	10 years
Motor Vehicles	Straight line	5 years
Office equipment	Straight line	5 years
Computer equipment	Straight line	5 years
Leasehold improvements	Straight line	10 years
Project assets	Straight line	*Refer below

Cost includes the cost of replacing part of the plant and equipment when that cost is incurred, if the recognition criteria are met. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance cost are recognised in surplus or deficit as incurred. The assets' residual values, useful lives and methods of depreciation are reviewed, and adjustment if appropriate, at each financial year end. Any item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in surplus or deficit in the year the asset is derecognised. Useful lives and residual values are assessed annually where applicable.

The leasehold improvements relate to the enhancements and customisation of leased office space. These costs are depreciated over the lease term.

*The estimated useful life of the project related assets is the same as the non-project related assets.

1.8 Intangible assets

Intangible assets acquired by Wesgro, which have finite useful lives, and measured at cost less accumulated amortisation and accumulated impairment losses. Useful lives and residual values are assessed annually where applicable.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in surplus or deficit as incurred.

Amortisation

Amortisation is recognised in surplus or deficit on a straight-line basis over the estimated useful lives of intangible assets from the date they are available for use. Useful lives and residual values are assessed annually where applicable. The estimated useful lives for the current and comparative years are as follows:

Item	Depreciation method	Average useful life
Computer software and other	Straight line	2 years

Accounting policies

Audited Annual Financial Statements for the year ended 31 March 2024

1.9 Provisions and contingencies

Provisions are recognised when the Agency has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Agency expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in surplus or deficit net of any reimbursement. Provisions are discounted when the time value of money is material. If the effect of the time value of money is material, provisions are discounted using a current rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

1.10 Translation of foreign currencies

Foreign currency transactions

Transactions in foreign currency are initially recorded at the functional rate currency rate prevailing at the date of the transaction. All differences are recognised in surplus or deficit.

Accounting policies

Audited Annual Financial Statements for the year ended 31 March 2024

1.11 Leases

Where the Agency does not transfer substantially all the risks and benefits of ownership of the asset, they are classified as operating leases. Operating lease payments are recognised as an expense on a straight line basis over the lease term.

Operating leases - lessee

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

1.12 Tax

Being a provincial public entity as defined in terms of the PFMA, the Agency is exempted from having to pay income tax or declare value added tax.

1.13 Employee benefits

Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees.

Short-term employee benefits

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

Short-term employee benefits include items such as:

- wages, salaries and social security contributions
- short-term compensated absences (such as paid annual leave and paid sick leave) where the compensation for the absences is due to be settled within twelve months after the end of the reporting period in which employees render the related employee service;
- bonus, incentive and performance related payments payable within twelve months after the end of the reporting period in which the employees render the related service; and
- non-monetary benefits (for example, medical care, and free or subsidised goods or services such as housing, cars and cellphones) for current employees.

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

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

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

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

Accounting policies

Audited Annual Financial Statements for the year ended 31 March 2024

Employee benefits (continued)

Post-employment benefits: Defined contribution plans

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

When an employee has rendered service to the entity during a reporting period, the entity recognise the contribution payable to a defined contribution plan in exchange for that service:

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

Where contributions to a defined contribution plan do not fall due wholly within twelve months after the end of the reporting period in which the employees rendered the related service, they are discontinued. The rate used to discount reflects the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the obligation.

1.14 Budget information

Subject to requirements of GRAP 24 paragraph 19, an entity shall present a comparison of budget amounts for which it is held publicly accountable and actual amounts either as a separate additional financial statement or as additional budget columns in the financial statements currently presented in accordance with Standards of GRAP. The comparison of budget and the actual amounts shall present separately for each level of legislative oversight:

The approved budget is prepared on a cash basis and presented by economic classification linked to performance outcome objectives. The approved budget covers the fiscal period from 2023/04/01 to 2024/03/31.

The audited annual financial statements and the budget are not on the same basis of accounting therefore a reconciliation between the statement of financial performance and the budget have been included in the audited annual financial statements. Refer to note 30.

- The approved and final budget
- The actual amounts on a comparable basis
- An explanation of material differences between budget and actuals.

Where the budget and the annual financial statements are prepared on a comparable basis, a separate statement is prepared called 'Statement of Comparison of Budget and Actual Amounts'. This statement compares the budget amounts with the amounts in the financial statements adjusted to be comparable. A comparable basis means that the budget and annual financial statements:

- Are prepared using the same basis of accounting
- Include the same activities and entities
- Use the same classification system
- Are prepared for the same period.

Accounting policies

Audited Annual Financial Statements for the year ended 31 March 2024

1.15 Segment information

A segment is an activity of an entity:

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

Operating segments are reported in a manner consistent with the internal reporting provided to management. Management allocates resources to and assesses the performance of the operating segments of an entity. The Agency operates in the following primary segments:

- Investment and trade promotion
- Tourism
- Support services

1.16 Significant judgements and sources of estimation uncertainty

- The preparation of the Wesgro's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Trade and other receivables

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

Plant and equipment

The entity assesses at each reporting date whether there is any indication that the entity expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the entity revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

Materiality

Material omissions or misstatements of items are material if they could, individually or collectively, influence the decisions or assessments of users made on the basis of the financial statements. Materiality depends on the nature or size of the omission or misstatement judged in the surrounding circumstances. The nature or size of the information item, or a combination of both, could be the determining factor.

Assessing whether an omission or misstatement could influence decisions of users, and so be material, requires consideration of the characteristics of those users. The Framework for the Preparation and Presentation of Financial Statements states that users are assumed to have a reasonable knowledge of government, its activities, accounting and a willingness to study the information with reasonable diligence. Therefore, the assessment takes into account how users with such attributes could reasonably be expected to be influenced in making and evaluating decisions.

When the final accounts have been closed, any transaction that occur in respect of a prior period, is considered by management individually and collectively for materiality and the annual financial statements are amended with transactions that are material in amount or by nature.

Accounting policies

Audited Annual Financial Statements for the year ended 31 March 2024

1.17 Related parties

A related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Joint control is the agreed sharing of control over an activity by a binding arrangement, and exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control (the venturers).

Related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party, regardless of whether a price is charged.

Significant influence is the power to participate in the financial and operating policy decisions of an entity, but is not control over those policies.

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

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

The entity is exempt from disclosure requirements in relation to related party transactions if that transaction occurs within normal supplier and/or client/recipient relationships on terms and conditions no more or less favourable than those which it is reasonable to expect the entity to have adopted if dealing with that individual entity or person in the same circumstances and terms and conditions are within the normal operating parameters established by that reporting entity's legal mandate.

Where the entity is exempt from the disclosures in accordance with the above, the entity discloses narrative information about the nature of the transactions and the related outstanding balances, to enable users of the entity's financial statements to understand the effect of related party transactions on its audited annual financial statements.

Accounting policies

Audited Annual Financial Statements for the year ended 31 March 2024

1.18 Fruitless and wasteful expenditure

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

Fruitless and wasteful expenditure is accounted for in line with all relating requirements, including, but not limited to, ruling Legislation, Regulations, Frameworks, Circulars, Instruction Notes, Practice Notes, Guidelines etc (as applicable).

1.19 Commitments

Items are classified as commitments when an entity has committed itself to future transactions that will normally result in the outflow of cash.

Disclosures are required in respect of unrecognised contractual commitments.

Commitments for which disclosure is necessary to achieve a fair presentation should be disclosed in a note to the financial statements, if both the following criteria are met:

- Contracts should be non-cancelable or only cancelable at significant cost (for example, contracts for computer or building maintenance services); and
- Contracts should relate to something other than the routine, steady, state business of the entity – therefore salary commitments relating to employment contracts are excluded.

1.20 Irregular expenditure

Irregular expenditure is recorded in the notes to the audited annual financial statements when confirmed. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefore are provided in the note. Irregular expenditure is removed from the note when it is either condoned by the relevant authority, transferred to receivables for recovery or not condoned and is not recoverable.

Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.

1.21 Events after reporting date

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

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

The entity will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

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

1.22 Cash reserves

The Agency will only retain cash reserves approved by the Provincial Treasury, adequate for its short-term cash flow requirements, based on its Annual Performance Agreements with its principal funders.

The Provincial Treasury has granted approval to the Agency to establish the Air Access Development Reserve which will be utilised for Air Route Development activities done by Cape Town Air Access (Powered by Wesgro).

Notes to the annual financial statements

Audited Annual Financial Statements for the year ended 31 March 2024

	2024	2023
	R'000	R'000
2. New standards and interpretations		
2.1 Standards and interpretations effective and adopted in the current year		
In the current year, the entity has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:		
Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
GRAP 21: The Effect of Past Decisions on Materiality	01 April 2023	The impact is not material.
GRAP 25 (as revised): Employee Benefits	01 April 2023	The impact is not material.
iGRAP 7 (as revised): Limit on defined benefit asset, minimum funding requirements and their interaction	01 April 2023	The impact is not material.
GRAP 1 (amended): Presentation of Financial Statements (Materiality)	01 April 2023	The impact is not material.
2.2 Standards and interpretations issued, but not yet effective		
The entity has not applied the following standards and interpretations, which have been published and are mandatory for the entity's accounting periods beginning on or after 01 April 2024 or later periods:		
Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
Guideline: The Application of Materiality to Financial Statements	Date to be determined	Unlikely there will be a material impact
GRAP 107 Mergers	Date to be determined	Unlikely there will be a material impact
GRAP 106 Transfer of Functions Between Entities Not Under Common Control	Date to be determined	Unlikely there will be a material impact
GRAP 105 Transfer of Functions Between Entities Under Common Control	Date to be determined	Unlikely there will be a material impact
GRAP 1 (amended): Presentation of Financial Statements (Going Concern)	Date to be determined	Unlikely there will be a material impact
GRAP 103 (as revised): Heritage Assets	Date to be determined	Unlikely there will be a material impact
iGRAP 22 Foreign Currency Transactions and Advance Consideration	01 April 2025	Unlikely there will be a material impact
GRAP 104 (as revised): Financial Instruments	01 April 2025	Unlikely there will be a material impact

Notes to the annual financial statements (continued)

Audited Annual Financial Statements for the year ended 31 March 2024

	2024	2023
	R'000	R'000
3. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Cash on hand	4	5
Bank balances	7 359	34 511
Short-term deposits	11 107	26 424
	18 470	60 940

The entity had the following bank accounts

Account number / description	Bank statement balances			Cash book balances		
	31 March 2024	31 March 2023	31 March 2022	31 March 2024	31 March 2023	31 March 2022
ABSA BANK - Cheque Account - 40-8744-9196	17 958	34 511	44 845	7 359	34 511	44 845
South African Reserve Bank - Short Term deposits - 95211144	1 107	26 424	44 447	11 107	26 424	44 447
Total	19 065	60 935	89 292	18 466	60 935	89 292

The difference between the cash book and the bank statement is as a result of payments being processed in the accounting system at year- end however it was not reflected on the banking platform due to banking operating hours.

4. Receivables from exchange transactions		
Trade debtors	1 058	1 024
Less: Provision for doubtful debts	(347)	(300)
Sundry debtors	330	291
Deposits	2 284	827
	3 325	1 842
Non-current assets	1 457	-
Current assets	1 868	1 842
	3 325	1 842

Notes to the annual financial statements (continued)

Audited Annual Financial Statements for the year ended 31 March 2024

	2024	2023
	R'000	R'000
4. Receivables from exchange transactions (continued)		

Trade and other receivables past due but not impaired

Trade and other receivables which are less than 3 months past due are not considered to be impaired. At 31 March 2024, R 66 (2023: R 108) were past due but not impaired.

The ageing of amounts past due but not impaired is as follows:

1 month past due	-	31
3 months past due	66	108

Trade and other receivables impaired

As of 31 March 2024, trade and other receivables of R 413 (2023: R 300) were considered for impairment. The amount of the provision was R347 as of 31 March 2024 (2023: R 300).

The ageing of these trade and other receivables is as follows:

Over 6 months	413	300
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5. Prepayments		
Marketing expenses	5 646	11 468
General expenses	4 058	1 189
	9 704	12 657

	2024			2023		
	Cost	Accumulated depreciation and accumulated impairment	Carrying value	Cost	Accumulated depreciation and accumulated impairment	Carrying value
Furniture and fixtures	2 097	(1 526)	571	2 097	(1 351)	746
Motor vehicles	2 755	(977)	1 778	1 642	(690)	952
Office equipment	729	(576)	153	682	(488)	194
IT equipment	7 105	(3 592)	3 513	5 452	(2 596)	2 856
Leasehold improvements	4 895	(3 177)	1 718	3 249	(2 492)	757
Projects furniture and fittings	1 591	(970)	621	1 591	(826)	765
Projects office equipment	1 274	(1 136)	138	1 274	(980)	294
Projects leasehold improvements	844	(840)	4	844	(715)	129
Project computer equipment	468	(235)	233	468	(156)	312
Total	21 758	(13 029)	8 729	17 299	(10 294)	7 005

Notes to the annual financial statements (continued)

Audited Annual Financial Statements for the year ended 31 March 2024

	2024	2023
	R'000	R'000
6. Property, plant and equipment (continued)		

Reconciliation of property, plant and equipment - 2024

	Opening balance	Additions	Work in Progress	Depreciation	Total
Furniture and fixtures	746	-	-	(175)	571
Motor vehicles	952	1 113	-	(287)	1 778
Office equipment	194	47	-	(88)	153
Computer equipment	2 856	1 653	-	(996)	3 513
Leasehold improvements	757	-	1 646	(685)	1 718
Projects furniture and fittings	765	-	-	(144)	621
Projects office equipment	294	-	-	(156)	138
Projects leasehold improvements	129	-	-	(125)	4
Project computer equipment	312	-	-	(79)	233
	7 005	2 813	1 646	(2 735)	8 729

Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2023

	Opening balance	Additions	Depreciation	Total
Furniture and fixtures	673	241	(168)	746
Motor vehicles	1 237	-	(285)	952
Office equipment	216	63	(85)	194
Computer equipment	2 098	1 531	(773)	2 856
Leasehold improvements	621	709	(573)	757
Projects furniture and fittings	908	-	(143)	765
Projects office equipment	473	-	(179)	294
Projects leasehold improvements	261	-	(132)	129
Project computer equipment	52	343	(83)	312
	6 539	2 887	(2 421)	7 005

Pledged as security

No item of PPE has been pledged as security.

Change in estimate

During the current financial year, the agency reviewed the estimated useful lives of all assets, resulting in the changes to depreciation and the carrying value of assets amounting to R63 (2023: R0).

Notes to the annual financial statements (continued)

Audited Annual Financial Statements for the year ended 31 March 2024

	2024	2023
	R'000	R'000
6. Property, plant and equipment (continued)		

Property, plant and equipment in the process of being constructed or developed (Work in Progress)

Leasehold improvements	1 646	-
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The work in progress relating to leasehold improvements amounting to R1 646 pertains to the expenditure incurred up to 31 March 2024 in relation to the fit out of the new office space lease located on the 7th and 8th floor of Media 24 in the City Centre, Cape Town. The expenditure will be transferred to leasehold improvements upon completion of the fit out process, being 31 July 2024.

7. Intangible assets

	2024			2023		
	Cost	Accumulated depreciation and accumulated impairment	Carrying value	Cost	Accumulated depreciation and accumulated impairment	Carrying value
Computer software and other	2 791	(1 159)	1 632	2 009	(723)	1 286

Reconciliation of intangible assets - 2024

	Opening balance	Additions	Amortisation	Total
Computer software and other	1 286	1 726	(1 380)	1 632

Reconciliation of intangible assets - 2023

	Opening balance	Additions	Amortisation	Total
Computer software and other	1 272	944	(930)	1 286

8. Provisions

Reconciliation of provisions – 2024

	Opening Balance	Movement for the year	Total
Leave pay provision	2 726	550	3 276
Workmens compensation provision	1 030	144	1 174
Provision for mutual separation agreement*	-	681	681
	3 756	1 375	5 131

* The amount is in terms of a mutual separation agreement between the parties.

Notes to the annual financial statements (continued)

Audited Annual Financial Statements for the year ended 31 March 2024

	2024	2023	
	R'000	R'000	
8. Provisions (continued)			
Reconciliation of provisions - 2023			
	Opening Balance	Movement for the year	Total
Leave pay provision	1 852	874	2 726
Workmens compensation provision	872	158	1 030
	2 724	1 032	3 756
<p>The Compensation for Occupational Injuries and Diseases Act of 1997 provides for and deals with injuries, disablement, disease and death caused by work-related activities. The Agency annually completes the return based on the salary bill. The Department of Labour assesses the return and invoices the Agency. Payment must be made annually before the end of September.</p>			
9. Payables from exchange transactions			
Trade payables	4 159		8 329
Accruals		1 108	377
		5 267	8 706
<p>Trade payables are non-interest bearing and are normally settled on 30-day terms.</p>			
10. Operating lease asset (liability)			
Current liabilities		-	550
11. Unspent conditional grants and receipts			
Unspent conditional grants and receipts comprises of:			
Unspent conditional grants and receipts			
Department of Economic Development and Tourism		3 022	29 599
Department of Trade and Industry		6 451	9 308
Department of Education		614	-
Department of Agriculture		-	4 205
Other		184	4 513
		10 271	47 625

Notes to the annual financial statements (continued)

Audited Annual Financial Statements for the year ended 31 March 2024

	2024	2023
	R'000	R'000
11. Unspent conditional grants and receipts (continued)		
Movement during the year		
Balance at the beginning of the year	47 625	63 620
Current year receipts	132 055	134 349
Interest Income	577	977
Refunds	(12 824)	(13 953)
Income recognition during the year	(157 162)	(137 368)
	10 271	47 625

The nature and extent of government grants recognised in the audited annual financial statements and an indication of other forms of government assistance from which the entity has directly benefited; and

Unfulfilled conditions and other contingencies attaching to government assistance that has been recognised.

See note 14 for reconciliation of grants from National/Provincial Government.

These amounts are invested until utilised.

12. Income received in advance		
City of Cape Town		
Balance unspent at beginning of year	5 243	3 029
Current-year receipts	20 646	21 000
Conditions met - transferred to revenue	(25 950)	(19 766)
Interest	98	980
	37	5 243

Conditions met - transferred to revenue (see note 13).

13. Government grants and subsidies		
City of Cape Town	25 888	19 766

14. Government grants and subsidies		
Grants		
Department of Economic Development and Tourism	140 989	130 177
Department of Trade and Industry	4 873	3 013
Department of Agriculture	2 008	1 740
Department of Education	4 403	-
Other	4 415	2 438
	156 688	137 368

Conditional and Unconditional

Included in above are the following grants and subsidies received:

Conditional grants received	132 055	134 349
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Notes to the annual financial statements (continued)

Audited Annual Financial Statements for the year ended 31 March 2024

	2024	2023
	R'000	R'000
14. Government grants and subsidies (continued)		
Department of Economic Development and Tourism		
Balance unspent at beginning of year	29 599	47 392
Current-year receipts	122 055	125 686
Conditions met - transferred to revenue	(141 470)	(129 898)
Interest	528	372
Refund	(7 690)	(13 953)
	3 022	29 599
Conditions still to be met - remain liabilities (see note 11).		
Department of Trade and Industry		
Balance unspent at beginning of year	9 308	10 020
Current-year receipts	2 000	2 000
Conditions met - transferred to revenue	(4 875)	(3 013)
Interest	18	301
	6 451	9 308
Conditions still to be met - remain liabilities (see note 11).		
Department of Education		
Current-year receipts	5 000	-
Conditions met - transferred to revenue	(4 400)	-
Interest	14	-
	614	-
Conditions still to be met - remain liabilities (see note 11).		
Department of Agriculture		
Balance unspent at beginning of year	4 205	3 758
Current-year receipts	2 000	2 000
Conditions met - transferred to revenue	(2 007)	(1 740)
Refund	(4 204)	-
Interest	6	187
	-	4 205
Conditions still to be met - remain liabilities (see note 11).		
Other		
Balance unspent at beginning of year	4 513	2 169
Current-year receipts	1 000	4 662
Conditions met - transferred to revenue	(4 415)	(2 438)
Refund	(930)	-
Interest	16	120
	184	4 513
Conditions still to be met - remain liabilities (see note 11).		

Notes to the annual financial statements (continued)

Audited Annual Financial Statements for the year ended 31 March 2024

	2024	2023
	R'000	R'000
15. Employee related costs		
Basic	64 380	54 306
Medical aid - company contributions	1 040	1 461
Unemployment Insurance Fund (UIF)	225	162
Workmens Compensation Association (WCA)	144	158
Skills Development Levies (SDL)	649	418
Leave pay provision charge	1 113	1 010
Defined contribution plans	9 159	5 866
Long-service awards	-	8
	76 710	63 389

Most employees are members of a defined contribution plan administered by Old Mutual. The plan is governed by the Pension Funds Act of 1956. Provident fund contributions are made by the Agency only plus administration costs of the fund. In the current financial year total contributions amounted to R9 159 (2023: R 5 866).

Remuneration of executive management

	Salary	Provident Fund Contribution	Other	2024	2023
Chief Executive Officer - Wrenelle Stander	2 436	362	30	2 828	2 697
Chief Financial Officer - Sandiso Gwabe (Appointed 1 January 2023)	1 511	227	30	1 768	418
Acting Chief Financial Officer - Elroy Makok (28 July 2022 to 31 December 2022)	-	-	-	-	471
Chief Financial Officer - Kholeka Zama (Resigned 27 July 2022)	-	-	-	-	747
Chief Business Development Officer - Yaw Peprah (Resigned 30 April 2022)	-	-	-	-	273
Chief Tourism Officer - Monika luel	1 415	210	30	1 655	1 579
Chief Marketing and Innovation Officer - Jean Scheltma (Appointed 1 April 2022)	1 455	215	30	1 700	1 495
Chief Trade & Investment Officer - Garth van der Horst (Mutually separated on 31 May 2024)	1 660	247	30	1 937	1 416
Chief Assurance & Business Enablement Officer - Jacyntha Twynam (Appointed 1 June 2022)	1 270	189	30	1 489	1 391
	9 747	1 450	180	11 377	10 487

Notes to the annual financial statements (continued)

Audited Annual Financial Statements for the year ended 31 March 2024

	2024	2023
	R'000	R'000
16. Remuneration of non-executive directors and independent committee member's fees		
Non-executive		
2024		
	Members' fees	Total
Timothy Scholtz	62	62
Geoffrey Jacobs	61	61
John van Rooyen	42	42
Velani Mboweni	33	33
Natalie Jabangwe	34	34
Sabine Lehmann	12	12
Paul Cluver	34	34
Dr. Shirley Zinn	69	69
Sazi Ndwandwa	94	94
David Bridgman	45	45
David Green (Term ended 31 July 2023)	35	35
Ian Bartes (Term ended 31 May 2023)	31	31
Paul Bannister (Term ended 31 May 2023)	4	4
Ayanda Mvandaba (Independent member of the Audit, IT and Risk committee)	41	41
Antoinette Basson (Independent member of the Audit, IT and Risk committee)	42	42
Andrea Bohmert (Independent member of the Audit, IT and Risk committee) - Term ended 31 July 2023	12	12
	651	651
2023		
	Members' fees	Total
Geoffrey Jacobs	47	47
John van Rooyen	51	51
Sazi Ndwandwa	55	55
Johny Copelyn	8	8
David Green	126	126
Ian Bartes	112	112
Paul Bannister	31	31
Ayanda Mvandaba (Independent member of the Audit, IT and Risk committee)	8	8
Michael Spicer (Deceased February 2022)	36	36
Paul Slack	20	20
	494	494

Notes to the annual financial statements (continued)

Audited Annual Financial Statements for the year ended 31 March 2024

	2024	2023
	R'000	R'000
17. Depreciation and amortisation		
Property, plant and equipment	2 735	2 421
Intangible assets	1 383	924
	4 118	3 345
18. Marketing expenses		
Advertising	24 052	29 149
Sponsorship	6 114	5 525
	30 166	34 674
19. Workshops, seminars and events		
Exhibitions	14 867	6 958
Seminars, Workshops and Hosting	17 978	10 876
	32 845	17 834
20. Audit fees		
External audit fees	2 939	3 637
Internal audit fees	1 249	851
	4 188	4 488
21. General expenses		
Bank charges	145	101
Computer expenses	174	91
Consulting and professional fees	1 727	1 981
Insurance	584	250
IT expenses	53	765
Fuel and oil	93	86
Printing and stationery	173	870
Repairs and maintenance	39	260
Software expenses	718	1 205
Telephone and fax	751	1 230
Training	453	376
Travel - local	3 204	2 374
Travel - International	8 823	6 258
Electricity	2 172	1 702
Board expenses	29	14
Subscriptions and memberships	8 512	3 573
Other expenses	510	2 074
	28 160	23 210

Notes to the annual financial statements (continued)

Audited Annual Financial Statements for the year ended 31 March 2024

	2024	2023
	R'000	R'000
22. Cash used in operations		
Surplus	3 304	8 839
Adjustments for:		
Depreciation and amortisation	4 118	3 345
Gain on sale of assets	-	(273)
Loss on Foreign exchange	602	19
Interest received	675	1 957
Changes in working capital:		
Receivables from exchange transactions	(1 483)	29 748
Prepayments	2 953	(10 414)
Provision	1 375	1 032
Payables from exchange transactions	(3 438)	(28 776)
Operating lease liability	(550)	(305)
Unspent conditional grants and receipts	(39 747)	(16 973)
Income received in advance	(5 242)	1 234
	(37 433)	(10 567)

23. Risk management

Financial risk management

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

Risk management (continued) Liquidity risk

The entity's risk to liquidity is a result of the funds available to cover future commitments. The entity manages liquidity risk through an ongoing review of future commitments and credit facilities.

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The entity only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Trade receivables comprise a widespread customer base. Management evaluated credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The utilisation of credit limits is regularly monitored. Sales to retail customers are settled in cash or using major credit cards. Credit guarantee insurance is purchased when deemed appropriate.

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

Notes to the annual financial statements (continued)

Audited Annual Financial Statements for the year ended 31 March 2024

	2024	2023
	R'000	R'000
23. Risk management (continued)		
Financial instrument	2024	2023
ABSA Bank	7 359	34 511
South African Reserve Bank	11 107	26 424
Receivables from exchange transactions	3 325	1 842
	-	-

Market risk

Interest rate risk

As the entity has no significant interest-bearing assets, the entity's income and operating cash flows are substantially independent of changes in market interest rates.

The entity's interest rate risk arises from cash in the current banking institution and call deposit investments. This financial asset is at variable rates thus exposes the entity to cash flow interest risk.

At 31 March 2024, if interest rates on Rand-denominated financial asset had been 0.1% higher/lower with all other variables held constant, surplus for the year would have been R 195 (2023: R 609) lower/higher, mainly as a result of higher/lower interest income on the financial asset at variable rates.

Cash flow interest rate risk

Financial instrument	Average interest rate	Due in less than a year	Due in one to two years	Due in two to three years	Due in three to four years	Due after five years
Cash in current banking institutions	6,94 %	7 359	-	-	-	-
Short term deposits	8,17 %	11 107	-	-	-	-

Foreign exchange risk

The entity does not hedge foreign exchange fluctuations.

24. Financial instruments disclosure

Categories of financial instruments

2024

Financial assets

	At amortised cost	Total
Trade and other receivables from exchange transactions	3 325	3 325
Cash and cash equivalents	18 470	18 470
	21 795	21 795

Notes to the annual financial statements (continued)

Audited Annual Financial Statements for the year ended 31 March 2024

	2024	2023
	R'000	R'000
24. Financial instruments disclosure (continued)		
Financial liabilities		
	At amortised cost	Total
Trade and other payables from exchange transactions	5 268	5 268
2023		
Financial assets		
	At amortised cost	Total
Trade and other receivables from exchange transactions	1 842	1 842
Cash and cash equivalents	60 940	60 940
	62 782	62 782
Financial liabilities		
	At amortised cost	Total
Trade and other payables from exchange transactions	8 706	8 706
Financial instruments in Statement of financial performance		
2024		
	At amortised cost	Total
Interest income (calculated using effective interest method) for financial instruments at amortised cost	2 195	2 195
2023		
	At amortised cost	Total
Interest income (calculated using effective interest method) for financial instruments at amortised cost	2 554	2 554

Notes to the annual financial statements (continued)

Audited Annual Financial Statements for the year ended 31 March 2024

	2024	2023
	R'000	R'000
25. Capital Commitments		
Authorised capital expenditure		
Already contracted for but not provided for		
Property, plant and equipment	16 098	380
Intangible assets	1 303	999
	17 401	1 379
Total capital commitments		
Already contracted for but not provided for	17 401	1 379
Commitments		
Total commitments		
Authorised capital expenditure	17 401	1 379

The capital commitments (PPE) pertain to the following:

An amount of R11 877 for the general fit out of the new office space lease located on the 7th and 8th floors of Media 24 in the City Centre, Cape Town.

An amount of R2 156 for the acquisition of a new server.

An amount of R1 008 for the acquisition of ICT infrastructure for the new office space lease.

An amount of R812 for project management fees which is directly linked to the leasehold improvement for the new office space lease in accordance with GRAP 17.

An amount of R244 for the procurement of 50 active noise headsets.

These capital commitments are planned to be spent and capitalised in PPE between the period 1 April 2024 and 31 July 2024.

The capital commitments (Intangible assets) pertain to the following:

An amount of R1 304 for the procurement of key software licences such as Microsoft licenses and Mimecast services over the contract period.

Operating leases - as lessee (expense)

Minimum lease payments due

- within one year	6 751	4 232
- in second to fifth year inclusive	27 849	-
	34 600	4 232

Operating lease payments represent rentals payable by the entity for certain of its office properties. Leases are negotiated for an average term of five years and rentals are fixed for an average of three years. No contingent rent is payable.

Rental expenses relating to operating leases

Minimum lease payments	6 751	4 232
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Notes to the annual financial statements (continued)

Audited Annual Financial Statements for the year ended 31 March 2024

	2024	2023
	R'000	R'000
26. Related parties		
Relationships		
Western Cape Provincial Minister of Finance and Economic Opportunities		Mireille Wenger (16 May 2022 - Current)
Western Cape Provincial Minister of Finance and Economic Opportunities		David Maynier (01 February 2019 - 16 May 2022)
Wesgro and DEDAT (Custodian Department) are subject to common control		DEDAT
Wesgro and DoA are subject to common control (Provincial Legislature)		Department of Agriculture
Wesgro and PT are subject to common control		PT
Wesgro and DoE are subject to common control		Department of Education
All Western Cape Provincial Departments and all Public Entities are related to Wesgro as they are under common control (Provincial Legislature)		All Western Cape Departments and Public Entities
Board Members		Refer to Note 16
Members of Key Management		Refer to Note 15
<p>The Wesgro Chief Financial Officer was appointed as a non-executive director of Saldanha Bay IDZ Licencing Company SOC t/a Freeport Saldanha on 02 May 2024. Wesgro and Freeport Saldanha are under the same Executive Authority and Custodian Department.</p>		
Related party balances		
Unspent Conditional Grants		
DEDAT	3 022	29 599
DoA	-	4 205
DoE	614	-
Government Grants and subsidies		
DEDAT	140 989	130 177
DoA	2 008	1 740
DoE	4 403	-
Debt owed by key management		
Former Chief Executive Officer (Resigned 30 June 2021)	66	101

Notes to the annual financial statements (continued)

Audited Annual Financial Statements for the year ended 31 March 2024

	2024	2023
	R'000	R'000

27. Prior-year adjustments

Presented below are those items contained in the statement of financial position, statement of financial performance and cash flow statement that have been affected by prior-year adjustments:

Statement of financial position

2023

	Note	As previously reported	Correction of error	Restated
Trade and other receivables from exchange transactions		1 309	533	1 842
Property, plant and equipment		6 978	27	7 005
Intangible Assets		1 008	278	1 286
Provisions		(3 816)	60	(3 756)
Payables from exchange transactions		(5 183)	(3 524)	(8 707)
Unspent conditional grants and receipts		(51 879)	4 254	(47 625)
Income received in advance		(5 144)	(99)	(5 243)
Accumulated Surplus		(17 157)	(692)	(17 849)
Prepayments		12 667	(10)	12 657
Trade and other receivables from non-exchange transactions		827	(827)	-
		(60 390)	-	(60 390)

Statement of financial performance

2023

	Note	As previously reported	Correction of error	Restated
Exhibition stands		1 457	(13)	1 444
Government grants and subsidies		134 425	2 943	137 368
Employee related cost		(62 552)	(837)	(63 389)
Depreciation and amortisation		(3 311)	(34)	(3 345)
Marketing costs		(32 789)	(1 885)	(34 674)
General Expenses		(27 135)	3 925	(23 210)
Workshops, seminars and events		(13 685)	(4 149)	(17 834)
Lease rentals on operating lease		(4 024)	(1 272)	(5 296)
Surplus for the year		(7 614)	(1 322)	(8 936)

Notes to the annual financial statements (continued)

Audited Annual Financial Statements for the year ended 31 March 2024

		2024	2023
		R'000	R'000
27. Prior-year adjustments (continued)			
Cash flow statement			
2023			
	Note	As previously reported	Correction of error
			Restated
Cash flow from operating activities			
Other income and exhibition revenue		1 640	(13)
Employee related cost		(61 954)	(897)
Cash paid to suppliers		(110 645)	15 395
Government grants		155 349	(13 953)
Interest		4 411	100
		(11 199)	632
Cash flow from investing activities Purchase of property plant and equipment		(2 309)	(578)
Purchase of intangible assets		(890)	(54)
		(3 199)	(632)
			(10 567)

Errors

Trade and other receivables from exchange transactions and income received in advance - The error related to the recognition of exhibition revenue in the incorrect financial year. A further correction was required to correct the classification of the deposit for the leased office premises to an exchange transaction.

Property plant and equipment - The correction was required to account for assets that were previously not capitalised in terms of GRAP

17. This further had an impact on **depreciation**.

Intangible Assets - The error related to the recognition and measurement of intangible assets in the incorrect financial year. Furthermore the error related to the correction of intangible assets which had reached its estimated useful life.

Provisions - The correction related to a reversal of the leave over-statement.

Payable from exchange transactions and unspent conditional grants - The error related to the identification of additional invoices which impacted **trade payables, unspent conditional grants liability, government grants & subsidies revenue, marketing expenses, Workshops, seminars and events and General expenses**.

Prepayments - The error related to the correction of a transaction that was previously included as a prepayment.

Employee related costs - The error related to the correction of medical aid backpay.

Accumulated Surplus - The items included in the statement of financial performance impacts accumulated surplus.

Lease rentals on operating lease - The error related to the correction of utilities previously included in General expenses.

Notes to the annual financial statements (continued)

Audited Annual Financial Statements for the year ended 31 March 2024

	2024	2023
	R'000	R'000
28. Fruitless and wasteful expenditure		
Opening balance as previously reported	153	142
Add: Fruitless and wasteful expenditure identified - current	55	15
Less: Amount recovered - current	-	(4)
Less: Fruitless and wasteful expenditure recoverable	(102)	-
Closing balance	106	153

In terms of the PFMA (Act Number 1 of 1999) "fruitless and wasteful expenditure" means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

During the 2023/24 financial year a payment amounting to R55 was made for catering services that related to a foreign trade mission. However, these services were not delivered. This expenditure could have been avoided with timely and adequate planning.

Petty cash funds to the value of R1 were unaccounted for by 31 March 2024. The petty cash key was exchanged between employees responsible for the function without a formal sign over and cash count prior to the exchange. A debtor was raised to recover the funds from the employees responsible for the function. The loss was recovered in May 2024.

The fruitless and wasteful expenditure will be recovered in terms of the debt management policy of the agency. An amount of R102 was transferred to trade and other receivables from exchange transactions for the recovery of debt.

Following the completion of an asset count performed by the entity, it was identified that there were 68 assets that could not be located and verified. An investigation into this matter will be conducted in accordance with the compliance framework issued by National Treasury to determine if there were any losses incurred. The cost of these assets are R533 with an accumulated depreciation amount of R467 and a carrying value of R86.

29. Irregular expenditure		
Opening balance as previously reported	-	47 320
Opening balance as restated	-	47 320
Add: Irregular Expenditure - current	1 124	24 540
Less: Amount recovered	(2)	-
Irregular Expenditure Condoned by Provincial Treasury	(1 122)	(71 860)
Closing balance	-	-

Notes to the annual financial statements (continued)

Audited Annual Financial Statements for the year ended 31 March 2024

	2024	2023
	R'000	R'000
29. Irregular expenditure (continued)		
Irregular expenditure is presented inclusive of VAT		
On 31 May 2023, Provincial Treasury condoned the non-compliance to SCM legislative prescripts and the irregular expenditure incurred in relation to these transactions up to and including 31 March 2023. This amounted to R71 860. The entity continued to incur expenditure on these transactions between the period 1 April 2023 and 31 May 2023, which amounted to R620. This amount is included as part of the irregular expenditure condoned for the financial year as Provincial Treasury condoned the underlying non-compliance dated 31 May 2023.		
The non-compliance to the following legislative requirements		
National Treasury Regulations 16A 3.1		
Regulation 3 of the Preferential Procurement Regulations, 2017		
Regulation 5 of the Preferential Procurement Regulations, 2017		
During the current financial year, there were five (5) instances of confirmed irregular expenditure amounting to R504, summarised as follows:		
Three instances whereby the procurement of goods and services were concluded without approval from a delegated official amounting to R415.		
Two instances whereby the procurement of good and services were concluded without following the proper processes outlined in the agency's procurement policy amounting to R89.		
Consequence management relating to the five matters above resulted in corrective counselling; a verbal warning; a written warning and a dismissal.		
The irregular expenditure amounting to R503 was condoned by the Western Cape Provincial Treasury on 30 May 2024, in accordance with the National Treasury Irregular expenditure framework. Provincial Treasury agreed with management's assessment that there were no losses incurred by the Agency and that the irregular expenditure was not as a result of fraud. The entity received value for the amount of expenditure incurred. An amount of R2 was recovered from the relevant official.		

Notes to the annual financial statements (continued)

Audited Annual Financial Statements for the year ended 31 March 2024

	2024	2023
	R'000	R'000
30. Reconciliation of actual results to a comparable basis for budget comparison		
Reconciliation of budget surplus/deficit with the surplus/deficit in the statement of financial performance:		
Net surplus per the statement of financial performance	3 304	8 839
Adjusted for:		
Payment of Capital Assets	(5 037)	(3 831)
Gain/(Loss) on sale of assets	-	(273)
Depreciation and amortisation	4 118	3 345
Loss on Foreign exchange	602	19
Prepayments	2 953	(10 414)
Operating Lease Liability	(550)	(305)
Interest received	674	1 957
Provisions	1 375	1 032
Payables from exchange transactions	(3 437)	(28 776)
Receivables from exchange transactions	(1 483)	29 748
Unspent conditional grants and receipts	(26 900)	(3 019)
Settlement of financial liability	-	13 959
Income received in advance	(5 242)	1 235
Net (deficit) surplus per approved budget	(29 623)	13 516

a - Sale of goods and services other than capital assets: The variance is mainly due to revenue generated through the sale of exhibition space.

b - Transfers: The over collection is as a result of conditional grants received from DoA, DoE and DTIC during 2023/24 financial year.

c - Compensation of employees: The variance was slightly above the annual budget due to backpay relating to Medial Aid allowances that was not budgeted for.

d - Goods and services: The overspending largely relates to prepaid expenditure on Marketing activities from which the agency will receive benefits during the 2024/25 financial year.

e - Payments for capital assets: Expenditure on capital assets were significantly below the annual budget due to delays in the office relocation project. The remaining budget is due to be spent by end of June 2024 for the office relocation.

Notes to the annual financial statements (continued)

Audited Annual Financial Statements for the year ended 31 March 2024

	2024	2023		
	R'000	R'000		
31. Segment information				
General information				
Identification of segments				
<p>The entity is organised and reports to management on the basis of three major functional areas: investment and trade promotion, destination marketing and support services. The segments were organised around the type of service delivered and the target market. Management uses these same segments for determining strategic objectives. Segments were aggregated for reporting purposes.</p> <p>Information reported about these segments is used by management as a basis for evaluating the segments' performances and for making decisions about the allocation of resources. The disclosure of information about these segments is also considered appropriate for external reporting purposes.</p>				
Segment surplus or deficit				
2024				
Revenue	Investment and trade promotion	Tourism promotion	Support services	Total
Revenue from non-exchange transactions	68 601	53 305	34 782	156 688
Interest received	-	-	2 195	2 195
Exhibition stands	-	1 366	-	1 366
Other revenue	-	-	487	487
Revenue from exchange transactions	13 290	4 389	8 209	25 888
Total segment revenue	81 891	59 060	45 673	186 624
Entity's revenue				186 624
Expenditure				
Employee related costs	35 500	19 893	21 317	76 710
Remuneration of non-executive directors	-	-	651	651
Depreciation and amortisation	1 373	1 373	1 372	4 118
Marketing expenses	13 614	16 549	3	30 166
Lease rentals on operating lease	1 960	1 960	1 960	5 880
Workshop, seminars and events	22 540	10 151	154	32 845
Audit fees	-	-	4 188	4 188
Loss on foreign exchange	-	-	602	602
General expenses	8 332	5 211	14 617	28 160
Total segment expenditure	83 319	55 137	44 864	183 320
Total segmental surplus/(deficit)	(1 428)	3 923	809	3 304

Notes to the annual financial statements (continued)

Audited Annual Financial Statements for the year ended 31 March 2024

		2024		2023	
		R'000		R'000	
31. Segment information (continued)					
2023					
Revenue	Investment and trade promotion		Tourism promotion	Support services	Total
Revenue from non-exchange transactions	61 164		44 055	32 149	137 368
Interest received	-		-	2 554	2 554
Exhibition stands	-		1 444	-	1 444
Gains on disposal of assets	-		-	273	273
Other revenue	-		-	183	183
Revenue from exchange transactions	8 766		6 000	5 000	19 766
Total segment revenue	69 930		51 499	40 159	161 588
Entity's revenue					161 588
Expenditure					
Employee related costs	27 266		13 012	23 111	63 389
Remuneration of non-executive directors	-		-	494	494
Depreciation and amortisation	1 115		1 115	1 115	3 345
Marketing expenses	18 621		15 703	350	34 674
Lease rentals on operating lease	1 765		1 765	1 766	5 296
Workshop, seminars and events	10 724		6 972	138	17 834
Audit fees	-		-	4 488	4 488
Loss on foreign exchange	-		-	19	19
General expenses	7 221		3 995	11 994	23 210
Total segment expenditure	66 712		42 562	43 475	152 749
Total segmental surplus/(deficit)	3 218		8 937	(3 316)	8 839

Following a change in the composition of its reportable segments, the corresponding items of segment information for earlier periods has been restated.



Western Cape: Anysberg Nature Reserve, Cape Karoo, South Africa



Cape Town and the Western Cape – A leading regional economy

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