

PROUDLY
SOUTH AFRICAN



QUARTERLY **REPORT**

1 JULY - 30 SEPTEMBER 2015

Quarter 2 - 2015/16 Financial Year





Quarterly Report for Q2 (July to September 2015)

Approval of the Report

Recommended by the CEO for endorsement		Endorsed by the Accounting Authority	
Name: Adv. Leslie Sedibe	Signature: _____	Name: Mr. J. Maqhekeni	Signature: _____
Rank: CEO	Date: ___/___/2015	Rank: Chairperson	Date: ___/___/2015

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ACRONYMS

The following are definitions of the acronyms used in the report

Accord	The Local Procurement Accord (an agreement signed on 31 October 2011 by labour, government, business and community representatives to promote local procurement in South Africa, in support of the New Growth Path and government's aim to create 5 million jobs by 2020.
Brand SA	Brand South Africa, an agency of the government of the Republic of South Africa whose objective it is to market South Africa as a foreign investment destination.
CCRD	Consumer Commission Regulatory Division of the dti.
CGCSA	Consumer Goods Council of South Africa
CPO	Chief Procurement Officer.
CIPC	Companies Intellectual Property Commission.
COTII	Council of Trade and Industry Institutions.
EBI	Ekurhuleni Business Initiative
EDD	Economic Development Department, a national government department in the Republic of South Africa.

NEDLAC	National Economic Development and Labour Council, an entity of the Department of Labour.
NT	National Treasury.
PFMA	Public Finance Management Act No. 1 of 1999.
Proudly SA	Public Finance Management Act No. 1 of 1999.
SALGA	South African Local Government Association
SAPBA	South African Premier Business Awards
The dti	Department of Trade and Industry, a national government department in the Republic of South Africa
The Summit	the Local Procurement Summit & Expo

EXECUTIVE SUMMARY

This report covers the period 1 July 2015 – 30 September 2015
and focuses on various highlights during the period:



OVERVIEW

With only days to go before South Africa's Medium-Term Budget Policy Statement is released, the International Monetary Fund (IMF) has again lowered its 2015 growth outlook for the country.

The international organization, which aims to promote international economic cooperation, international trade, employment and exchange-rate stability, has projected that South Africa's economy will expand by only 1.4% this year and 1.3% in 2016.

The figures drop by 0.6% and 0.8% respectively, when compared to the WHO's July World Economic Outlook report.

In February 2015 the Finance Minister, Nhlanhla Nene, estimated a GDP growth of 2% for 2015. However, he also indicated the growth outlook would be lowered in the October 2015 mini-budget.

The IMF has attributed the downgrade to infrastructure bottlenecks – including electricity load shedding and other supply bottlenecks – adding that these factors would have to be eliminated before faster economic growth can be expected.

In the World Economic Outlook Report the IMF also found that, in order to raise competitiveness and productivity as well as stimulate economic growth, South Africa needs to bring about reforms in education, labour and product markets. Issues around service delivery also need attention.

But it's not just South Africa's economic growth forecast which has been "downgraded". The IMF has cut its forecast for global economic growth, partly due to the slowing economies in China and other emerging markets, including those in the BRICS markets.

Rohan Malik, Emerging Markets Leader for Global Government & Public Sector at EY, has been widely quoted as saying governments need to invest in self-sustaining solutions for long-term prosperity:

"Governments must continue investing in ... infrastructure, education and entrepreneurship to enable a system better able to withstand shocks. But without proper investment and management of natural resources, governments and industry risk disadvantaging future generations."

For South Africa, the current storyline is not an encouraging one: while the country is said to have the highest jobless rate of 65 emerging markets tracked by Bloomberg, it now also faces job cuts in the mining sector and in the steel industry. The already ane-



It's estimated that about 5.8-million SMEs are currently operating in South Africa, with about 74 percent of them in the retail sector. According to the Consumer Goods Council of South Africa (CGCSA), the retail sector contributes about 18.5 percent to gross domestic product (GDP) and accounts for one in four formal jobs. CGCSA also says the sector exports about 10 percent of its goods a year and contributes about 40 percent towards corporate tax.

The Department of Small Business Development says it recognizes the importance of SMEs to deal with the challenges of job creation, economic growth and equity in South Africa. It recently confirmed that it aims to increase the SME sector's contribution to GDP to between 60 percent and 80 percent over the next 10 to 15 years.

mic manufacturing sector continues to shed jobs and, to top it all off, South Africa's currency is trading at 14-year lows.

Job creation and economic growth are at the heart of the Proudly South African "Buy Local" philosophy. The organisation believes the answer to South Africa's ailing economy, huge trade deficit and high unemployment rate is supporting locally manufactured goods.

Across the world in most leading economies – whether in the United States, Japan or China – over 60 percent of the jobs are created in the SME sector.



Both the public and private sectors – as well as general South African consumers – need to be aware that buying products produced elsewhere is helping create jobs in other parts of the world and not in South Africa. Buying products made in South Africa keeps the money "in town" and stimulates the economy. This, in turn, helps keep people in their jobs and stimulates further job creation. This is a simple yet understandable explanation of the multiplier effect of Buying Local.

Buying Local is a proven salve for ailing macro and micro economies worldwide. Proudly South African has travelled the lengths and breadths of the country to spread the Buy Local message to the public and private sectors, procurement officials, consumers and schools.

But without the support of retailers and wholesalers, the Buy Local message will be difficult to put into action. If retailers and wholesalers don't stock and sell local goods, consumers won't be able to buy them - and the risk increases of South Africa becoming a warehouse for imported goods. Ultimately, the economy and Rand will suffer further damage.

Proudly South African appeals to retailers and wholesalers to strike while the iron is hot! As the rand plummets, it makes no sense to import tons of foreign goods while those same goods can be procured locally. In increasing the uptake of local products and services, advantage can be taken of an opportunity to correct the market.

Supermarket shelves and warehouses need to be filled with local goods, thereby giving consumers an

opportunity to put their patriotism into action by buying local. In the long term, this will strengthen the economy and help create and sustain jobs.

Simultaneously, local manufacturers need to engage with retail, in order to understand and address concerns around issues including price, style/design, turnaround times, volumes and quality.

Proudly South African remains fully committed to its mandate, to supporting its member companies and working with the Department of Trade and Industry and government to create millions of jobs. The organization continues to encourage the private sector to support local manufacturers - and urges procurement officials within government to adhere to the policy on procurement and designation of sectors for local procurement.



In the absence of a legislative mandate, the Local Procurement Accord still remains the cornerstone for Proudly SA as it continues to play an active role in supporting government's drive to grow the economy, alleviate poverty, create decent sustainable jobs and reduce inequalities.

Buy Local movements continue to gain traction globally and have demonstrated time and again that buying close to home is more than a feel-good matter.

As the country's national Buy Local Campaign, Proudly South African promotes local procurement but also believes in the importance of direct foreign investment. Balance is key, to ensure that local brands and the local economy can grow. In this way the economy can grow, jobs can be created and poverty can be eradicated one job at a time.

**BE PROUDLY SOUTH AFRICAN
BUY LOCAL TO CREATE JOBS!**

GOVERNANCE AND OVERSIGHT DURING THE QUARTER

During the period under review, the following meetings took place:

3.1 Finance and Procurement Committee

The members of the Finance and Procurement committee held their meeting on 30 July 2015 and the meeting considered the following:

- The review of the Terms of Reference for the committee;
- The revised Budget for the 2015/16 financial year;
- The draft comprehensive Supply Chain Management Policy
- The appointment of Internal Auditors for a 3 year period; and
- The financial reports as tabled for the period year to date, including Management Accounts and the Cash flow projection schedule

3.2 Audit and Risk Committee

The members of the Audit and Risk committee held their meeting on 30 July 2015 and the meeting considered the following:

- The review of the Terms of Reference for the committee;
- The reports tabled by the External auditors for the financial year ending 31 March 2015, including the Management Letter and Audit Report;
- Annual Financial Statements for the year ending 31 March 2015;
- The checklist on compliance with the provisions of the PFMA and related Treasury Regulations;
- The appointment of Internal Auditors for a 3 year period; and
- An in-committee discussion was held between the members of the committee together with Internal, External auditors, including a representative of the Auditor General's office

3.3 Membership, Marketing and Communications committee

The members of the Membership, Marketing and Communications committee held their meeting on 20 July 2015 and the meeting considered the following:

- The review of the Terms of Reference for the committee;
- The Marketing reports on all the previous activities that have taken place, including planned activities for the rest of the financial year;
- Media, PR and Social Media reports;
- Membership Status reports;
- The Fridge Study, Mthente Report, Consulta Research on Buying Local, as well as the Pan African Research reports on the multiplier effects and the impact of Buying Local;
- The need for an Economic Impact Study to demonstrate the multiplier effect of Buying Local; and
- The need for Proudly SA to have a legislative mandate;

3.4 Remuneration Committee

The members of the Remuneration committee held their meeting on 28 August 2015 and the meeting considered the following:

- The review of the Terms of Reference for the committee;
- Performance Management and Staff Development Reports;
- Employee Assistance Programme including employee wellness activities and Staff Incentives; and
- A Review of the Directors Fees.

3.5 Board meeting

The Proudly SA Board of Directors, met and considered the following:

- The appointment of signatories for the organisation's Bank accounts;
- Report Back fro the Board Strategy Session;
- Economic Impact Study;
- The draft comprehensive Supply Chain Management Policy;
- The 2014/15 Annual Financial Statements;
- The draft 2014/15 Annual Report;
- Reports from the Standing Committees of the Board;
- The Review of Directors' fees; and
- The financial reports as tabled for the period year to date, including Management Accounts and the Cash flow projection schedule

THE QUARTER UNDER REVIEW

4.1 High level achievements for the quarter

During the period under review, the Proudly SA campaign was able to achieve all its targets as contained in the Annual Performance Plan (APP) for the second quarter of the 2015/16 financial year.

The following were some of the achievements and these are reported in detail in Section 5 of the report:



- The national Proudly SA Buy Back SA roadshow targeting business all over the country, and supported by ABSA's Enterprise Development division took place in Gauteng and Mpumalanga where over 200 business were reached;
- Proudly SA's Twitter following has exceeded 100 000. Organically grown, the number of followers continues to grow this PR platform enables Proudly SA to communicate its programmes and weigh in on relevant current topical issues. This growth indicates the campaign's relevance and appeal to the broader social media community;
- Proudly SA exhibited together with some of its members at various expos and events. The campaign participated in over 15 exhibitions and/or events which provided the campaign with a platform to educate consumers as well as both the private and public sector on the importance of buying local;
- In celebration of the International Mandela Day on 18 July 2015, Proudly SA partnered with the Winnie Madikizela Foundation in Orlando, Soweto and together with its partners provided much needed food and blankets to needy elders in the community of Soweto;



- The campaign celebrated Heritage Day by participating in a Maskandi Heritage Festival which attracted over 15 000 attendees;
- Some 90% of members, scheduled to renew their membership with Proudly SA during the period under review, renewed their membership;
- A total of 50 new members were successfully recruited and vetted for Proudly SA membership and have now joined the Buy Local Campaign;
- The ABSA sponsored business forums (part of the annual Buy Back SA national roadshow) for the current financial year kicked off in Polokwane in Limpopo. The event was a success and business forums will be held in five more provinces by the end of the current financial year.
- A total of 8 press releases were issued during the quarter on an array of topical issues.



4.2 Areas where targets were not met:

During the quarter under review, the Proudly SA campaign was able to achieve all its targets as contained in the Annual Performance Plan (APP) for the second quarter of the 2015/16 financial year.

4.3 Highlights for the quarter

Proudly South African Events

1 July - 30 September 2015

4.3.1 Smme Opportunity Road Show (Pe) – 8 July 2015

SMMEs have been deemed to play a crucial role in creating jobs and developing the economy, which is why State President Jacob Zuma created a Government department especially for this purpose, namely, the Department of Small Business Development.

Under the leadership of Minister Lindiwe Zulu, the Department of Small Business Development spearheads Government initiatives to develop small businesses in every community throughout the country and link small business development with economic growth and opportunity in every sector of the economy.

This is one of the platforms that has been developed to ensure that the department can achieve its objectives. Proudly SA's presence on this platform was to engage with the SME companies for recruitment and to inform them about the buy local campaign.

Reach for this event: 150

Target Audience: SMME and Government representatives



4.3.2 Business Funding Expo 15-16 July 2015

The event was aimed at bringing funding opportunities closer to SME's that are looking for funding, business opportunities and growth. This platform provided for 100 SME's from around the Bloemfontein area to engage in methods to improve their chances of success.

The (BUFE) Business Funding Expo will be beneficial for participants whether they are entrepreneurs trying to start or grow their business or aspiring busi-

nessmen and women who need basic tools and information in order to turn their passion into a business, from all over the Free State

Province.

Reach for this event: 100 entrepreneurs and potential business people

Target Audience: Business community

4.3.3 SA Afro Music Awards Launch – 16 July 2015

A Launch to ensure that media is available and used to kick start publicity as a build-up to the newly formed SA Afro Music Awards ceremony and to unveil the nomination process and reveal the first recipients of the lifetime honorary awards.

The event aims to celebrate contributors in the Afro music genre and as a Proudly South African initiative, Proudly SA endorsed the event to promote support for local music, localization and patriotism. This

has created a much needed platform for Proudly SA to work with the music fraternity in the fight against music piracy and counterfeit goods.

Reach for this event: 85 people attended the event

Target Audience: Arts & Culture representatives, Business Media, community, consumers & government

4.3.4 Mandela Day Activation – 18 July 2015

Proudly SA partnered with the Winnie Mandikizela Foundation in Soweto on Mandela Day, to honour elderly members of the community. This was as part of Proudly SA's Mandela day initiative. The pensioners invited to the event, were given blankets and food packs and were honoured and were also provided with a special lunch and entertainment. Speakers included the Minister in the Presidency, Jeff Radebe, CEO of Proudly South African Adv. Leslie Sedibe, Winnie Madikizela–Mandela and Mandel family members.

Reach for this event: 300 (excluding those reached through the Television broadcast)

Target Audience: Community members



4.3.5 Manufacturing Indaba KZN – 21 to 22 July 2015

The aim of the event was to focus on the growth potential of 6 key industry sectors, as well as unpacking challenges and obstacles to find solutions for growth in each of these sectors. The manufacturing industry continues to face tremendous challenges. A shrinking manufacturing base, supply chain challenges, human capital challenges and the threat of other emerging economies and cheap labour continue to threaten the growth and prosperity of the South African manufacturing sector.

The aim of the Manufacturing Indaba is to bring together business owners, industry leaders, govern

ment officials, capital providers and professional experts to discuss challenges faced by industry and

to brainstorm solutions. The success of the nation depends on a strong and innovative manufacturing base and the event was also aimed at ensuring that all role players continue to work together to promote prosperity through manufacturing, science and innovation.

Reach for this event: 2 000 delegates (SMMEs)

Target Audience: Business and Industry Sector

4.3.6 Proudly SA Business Forum (Gauteng) – 29 July 2015

This formed part of the continuation of the 2015/16 edition of the Buy Back SA roadshow. Sponsored by ABSA, the forum is designed to bring Proudly SA closer to members and to introduce the campaign to potential members.

It also aims to facilitate business to business networking and interaction between the Campaign and decision-makers and key stakeholders across the country. The stimulation of inter-member trade is another key objective of these sessions, which also provides member companies with an opportunity to profile their businesses. A mechanism developed to bring the Campaign closer to members, and non-members, it also aims to introduce Proudly SA to companies that are not members of the Campaign.

Reach for this event: 200

Target Audience: Business (mostly SMMEs)

The CEO delivered an address at this event on the Proudly SA campaign and on the economy wide benefits of Buying local.



4.3.7 Change Makers Conference – 15 August 2015

A network of businesses, NGO's and youths are working together to inspire active citizenship held at the university of Johannesburg. The event focused on a number of issues including some of the problems around funding non-profit organisations. The aim was to promote the Proudly South African campaign and increase the membership base through the engagement of companies through company engagements.

Reach for this event: 300 delegates

Target Audience: Business representatives and Students



4.3.8 SMME Opportunity Road Show (Durban) 18 August 2015

SMMEs have been deemed to play a crucial role in creating jobs and developing the economy, which is why State President Jacob Zuma created a Government department especially for this purpose, namely, the Department of Small Business Development. Under the leadership of Minister Lindiwe Zulu, the Department of Small Business Development spearheads Government initiatives to develop small businesses in every community throughout the country and link small business development with economic growth and opportunity in every sector of the economy.

This is one of the platforms that has been developed to ensure that the department can achieve its objectives. Proudly SA's presence on this platform was to engage with the SME companies for recruitment and to inform them about the buy local campaign.

Reach for this event: 200
Target Audience: SMME and Government

4.3.9 African Farmers Expo & Workshop – 18 to 20 August 2015

To promote and empower farmers in South African provinces. Moshate Media's prime objective for African Farmers Workshop is to facilitate growth and development for emerging and subsistence farmers and to create a platform where key role players in agriculture come together under one umbrella. Our participation included engagement with businesses in the agricultural sector and increase awareness and Proudly SA membership in this sector.

Reach for this event: 200 attendees
Target Audience: Farmers and Government



4.3.10 Stokvel Gauteng Exhibition – 22 to 23 August 2015

It is estimated that one in every two black adult South Africans belongs to at least one of the existing plus 800 000 stokvels, a traditional savings scheme in which members contribute a fixed amount of money to a common pool be it weekly, fortnightly or monthly.

Although the concept of stokvels was initiated as a means of survival in hard times especially among disadvantaged black communities, it has evolved beyond just the realm of providing support and comfort for bereaved families. The stokvel market are bulk purchasers and engagement with them in procuring local will further entrench the effect of buying local and increase consumption of local goods.

Reach for this event: 100 people

Target Audience: Financial services, cooperatives, manufactures and stokvel organisations

4.3.12 Step up 2 a Start Up Launch 27 August 2015

This is a youth initiative which ignites entrepreneurial and manufacturing talent. Proudly SA is part of this incredible journey to empower aspiring young entrepreneurs with the tools they need to succeed in business. STEP UP 2 A START UP is a nationwide programme to teach high school learners how to start their own business. This is a consumer education platform but also forms part of our CSI initiatives aimed at giving back to scholars through our Ubuntu schools campaign.

Reach for this event: 400

Target Audience: School going students

4.3.11 Proudly SA Business Forum (Mpumalanga) – 25 August 2015

This formed part of the continuation of the 2015/16 edition of the Buy Back SA roadshow. Sponsored by ABSA, the forum is designed to bring Proudly SA closer to members and to introduce the campaign to potential members. It also aims to facilitate business to business networking and interaction between the Campaign and decision-makers and key stakeholders across the country. The stimulation of inter-member trade is another key objective of these sessions, which also provides member companies with an opportunity to profile their businesses. A mechanism developed to bring the Campaign closer to members, and non-members, it also aims to introduce Proudly SA to companies that are not members of the Campaign.

The CEO delivered an address at this event on the Proudly SA campaign and on the economy wide benefits of Buying local.

Reach for this event: 70 people

Target Audience: SMME and Government

4.3.13 Infrastructure Africa 2015 – 1 to 2 September 2015

Smart Procurement World 2015, held in collaboration with the Chartered Institute of Purchasing and Supply (CIPS) is the definitive procurement and supply chain event. The successful event affords many delegates the opportunity to gain fresh insight into various procurement and supply management topics. The 2015 edition of this event was the 3rd Annual Absa Enterprise Development Grow conference. This dedicated Enterprise Development conference is attended by corporates from across South Africa. Our presence at this event was to promote local products and educate supply chain management officials from both the public and private sector on the economic impact of purchasing local goods.

Reach for this event: An estimated 100 delegates attended the summit

Target Audience: Government and Infrastructure

4.3.14 Smart Procurement World – 8 to 9 September 2015

Smart Procurement World 2015 was held in September 2015 in collaboration with the Chartered Institute of Purchasing and Supply (CIPS). The event affords its delegates an opportunity to gain fresh insight into various procurement and supply management topics. 2015 will see the 3rd Annual Absa Enterprise Development Grow conference. This dedicated Enterprise Development conference attended by corporates throughout South Africa. Our presence at this event was to promote local products and educate supply chain management on purchasing local goods.

The CEO delivered an address at this event on the Proudly SA campaign and on the economy wide benefits of Buying local.

Reach for this event: An estimated 2 000 attendees
Target Audience: Business

4.3.15 SMME Opportunity Road Show (Cape Town) – 9 September 2015

SMMEs play a crucial role in creating jobs and developing the economy, which is why State President Jacob Zuma created a Government department especially for this purpose, namely, the Department of Small Business Development. Under the leadership of Minister Lindiwe

Zulu, the Department of Small Business Development will spearhead Government initiatives to develop small businesses in every community throughout the country and link small business development with economic growth and opportunity in every sector of the economy. Our presence on this platform was to engage with the SME companies for recruitment and to inform them about the buy local campaign. This was the last leg of a four province tour of the event.

Reach for this event: 200
Target Audience: SMME and Government

4.3.16 Career Day – 10 September 2015

The purpose of the event is to expose students to a variety of career fields and professions, educating grade high school students about the importance of Buying Local and advice on career guidance.

Reach for this event: 200
Target Audience: Government, Business and Students

4.3.17 Ekurhuleni Captains of Industry Forum – 16 September 2015

The aim of this event is to reinforce the partnership with EBI, stimulate brand awareness, attract members of ECOIF to the campaign, educate and boost recognition. This also assists in member retention as the more members see the brand actively getting involved in member projects, the more they feel the impact, see the value and remain on-board. This is also a platform used to recruit members for the campaign.

The CEO delivered an address at this event on the Proudly SA campaign and on the economy wide benefits of Buying local.

Reach for this event: 130 attendees
Target Audience: Business and Government



4.3.18 Leaderex – 17 September 2015

Leaderex is Africa's largest gathering of executives, professionals and entrepreneurs and offered us an opportunity to connect with over 200 exhibitors that can help delegates achieve their leadership, career and business goals. The event was used as a platform to showcase the Proudly South African initiative and increase membership to the campaign.

Over the past three years, South Africa has become a world-leader in the development, implementation and auditing of National HR Standards. The HR Standards journey started in 2013 with the development of the world's first National HR Management

System with 13 standard elements, namely Strategic HR Management, Talent Management, HR Risk Management, Workforce Planning, Learning and Development, Performance Management, Reward and Recognition, Employee Wellness, Employment Relations Management, HR Service Delivery, HR Technology and HR Measurement.

Reach for this event: + - 10 000 people reached through this initiative (pre, during and post the event)

Target Audience: Executives, professionals, entrepreneurs and HR managers

4.3.19 Consumer Good Council Summit – 17 to 18 September 2015

The Consumer Good Council Summit is the most empowering industry conference where retail industry leaders, aspiring leaders and experts share knowledge and debate to uncover best practicable solutions in the Digital Eco-systems.

The carefully selected speakers from a wide range of Leaders, Experts and other related Organisations motivate and inspire delegates with their stories of change and transformation and their innovative ap

proaches to business models in an evolving and increasingly digital age.

Proudly SA used this platform as a consumer education platform but also to attract potential member companies at the event.

Reach for this event: 200 delegates

Target Audience: Business and representatives of government



4.3.20 Maskandi Heritage Festival – 24 September 2015

This event was held at Soweto on Heritage day and was aimed at celebrating Maskandi music, which is the most supported music genre in the country. The Proudly SA campaign was aimed at promoting the support for local music, celebrating SA's heritage and increasing awareness of the Buy local message – and this is in line with the campaign's strategic objective to support National days. The Heritage Maskandi festival is an ideal event to educate consumers through and raises profile of Proudly SA campaign.

Reach for this event: 15 000 attendees
Target Audience: Community



4.3.21 Township Youth Tourism and Heritage Lekgotla – 20 September 2015

The Lekgotla seeks to create a platform for youth to engage with various tourism stakeholders, both in the private and the public sector in order to create awareness around township tourism and heritage. This was a great platform to educate the youth on the importance of Buying Local and the economy wide benefits thereof.

Reach for this event: 50 delegates
Target Audience: Business and Community

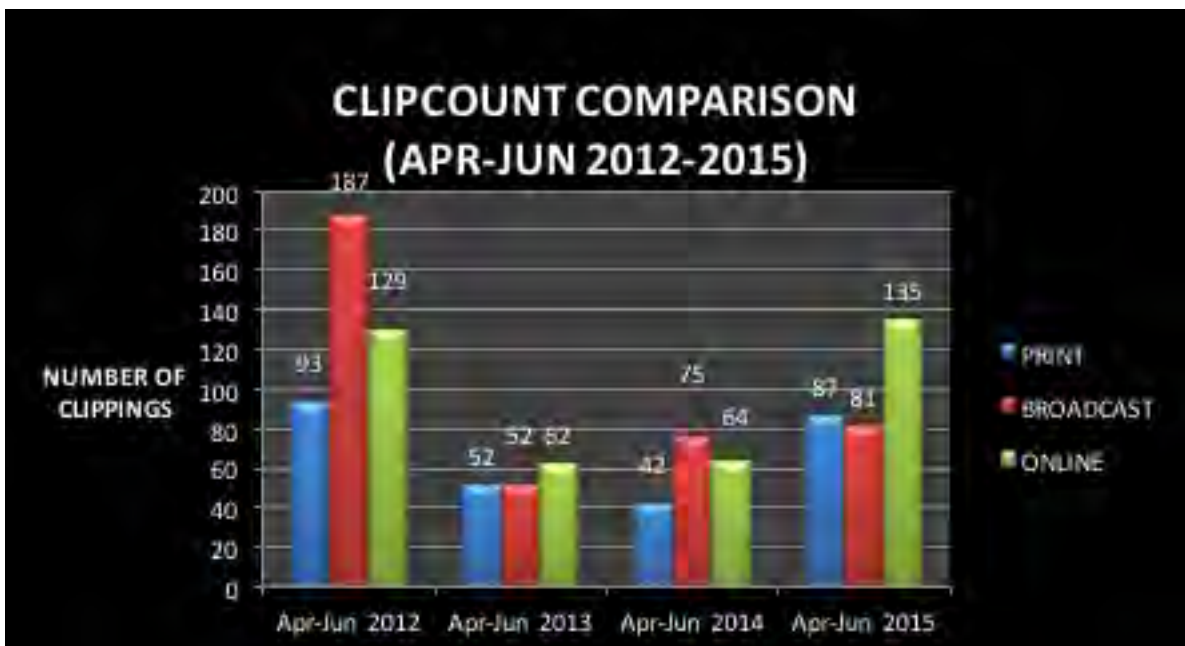
PR, Communications & Media

4.3.20 Summary – Media/PR Report Executive Summary

4.3.20.1 CLIPCOUNT ANALYSIS – 2012/2013/2014/2015 QUARTERLY COMPARISON

The Clipcount Comparison illustrates the total number of media clippings for each media platform i.e. print, broadcast and online for the period under review (Apr-Jun 2015). Comparison is made with the same period in 2012, 2013 and 2014. The analysis shows an increase in print, broadcast and online coverage for 2015, compared to the two previous years (for the period under review):

- 2015 yielded a total of 303 news clippings;
- 2014 yielded a total of 181 news clippings;
- 2013 yielded 166 clippings; and
- 2012 yielded 409 clippings.



(Only clips relating specifically to Proudly SA and its activities are included in the clipcount analysis. The clipcount is extracted from daily notifications from Newsclip Media Monitoring Services relating to phrases/key words "Proudly South African").

4.3.20.2 CLIPCOUNT ANALYSIS – INDIVIDUAL MONTHLY COMPARISONS



The individual monthly comparisons show the number of media clippings for each media platform i.e. print, broadcast and online for April, May and June 2012, 2013, 2014 and 2015 respectively.

4.3.20.3 CLIPCOUNT ANALYSIS – MEDIA TYPES

The media types show which online sites, print publications and television and radio stations carried stories and/or publicized Proudly South African and/or its activities for the period under review.

4.3.20.4 AVE/PR VALUE – 2012/2013/2014/2015 APRIL – JUNE COMPARISON

The AVE/PR Value Comparison shows an increase for the period April-June 2015 compared to the two previous years.

4.3.20.5 AVE/PR VALUE – INDIVIDUAL MONTHLY COMPARISONS

Exact values are given for each month in the period under review (compared to the same period the previous year).

4.3.20.6 Highlights For The Period Under Review

The CEO for Proudly SA continues to maintain his monthly column in the Pretoria News. The same column is also used within the Independent Group of Newspapers and online from time to time. This provides an opportunity for the CEO to regularly communicate the Proudly SA ethos and messaging to the public through the media.

The CEO also writes opinion pieces for other publications from time to time. The CEO also continues to do regular media interviews (radio, television and print) with regard to issues including local procurement, economic issues and issues around social cohesion, national pride and patriotism.



Other PR/Media highlights for the period under review included:

Proudly South African partnered with the Department of Trade and Industry (the dti) and Brand SA to host the annual SA Premier Business Awards in Sandton, Gauteng. The prestigious event recognises business excellence in South Africa. Through the Awards, the partners honour enterprises that promote innovation and competitiveness – as well as job creation, good business ethics and quality. Local enterprises, that have promoted the spirit of success and entrepreneurship in South Africa, are also celebrated. The Awards were held on 9 April 2015 and the keynote address was delivered by Deputy President, Cyril Ramaphosa.



As part of its mandate to promote local brands and the "Buy Local" ethos for economic growth, Proudly South African became the headline partner for the inaugural Generation Next Youth Conference.

The annual Sunday Times Generation Next Survey, in partnership with HDI Youth Marketers, announced the inaugural Generation Next Youth Conference as part of the overall prestigious event.

It was hosted at the Sandton Convention Centre on 8 May 2015. The Conference took place in the morning and was followed by the annual Sunday Times Generation Next Awards in the evening. While the Conference hosted marketing, advertising and public relations professionals, hundreds of youths were bussed to the SCC after school and had the opportunity to enjoy an interactive expo area which included brand activations.

"Proudly SA is indeed proud to be associated with the inaugural Generation Next Youth Conference and Expo. The youth and its purchasing power is an important consumer demographic. Therefore it's crucial for us, as Proudly SA, to engage in activities which can create increased awareness (especially) around local products and services for economic upliftment. We are confident that this Conference will benefit everyone involved in marketing products and services to young consumers – as well as benefiting the youths themselves," said Proudly SA's CEO, Adv. Leslie Sedibe. South Africa's youth continues to guide marketers on what is considered to be 'cool', and with an annual spending power of over R98 billion per year, SA brands can't afford not to take notice.

As part of the event, Proudly SA did the official welcome at the Conference and received advertising space in the official Generation Next supplement which is distributed nationally with the Sunday Times newspaper. Proudly SA – as well as several member companies – also exhibited at the event.



Proudly SA assists SMEs

PHILIPPOUS

PHILIPPOUS South Africa embarked on a nationwide initiative to empower and equip small businesses and entrepreneurs for success and sustainability in a bid to stimulate the local economy and contribute towards an environment which is conducive for job creation.

The initiative forms part of Proudly SA's mandate to promote locally manufactured products and services and to educate procurers, entrepreneurs and consumers about the economic-wide benefits of supporting and buying locally made goods.

Supported by the Department of Trade and Industry (DTI) and Absa, the first event will kick off in Polokwane in Limpopo today under the theme Innovation and Competitiveness.

Leslie Sedibe, Proudly SA CEO, said it has been proven worldwide buying local remains a powerful means to create jobs which, in turn, helps reduce the unacceptable high levels of poverty.

"As a result, it is important that all

South Africans make use of the effort to support and promote local enterprises, entrepreneurs and manufacturers as well as the products they produce.

"Local businesses, entrepreneurs, SMEs and procurement officials are invited to attend today's conference and there will be no cost for delegates." The government has committed itself to stepping up local procurement through various interventions and Proudly SA is also geared towards empowering small businesses and entrepreneurs to stimulate manufacturing, the local economy and job creation.

Sedibe said the Limpopo leg will include representatives from the DTI, Productivity SA, Absa and the National Cleaner Production Centre.

"We will provide advice on business offerings, incentives and funding for entrepreneurs. "It's also an opportunity for networking and creating partnerships which can contribute towards business growth, economic growth and sustainable job creation," Sedibe said. "SMEs

Proudly South African has once again embarked on a nationwide initiative to empower and equip small businesses and entrepreneurs for success and sustainability. This is with a view to ultimately stimulate the local economy and contribute towards an environment which is conducive for job creation.

The Business Forums, sponsored by Absa and supported by the dti, forms part of Proudly SA's mandate to promote locally manufactured products and services and to educate procurers, enterprises and consumers about the economy-wide benefits of supporting and buying locally made goods.

The first event kicked off in Polokwane in Limpopo on Tuesday, 30 June 2015 under them theme "Innovation and Competitiveness".

Local businesses, entrepreneurs, SMMEs and procurement officials were invited to attend the morning conference. Speakers included representatives from the Department of Trade and Industry, Productivity SA, Absa and the National Cleaner Production Centre. They provide information and advice on their business offerings, incentives and funding for entrepreneurs and small businesses.

There was extensive media coverage around the initiative and Proudly SA's CEO, Adv. Leslie Sedibe, did interviews with various media organisations including various radio interviews and a live interview on eNCA (television) on the morning of the event.



GO LOCAL: Proudly SA CEO Leslie Sedibe says it has been proven worldwide that buying local remains a means of creating jobs.



Proudly SA was a Stakeholder Partner of the inaugural 702 Sun International CEO SleepOut™ and the CEO of Proudly SA, Adv. Leslie Sedibe, spent one of the coldest nights of winter sleeping on a street along with some 250 other South African CEOs.

This initiative formed part of efforts to raise awareness about homelessness and to show a commitment towards tackling South Africa's triple challenges of poverty, unemployment and inequality. The challenge, which took place on 18 June 2015, also aimed to raise funds for homeless and vulnerable children.



The loss of revenue and energy, as a result of electricity theft in South Africa, has a severe impact on the country's economy and grossly hinders public service delivery as Eskom and municipalities lose what is a large portion of their revenue stream.

To curb the problem of electricity theft, Eskom and partners, including Proudly SA, Business Against Crime South Africa, SALGA, BUSA and Crimeline, established Operation Khanyisa, a national behavior change campaign aimed at fighting electricity theft and mobilising South Africans behind legal,

All proceeds (over R26 million) have been donated to Girls and Boys Town. Proudly SA also forms part of the Trustees to ensure the funds are properly administered.

Proudly SA received extensive media coverage/PR through this event and the CEO was also asked to take part in various interviews on radio and television. The event also provided an opportunity for the CEO to network with other CEOs and to spread the Buy Local messaging at a high level.



safe and efficient electricity use.

Operation Khanyisa engages with municipalities, businesses and communities to ensure that South Africa's power is protected, valued and used responsibly.

Operation Khanyisa received widespread media coverage during the period under review and, as a result, Proudly SA also benefited from the exposure on a PR level, as a partner of the initiative.

4.3.20.7 Press Releases

The following Press Releases were issued during the quarter April to June 2015:

No.	Date	Headline
1	8 Apr	SA Premier Business Awards (partner press release) – finalists announcement
2	Apr	SA Premier Business Awards (partner media advisory) – media invite
3	Apr	SAPBA winners (partner press release)
4	7 Apr	Generation Next (partner press release)
5	15 Apr	South Africans cannot and must not remain silent on xenophobic attacks
6	23 Apr	Proudly SA partners on inaugural Generation Next Youth Conference
7	7 May	Inaugural Generation Next Conference to take place tomorrow
8	2 June	Proudly SA committed to fight against poverty, unemployment and inequality – CEO Sleepout
9	28 June	Proudly SA to assist small business and entrepreneurs unlock and ignite local trade – Limpopo Business Forum

In addition to the above, the following press releases were issued during the quarter under review (July to September 2015)

No.	Date	Headline
1	16 July	Proudly SA pays tribute to veteran journalist, ramatsiyi moholola, following reports of his passing
2	28 July	Proudly SA- empowering small business & entrepreneurs through "buy local" drive – press release
3	28 July	Proudly SA- empowering small business & entrepreneurs through "BUY LOCAL" Drive – Media Advisory
4	28 July	Proudly SA pays tribute to legendary south african cricketer, Clive Rice
5	28 Aug	Pre-written proudly south african and CGF research institute renew strategic partnership
6	21 Aug	Proudly SA empowering mpumalanga local business
7	26 Aug	Proudly SA officially endorses youth entrepreneurship programme
8	23 Sep	Pre-written Heritage Day press release

4.3.20.8 Media Visits / engagements

In order to build and strengthen good working relationships with the media – and to promote good media coverage of Proudly SA and its activities – the PR Manager had both formal and informal meetings/networking sessions with members of the media and/or advertising officials from the following media platforms (among others), during the period under review

1	ANN7
2	SABC Radio
3	EWN
4	RECORD-WEST, NOWETO, CENTRAL
5	Classic FM
6	GOV COMMS
7	Small Business Connect (dti)

4.3.20.9 CEO Presentations

The CEO presented at various events and took part in various media interviews during the period under review. The aim is to create awareness and to educate audiences about the Proudly South African Campaign and what it stands for. Businesses/enterprises are also invited to support and join the Proudly South African Buy Local Campaign. The CEO's presentations included, among others, the following:

Date	Event	Venue
1 July 2015	Radio Days Africa	Wits
16 July 2015	Upholding Excellence as Leader in A Changing World	Midrand
17 July 2015	ANC FBO and Civil Society Sub – Com	Braamfontein
21 July 2015	NCPC Manufacturing Indaba	Durban
28 July 2015	Insurance Conference	Sun City
29 July 2015	Proudly SA Gauteng Business Forum	Emperors Palace
31 July 2015	Free State Principals Conference	Free State
5 August 2015	Interview with CNBC Africa – Buy Back SA	Sandton
6 August 2015	Wits Seminar: The overlap of media, recreation and national identity	Wits
14 August 2015	Leadership Conversations	Proudly SA
25 August 2015	Proudly SA Mpumalanga Business Forum	Mpumalanga
8 September 2015	Interview with Radio Islam	
9 September 2015	interview for ANN7's SATY awards 2014	Proudly SA Office
16 September 2015	EBI Business Awards Breakfast	Carnival City, Boksburg
17 September 2015	IRMSA Conference	Gallagher Conference Centre
17 September 2015	HR Standards Rollout Conference	Sandton Convention Centre

PERFORMANCE FOR THE PERIOD UNDER REVIEW

Performance against the Annual Performance Plan targets for the quarter.

Key focus area: Consumer Educational Campaign on the economy wide benefits of buying local - “Buy Local” to Create Jobs! – Local Procurement

Strategic Objective/Output	Performance Indicator/Measure	Annual Targets for 2015/16	Q2 target	July	August	September
1a) Educate consumers on the importance of buying local (Local Procurement Accord) – Influencing “Buy Local purchase behaviour	To increase awareness of Proudly SA (products and services), influence purchase behaviour in favour of local products, raise the profile of local products and educate consumers on the importance of buying local through: * Above the line campaign, i.e. Top of Mind Awareness through various Platforms incl. TV, Radio, Print, Outdoor, On-line and Social Media Campaigns;	Above-the Line – Buy Local (Buy Back SA) Activism Campaign reaching at least 10 million consumers per annum	2,5 million people	<ul style="list-style-type: none"> SAAFMA2015 Exclusive Media event (16 July 2015) Total Reach: TBC Event Reach : 60 Media, Industry players and Sponsors 	<ul style="list-style-type: none"> Change Makers conference in partnership with Lead SA (PRIMEDIA) (15 August 2015) Reach: TBC 	<ul style="list-style-type: none"> 12 Branded Trucks 10 Branded Community Walls 60 Bill Boards Reach in excess of 2,5m people Maskandi Heritage Festival (24 September 2015) reached over 15 000 people

Key focus area: Educational campaigns on labels of origin to improve fair and legal trade: Local Procurement Accord (LPA)

Strategic Objective/Output	Performance Indicator/Measure	Annual Targets for 2015/16	Q2 target	July	August	September
Promoting the Country of Origin label to improve fair and legal trade	Above-the Line – Buy Local (Buy Back SA) Activism Campaign promoting Proudly SA logo as the Country of origin label. These include radio, TV Print, Street posters, social media campaigns and Proudly SA website.	Above-the Line – Buy Local (Buy Back SA) Activism Campaign reaching at least 10 million consumers per annum	0	N/A	N/A	N/A

Key focus area: Advocacy to increase the uptake of local products by all State organs including State Owned Entities and other Social Partners – Local Procurement Accord (LPA)

Strategic Objective/Output	Performance Indicator/ Measure	Annual Targets for 2015/16	G2 target	July	August	September
Increase procurement of local products and services in the public sector through increased engagements with the public sector.	<p>Educational Roadshows</p> <p>*Increase buy-in and support for local procurement by the public sector (all state organs) through:</p> <p>*Presentation to SOEPF (State Owned Enterprises Procurement Forum) per annum</p> <p>*Partnership with National Treasury on revision of public procurement regulations in support of local procurement for designated sectors in national, provincial & local government departments and to monitor procurement within the public sector</p> <p>*National, provincial and local departments visits – engagement with procurement officers</p> <p>*Presentation at SALGA</p> <p>*1-2 x Day Buy Local Summit – focusing on All State Organs and Business Procurement</p> <p>1-2 x Day Buy Local Expo – of All SA Companies focusing on the</p>	<p>At least 1 presentation to SOEPF per annum</p> <p>*Participation in at least 2 x National Treasury (CPO) procurement forums with Heads of procurement from all spheres of government reaching at least:</p> <p>*6 national departments;</p> <p>*2 provincial governments,</p> <p>*2 metros</p> <p>*20 district municipalities visited;</p> <p>*1 presentation to SALGA</p> <p>*At least 1 summit to be held per annum</p> <p>*At least 1 Buy Local Expo held per annum</p>	<p>1</p> <p>1</p> <p>0</p> <p>0</p> <p>0</p> <p>0</p> <p>0</p>	<p>2 reached - Sports Hall of Fame- Dept. of Arts and Culture, Dept. of Sports and recreation. (12 July 2015)</p> <p>Planning meeting held with SALGA management team</p>	<p>COSATU congress – Dept. of Labour (4-6 August 2015)</p>	

<p>Increase procurement of local products and services in the private sector through engagements with Business (incl BUSA, BBC, and BLSA)</p>	<p>priority Sectors - Gallagher Estate – "Made in SA Expo"</p> <p>National Educational Road shows: Increased buy-in and support for local procurement by the private sector. Signing of partnership agreements/pledges with BLSA, BBC and BUSA to commit to Buying Locally produced products and services through:</p> <ul style="list-style-type: none"> * Presentations to BUSA, BBC and BLSA members; * Briefing sessions/ one-on-one visits to/with retailers *1-2 x Day Buy Local Summit – focusing on All State Organs and Business Procurement 1-2 x Day Buy Local Expo – of All SA Companies focusing on the priority Sectors - Gallagher Estate – "Made in SA Expo" *Sector Specific Workshops *SME & Co-operatives (networking) workshops with dti, dti COTI's and other strategic partners *Proudly SA Events/Exhibitions/Expos/Villages at trade expos 	<p>*1 presentation to BUSA, BBC and BLSA;</p> <p>*Briefing sessions with at least 2 retailers;</p> <p>*At least 1 summit to be held per annum;</p> <p>*At least 1 Buy Local Expo held per annum;</p> <p>*2 x workshops per annum</p> <p>*1 workshop (session) per quarter</p> <p>*Participation in at least 2 trade expos per quarter</p>	<p>1</p> <p>0</p> <p>0</p> <p>0</p> <p>0</p> <p>1</p> <p>2</p>	<p>➤ Quoloquium on the effects of Xenophobia (30 July 2015) with BUSA</p> <p>➤ Business Funding EXPO (15/16 July)</p> <p>➤ SMME Opportunity Roadshow (8 July 2015)</p> <p>➤ Manufacturing Indaba (21 July)</p> <p>➤ Business Funding Expo (15-16 July 2015)</p>	<p>➤ SMME Opportunity Roadshow (18 August 2015)</p> <p>➤ African Farmers Expo (18-20 August 2015)</p> <p>➤ Stokvel (23-24 September 2015)</p>	<p>➤ SMME Opportunity Roadshow (9 September 2015)</p> <p>➤ Infrastructure Africa (1-2 September 2015)</p> <p>➤ Smart Procurement (8-9 September 2015)</p>
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					<p>➤ The GGDA Thought Leadership Forum (29 July 2015)</p> <p>N/A</p>	<p>➤ Business Awards Breakfast (16 September 2015)</p> <p>➤ Leaderex (17 September 2015)</p> <p>➤ Consumer Goods Summit (17-18 September)</p> <p>N/A</p>
	*SA Business premier Awards	*Hosting of 1 x annual SA Premier Business Awards event	0	N/A	N/A	

Key focus area: Promoting the Local Procurement Accord – Consumer Educational Campaign – “Buy Local “to Create Job!

Strategic Objective/ Output	Performance Indicator/ Measure	Annual Targets for 2015/16	Q2 target	July	August	September
Educate consumers on the importance of buying local (Local Procurement Accord) – Influencing “Buy Local” purchase behaviour	To increase awareness of Proudly SA, influence purchase behaviour in favour of local products, raise the profile of local products and educate consumers on the importance of buying local through: * Above the line campaign , i.e. Top of Mind Awareness through various Platforms incl. TV, Radio, Print, Outdoor, On-line and Social Media Campaigns;	Above the line – Buy Local (Buy Back SA) Activism Campaign reaching at least 10 million consumers	2.5 million consumers	<p>➤ SAAFMA Media Awards 2015 (16 July 2015)</p>	<p>➤ Change Makers Conference with lead SA (Primedia) (15 August 2015)</p>	<p>➤ 12 Branded Trucks</p> <p>➤ 10 Branded Community Walls</p> <p>➤ 60 Bill Boards</p> <p>Reach in excess of 2,5m people</p> <p>➤ Maskandi Heritage Festival (24 September 2015) reached over 15 000 people</p>

		July	August	September	
<p>To increase awareness of Proudly SA, influence purchase behaviour in favour of local products, raise the profile of local products and educate consumers on the importance of buying local through:</p> <p>PR and Below the line activities through Social Media, press releases and other PR related activities; National Consumer Educational Road show through Mall Activations (Education Through Edutainment)</p> <p>*Ubuntu campaign in secondary schools and FET colleges</p> <p>*University Activation Campaigns Campus Radio Adverts / Live Reads, Industrial theatre and Edutainment</p> <p>*Proudly SA Events/Exhibitions/Expos/Villages at trade expos</p> <p>* Proudly SA CSI Projects</p>	<p>PR & Below the Line Activities reaching at least 5 million consumers</p> <p>Roadshows in at least 4 provinces (annually)</p> <p>*Roll out of Ubuntu campaign in at least 2 schools and/or FET colleges per quarter</p> <p>*During RAG- 2x Universities per Annum Campus Radio throughout the year</p> <p>*Participation in at least 8 major trade expos per annum</p>	<p>500k</p> <p>1</p> <p>2</p> <p>1</p> <p>2</p> <p>1</p>	<p>Target reached (Refer to July 2015PR/Media report)</p> <p>Gauteng Business Forum (29 July 2015)</p> <p>None</p> <p>None</p> <p>Manufacturing Indaba (21 July 2015)</p> <p>Mandela Day (18 July 2015)</p>	<p>TBC (2 Months lead)</p> <p>Mpumalanga Business Forum (25 August 2015)</p> <p>Step Up z a Startup schools campaign</p> <p>Change Makers Conference at University of Johannesburg (15 August 2015)</p> <p>African Farmers Expo (18-20 August 2015)</p>	<p>TBC (2 Months lead)</p> <p>Career Day (10 September 2015)</p> <p>Step Up 2 A startup schools campaign</p> <p>Infrastructure Africa (1-2 September 2015)</p> <p>Smart Procurement (8-9 September 2015)</p> <p>Leaderex (17 September 2015)</p> <p>Consumer Goods Summit (17-18 September 2015)</p> <p>Maskandi Heritage Festival (24 September 2015)</p>

Key focus area: Brand Management

Strategic Objective/ Output	Performance Indicator/ Measure	Annual Targets for 2015/16	Q2 target*	July	August	September
Brand research - Development of a reliable monitoring and evaluation system	Existence of a reliable monitoring and evaluation system – to measure uptake of local products and services and procurement by the public sector, private sector and consumers; Bi-annual research as well as qualitative and quantitative research results as well as event or campaign dipstick surveys outcomes;	*Bi annual research on brand awareness and uptake of Proudly SA member products and services conducted *At least 2 x Dipstick surveys per quarter conducted at Proudly SA events and exhibitions/ consumer outreach campaigns and via the website *Qualitative & Quantitative Research – once per annum	0 2 0	➤ ➤ ➤	➤ ➤ ➤	➤ ➤ ➤

Key focus area: Brand Compliance and Intellectual Property

Strategic Objective/ Output	Performance Indicator/ Measure	Annual Targets for 2015/16	Q2 target*	July	August	September
Effective management of Proudly SA intellectual property	Percentage of successfully executed letters of demand and court actions against identified transgressors	Weekly Monitoring of the Proudly SA logo to identify irregular use and counterfeit goods *Action/Letters of demand to irregular users of the Proudly SA logo *Regular compliance reviews of all members *Weekly monitoring with Adams & Adams of companies that are using the Phrase and logo illegally	weekly 100% 100% checked 100% of all identified companies	➤ ➤ ➤ ➤	➤ ➤ ➤ ➤	➤ ➤ ➤ ➤

Key focus area: Media, PR & Social Media

Strategic Objective/ Output	Performance Indicator/ Measure	Annual Targets for 2015/16	Q2 target*	July	August	September
Strengthening Media and PR relations and Social Media	Daily, weekly, monthly monitoring of media coverage on the campaign and analysis thereof	*Media Monitoring Regular monitoring of media reports coverage on Proudly SA, its members and other stakeholder	Daily	<p>Done daily</p> <p>Proudly SA pays tribute to veteran journalist, Ramatsiyi Mholoza, following reports of his passing (16 July 2015)</p> <p>Proudly SA – Empowering small business & entrepreneurs through “BUY LOCAL” drive – (28 July 2015)</p> <p>Proudly SA pays tribute to legendary South African cricketer, Clive Rice (28 July 2015)</p>	<p>Done daily</p> <p>Proudly SA empowering Mpumalanga local business (21 August 2015)</p> <p>Proudly SA officially endorses youth entrepreneurship programme (28 August 2015)</p> <p>Pre-written Proudly South African and CGF research institute renew strategic partnership (28 August 2015)</p>	<p>Done daily</p> <p>Pre-written heritage day press release (23 September 2015)</p>
	Number of published press releases prepared per month (Regular communication in print media aimed at members, media, government departments, consumers and other stakeholders)	*Press releases At least 6 press releases per quarter	6			
	Number of interactions with the media per annum. Increased publicity and raising profile of Proudly SA	Media breakfasts/lunches & media meetings hosted by the CEO, Chairperson, board or the PR Manager	1	<p>SAAFM 2015 (16 July 2015);</p> <p>SABC RADIO: ANN7; EWN;</p> <p>RECORD – WEST; NOWETO, CENTRAL; CLASSIC FM</p> <p>GOV COMMS</p>	<p>SABC RADIO: ANN7; EWN;</p> <p>RECORD-WESR; NOWETO, CENTRAL; CLASSIC FM;</p> <p>GOV COMMS</p>	<p>None done</p>
	Part of media relations strategy where the campaign can discuss with the media tactical issues, e.g. job losses in specific sectors, as well as strengthen relations with the media	At least 1x media breakfast meeting per quarter		<p>Done daily</p>	<p>Done daily</p>	
	Daily communication – Twitter and Facebook. Increased activities and competitions during campaigns.	Individual meetings with Editors - 1 per quarter	100%			
	Increase following on social media platforms and increase in publicity in a very quiet month	Social Media Activities daily;				
		Weekly competitions at least once a month;	0			
		Valentine's Day activation 1x per year on Valentine's day	0			

Key focus area: Membership Administration

Strategic Objective/ Output	Performance Indicator/ Measure	Annual Targets for 2015/16	Q1 target ^s	July	August	September
Retention and Recruitment Members	Number of members recruited and retained	Recruit at least 144 new members for the year	36	16	26	8
		Retain at least 50% of all members due for renewal for the year	50%	69%	90%	100%

PFMA AND TREASURY REGULATIONS CHECK LIST

CORPORATE MANAGEMENT

NO.	SECTION	DESCRIPTION	ACTION	YES	NO	N/A	COMMENTS
1.	49	Accounting Authority	In terms of section 49(3) the relevant treasury, in exceptional circumstances, may approve that a functionary other than the board or CEO be the AA of the public entity. In this regard, has the Auditor-General been informed in writing of any such approval or instruction?			X	The Board is the Accounting Authority of Proudly SA
2.	TR 27.3.1	Chief Financial Officer	In the case of a 3A or 3C public entity, has a chief financial officer been appointed to head the finance division?	X			There is a Chief Financial Officer even though Proudly SA is not a public entity
3.	56(1)	Delegations of Authority	Have the powers entrusted or delegated to the accounting authority been delegated to other officials within the public entity?	X			There is a Schedule of Delegated Authority in place and this has been approved by the Board
4.	51(1)(a)(i)	Internal Control	Does the public entity have: an effective, efficient and transparent system of financial and risk management and internal control?	X			The policies and processes are in line with best practice and are being modified where required to fully comply with the PFMA
	51(1)(a)(ii)		A system of internal audit under the control and direction of an audit committee complying with and operating in accordance with regulations and instructions prescribed in terms of sections 76 and 77?	X			There is an outsourced internal audit function due to the size of the organisation and it reports to the Audit committee.
	TR 27.1.1		Is the audit committee a sub-committee of the accounting authority?	X			The audit committee is a sub-committee of the Board
	77(a)		Does the audit committee consist of at least 3 persons?	X			The audit committee has 4 members
	77(b)		Does the audit committee meet at least twice a year?	X			The committee meets at least twice a year annually and met 3 times in the previous financial year
	TR 27.1.6		Does the audit committee operate in terms of written terms of reference?	X			There are approved terms of reference for the Audit committee
	TR 27.1.6		Are the terms of reference reviewed at least annually to ensure its relevance?	X			The terms of reference are continuously reviewed (at least once every year)

NO.	SECTION	DESCRIPTION	ACTION	YES	NO	N/A	COMMENTS
	27.1.8		<p>Does the audit committee review the following:</p> <ul style="list-style-type: none"> • The effectiveness of internal control systems; • The effectiveness of internal audit; • The risk areas of the entity's operations to be covered in the scope of internal and external audits • The adequacy, reliability and accuracy of financial information provided to management and other users of such information • Any accounting and auditing concerns identified as a result of internal and external audits • The entity's compliance with legal and regulatory provisions • The activities of the internal audit function, including its annual work programme, coordination with the external auditors, the reports of significant investigations and the responses of management to specific recommendations; and • Where relevant, the independence and objectivity of the external auditors. 	X X X X X X X			The Audit Committee considers and approves the Audit plans of both Internal and External Audits which detail all the information referred to herein, as well as all the finding and recommendations of the auditors in respect of this
	TR 27.1.10(a)		Does the audit committee report and make recommendations to the accounting authority?	X			The Audit committee does report and make recommendations to the Board
	TR 27.1.13		Does the audit committee meet annually with the Auditor-General or external auditor to ensure that there are no unresolved issues of concern?	X			The Audit committee meets with the external auditors prior to and after completion of external audits

NO.	SECTION	DESCRIPTION	ACTION	YES	NO	N/A	COMMENTS
	TR 27.2.1		<ul style="list-style-type: none"> Are risk assessments conducted regularly to identify the public entity's emerging risks? Does the public entity have a risk management strategy (including a fraud prevention plan) to direct internal audit effort and priority and to determine the skills required of managers and staff to improve controls and to manage these risks? If there is a risk management strategy, is it communicated to all employees? 	X X X			<ul style="list-style-type: none"> Risk Assessment is done annually and the Risk Register is updated annually The company has a Risk management Strategy and this informs the Risk Management Register. There is an approved Fraud prevention plan and Whistleblowing policy All staff participate in the organisational Risk Management workshops
	TR 27.2.5		Are the purpose, authority and responsibility of the internal audit function defined in an audit charter?	X			The purpose, authority and responsibility of Internal Audit is contained in the Internal Audit charter
	TR 27.2.6		Is internal audit conducted in accordance with standards set by the Institute of Internal Auditors?	X			Internal Audit is conducted in accordance with required standards
	TR 27.2.7		Has the internal audit function prepared a three year strategic internal audit plan based on the risks facing the public entity? Does the internal audit function report to the audit committee detailing its performance against the plan?	X X			The Internal Audit plan approved by the Audit committee and the Board is a rolling 3 year plan All internal audit reports are tabled at the Audit Committee and the Auditors report to the committee on all their work
	TR 27.2.10		Does the internal audit function evaluate the following: <ul style="list-style-type: none"> The information systems environment; The reliability and integrity of financial and operational information; The effectiveness of operations; Safeguarding of assets; and Compliance with laws, regulations and controls 	X			As part of the reporting done at the end of the financial year and in preparing the Annual Financial Statements, the Directors include a report on the evaluation they have done on the items identified.

NO.	SECTION	DESCRIPTION	ACTION	YES	NO	N/A	COMMENTS
5.	51(e)	Financial Misconduct	<p>Have effective and appropriate disciplinary steps been taken against any employee of the public entity who has:</p> <ul style="list-style-type: none"> • Contravened or failed to comply with a provision of the PFMA • Committed an act which undermined the financial management and internal control system of the public entity • Made or permitted irregular or fruitless and wasteful expenditure 		X		No employee has committed any of the offences listed herein
	86(2)		Has the accounting authority been found guilty of an offence or is there any investigation pending relating to the willful or negligent failure to comply with the provisions of sections 50, 51 or 55?		X		
	TR 33.1.1		Have any employees of the public entity committed financial misconduct?		X		
	TR 33.1.2		If so, was the investigation instituted within 30 days?			X	
	TR 33.2.1		Is the Executive Authority, Auditor-General and relevant treasury advised if any criminal charges that have been laid against persons for financial misconduct?			X	If any criminal charges are instituted for financial misconduct, the Executive Authority will be advised accordingly
	TR 33.3.1		<p>Is the Executive Authority, Auditor-General and relevant treasury provided with a schedule detailing:</p> <ul style="list-style-type: none"> • The outcome of any disciplinary hearings and/or criminal charges; • The names and ranks of employees involved; and • The sanctions and any further actions taken against these employees. 			X	The reports on any disciplinary hearings held are reported to the Accounting Authority through the relevant subcommittee.

**PFMA CHECKLIST FOR PUBLIC ENTITIES
PLANNING AND BUDGETING**

NO.	SECTION	DESCRIPTION	ACTION	YES	NO	COMMENTS
1.	52	Annual budget, corporate plan and shareholder's compact by Schedule 2 public entities and government business enterprises	<p>Did the accounting authority submit the following to the relevant treasury and to the accounting officer of the department at least one month before the start of the public entity's financial year:</p> <ul style="list-style-type: none"> • a projection of revenue, expenditure and borrowings for the financial year in the prescribed format; and • a corporate plan in the prescribed format covering the affairs of that public entity or business enterprise for the following three financial years, and if it has subsidiaries, also the affairs of the subsidiaries. 	X	N/A	<ul style="list-style-type: none"> • The budget and cash flow for the financial year were submitted to the dti on time • The Board has approved the Strategic Plan and it was submitted to the dti and a Business plan was developed based on the approved Strategic plan.
	TR 29.1.1		<p>Does the corporate plan include the following:</p> <ul style="list-style-type: none"> • strategic objectives and outcomes identified and agreed upon by the executive authority in the shareholder's compact; • strategic and business initiatives as embodied in business function strategies; • key performance measures and indicators for assessing the entity's performance in delivering the desired outcomes and objectives; • a risk management plan; • a fraud prevention plan; • a materiality/significant framework, referred to in Treasury Regulation 28.1.5; • a financial plan addressing – 	X		<ul style="list-style-type: none"> • The Draft strategic plan and business plan has been submitted to the dti as the Executive Authority • This is built into the Draft strategic plan • Risk Management plan exists • Fraud prevention plan approved • Materiality is determined prior to and during external audits <p>This is part of the corporate plan submitted to the Executive Authority for</p>

				<input type="checkbox"/> revenue, expenditure and borrowings; <input type="checkbox"/> asset and liability management cash flow projections; <input type="checkbox"/> capital expenditure programmes; and <input type="checkbox"/> dividend policies				approval after approval by the Board as the Accounting Authority
	TR 29.2.		<p>Does the public entity conclude a shareholder's compact with the executive authority on an annual basis?</p> <p>If yes, does the shareholders compact document the mandated key performance measures and indicators to be attained as agreed between the accounting authority and the executive authority?</p>	<p>X</p> <p>X</p>				<p>A shareholders compact was previously concluded with the dti. The draft 2015/16 compact/MOU is still pending.</p> <p>The previous shareholders compact did not detail the key performance measures and the indicators</p>
2.	53(1)	Annual budgets by nonbusiness Schedule 3 public entities	Did the accounting authority submit a budget to the executive authority for his or her approval at least six months prior to the start of the financial year of the department designated by the executive authority?	X				Specific to Schedule 3 non business entities, however Proudly SA does submit its budget to the dti as per the previous Shareholders compact
	53(2)		Was the budget submitted to the executive authority via the accounting officer of the department designated by the executive authority?	X				Specific to Schedule 3 non business entities and not applicable to Proudly SA, however Proudly SA does submit its budget to the dti as per the previous Shareholders compact
	53(3)		Did the public entity budget for a deficit or accumulate a surplus without approval of the National Treasury?		X			Specific to Schedule 3 non business entities and not applicable to Proudly SA however, the budget for 2015/16 does not have a deficit against it
	TR 30.1.1		Did the accounting authority submit a proposed strategic plan to the executive authority for his or her approval at least six months before the start of the financial year of the department designated by the executive authority?				X	Specific to Schedule 3 non business entities and not applicable to Proudly SA, however a strategic plan was submitted as per the previous Shareholders compact
	TR 30.1.2		Was the final strategic plan submitted to the executive authority before 1 April?				X	Final strategic plan submitted as per previous Shareholders compact requirements

NO.	SECTION	DESCRIPTION	ACTION	YES	NO	N/A	COMMENTS
	TR 30.1.3		<p>Does the strategic plan:</p> <ul style="list-style-type: none"> cover a period of three years; include objectives and outcomes as identified by the executive authority; include multi-year projections of revenue and expenditure; include performance measures and indicators for assessing the public entity's performance in delivering the desired outcomes and objectives; and include the materiality/significant framework, referred to in Treasury Regulation 28.1.5. <p>Is the strategic plan updated on an annual basis?</p>	X X X X X X			The Strategic plan approved by the Board does cover the areas as required by the Treasury Regulations

**PFMA CHECKLIST FOR PUBLIC ENTITIES
MANAGEMENT OF WORKING CAPITAL**

NO.	SECTION	DESCRIPTION	ACTION	YES	NO	N/A	COMMENTS
1.	38(1)(i)		<p>Has the public entity submitted a written assurance to the transferring department to the effect that the entity has and maintains effective, efficient and transparent financial management and internal control systems?</p>	X			A written assurance is submitted to the dti in the form of a letter confirming compliance with Section 38(1)(i) of the PFMA at the beginning of each financial year
	51(1)		<p>Does the public entity:</p> <ul style="list-style-type: none"> have an appropriate procurement and provisioning administration system, which is fair, equitable, transparent, competitive and cost-effective? have a system for properly evaluating all major capital projects prior to a final decision on the project? collect all revenue due? Have mechanisms in place to prevent irregular and fruitless and wasteful expenditure? Manage available working capital efficiently and economically? 	X X X X		X	<p>The procurement system is in line with section 217 of the constitution, and is fair, equitable, transparent, competitive and cost-effective. The SCM policy is in the process of being revived to ensure full compliance with the PFMA</p> <p>There are currently no major capital projects</p>

NO.	SECTION	DESCRIPTION	ACTION	YES	NO	N/A	COMMENTS
TR 29.1.3 TR 29.1.6		Did the public entity submit a corporate plan and borrowing programme to the relevant treasury? (Schedule 2, 3B and 3D entities only)	If a borrowing programme was submitted, did it include?			X	Proudly SA is not a Schedule 2, 3B or 3D entity and does not borrow any funds
		The terms and conditions on which the money was borrowed?	Information on proposed domestic borrowing;	X			
		Information on proposed foreign borrowing (national entities)	Short and long term borrowing;	X			
		Borrowing in relation to a pre-approved corporate plan	The maturity profile of the debt;	X			
		The confirmation of compliance with existing and proposed loan covenants;	Debts guaranteed by the government;	X			
		Motivations for government guarantees, if required; and	The executive authority's approval of the borrowing programme, if required by the legislation in terms of which the entity was established.	X			
		Did the public entity borrow money for bridging purposes? If yes:	Was approval obtained from the Minister of Finance?	X			No money borrowed by the campaign for any purposes, including for bridging purposes
		Was the debt repaid within 30 days from the end of the financial year?				X	
	TR 32.1.1						

**PFMA CHECKLIST FOR PUBLIC ENTITIES
REPORTING**

NO.	SECTION	DESCRIPTION	ACTION	YES	NO	N/A	COMMENTS
1.	TR 26.1.1	Quarterly Reporting	Does the public entity submit information on its actual and projected revenue and expenditure to the designated accounting officer within 30 days from the end of each quarter? (Schedule 3A and 3C entities)	X			Proudly SA is not a Schedule 3A or 3C entity, but does submit quarterly reports with the required information to the dti as per the Shareholders Compact (30 days from the end of each quarter)
	TR 26.1.2		Does the public entity report quarterly to the executive authority (via the designated accounting officer) on the extent of compliance with the PFMA and Treasury Regulations? (Schedule 3A and 3C public entities)	X			Proudly SA is not a Schedule 3A or 3C entity, but does submit quarterly reports with the required information to the dti
	TR 29.3.1 TR 30.2.1		Has the public entity established procedures to report quarterly to the executive authority in relation to progress made against achieving the targets set out in the strategic and corporate plan?	X			Proudly SA is required in the Shareholders Compact to submit quarterly reports to the dti, as per the previous Shareholders Compact. The quarterly reports details the progress made against achieving the set targets
2.	55	Annual report and financial statements	Did the public entity submit the following to the relevant treasury, executive authority and Auditor-General within 5 months from the end of the financial year: <ul style="list-style-type: none"> • An annual report on the activities of the public entity during that financial year; • The financial statements for that financial year after the statements have been audited; • The report of the auditors on those statements. 	X X X			The Annual Report, AFS and the Auditors report have been submitted to the dti on time, as required in the Shareholders Compact

NO.	SECTION	DESCRIPTION	ACTION	YES	NO	N/A	COMMENTS
			<p>Does the public entity's annual report and financial statements fairly present the state of affairs of the public entity, its business, its financial results, its performance against predetermined objectives and its financial position as at the end of the financial year concerned?</p> <p>Does the annual report and financial statements include:</p> <ul style="list-style-type: none"> Any material losses through criminal conduct and any irregular expenditure and fruitless and wasteful expenditure that occurred during the financial year; Any criminal or disciplinary steps taken as a consequence of such losses or irregular expenditure or fruitless and wasteful expenditure; Any losses recovered or written off; Any financial assistance received from the state and commitments made by the state on its behalf; The financial statements of subsidiaries. 	X		N/A	The annual report and AFS fairly presents the information required
	65		<p>Did the executive authority table the annual report and financial statements within one month after the accounting authority received the audit report?</p> <p>If no, did the executive authority table an explanation in the Legislature setting out the reasons why the annual report and financial statements were not tabled?</p>			X	No material losses incurred through criminal conduct and no irregular and fruitless expenditure during the previous financial year No criminal charges instituted as no such loss was incurred
	TR 27.1.7		<p>Does the annual report contain a disclosure to the effect that the audit committee has adopted a formal terms of reference</p>	X			The Executive Authority is not obliged to table this as Proudly SA is not a public entity, however the Annual report is submitted to the dti to enable the Minister to table this if the need arises
	TR 27.1.10		<p>Did the audit committee comment on its evaluation of the public entity's financial statements?</p>	X			This disclosure was included in the Annual Report as the audit committee has approved terms of references The Audit committee does comment on the public entity's financial statements in the AFS and in turn the Annual Report

NO.	SECTION	DESCRIPTION	ACTION	YES	NO	N/A	COMMENTS
	TR 28.1.1		Does the financial statement include a report by the accounting authority that discloses the emoluments of all directors and executive members of the public entity and its subsidiaries?	X			
	TR 28.1.2		<p>If yes, to above, does the disclosure include?</p> <ul style="list-style-type: none"> • Fees for services as a director or executive member; • Basic salary; • Bonuses and performance related payments; • Sums paid by way of expense allowances; • Contributions made to any pension fund, medical aid, insurance scheme, etc.; • Any commission, gain or profit sharing arrangements; • Any share options, including their strike price and period; and • Any other material benefits received. 	X X X X X		X X X	No commission, gain or profit sharing applicable No share options as there is no shareholding No other material benefits received by the directors and executive members
	TR 28.1.3		Has your public entity adjusted its financial year in accordance with the table in TR 28.1.3?			X	Not applicable, as Proudly SA's financial year is in line already— 31 March
	TR 28.2.1		Does the annual report provide details of the materiality/significant framework applied during the financial year?	X			

**PFMA CHECKLIST FOR PUBLIC ENTITIES
CASH MANAGEMENT, BANKING AND INVESTMENT**

NO.	SECTION	DESCRIPTION	ACTION	YES	NO	N/A	COMMENTS
1.	51(1)(b)(iii) TR 31.1	Cash Management	<p>Are systems, procedures and processes in place in the public entity to ensure efficient and effective banking and cash management, which includes?</p> <ul style="list-style-type: none"> • Collecting and banking revenue promptly Making payment no earlier than necessary with due regard for efficient, effective and economical programme delivery and the public entity's normal terms for account payments; • Avoiding prepayments for goods and services unless required by the contractual arrangements with the supplier; • Accepting discounts to effect early settlement; • Pursuing debtors with appropriate sensitivity and vigor to ensure that amounts receivable by the public entity are collected and banked promptly; • Accurately forecasting the public entity's cash flow requirements; • Timing the in and out flow of cash; • Recognizing the time value of money, i.e. economically, efficiently, and effectively managing cash; 	X		N/A	Proudly SA is not a public entity but conforms to best practice as prescribed by the PFMA and Treasury Regulations for its banking and cash management

NO.	SECTION	DESCRIPTION	ACTION	YES	NO	N/A	COMMENTS
			<ul style="list-style-type: none"> Taking any other action that avoids locking up money unnecessarily and inefficiently, such as managing inventories to the optimum level for efficient and effective programme delivery, and selling surplus or under-utilized assets; Performing bank reconciliations at least weekly; Making regular cash forecasts; and Alignment of the approved budget with monthly cash flows; Variance analyses of actual cash flow with the approved budget 	X X X X X		N/A	
2.	TR 31.2.1	Banking	Does the public entity submit a list of all its banking accounts to the National Treasury by 31 May of each year?			X	
3.	TR 31.3.1 TR 31.3.2	Investment	Does the public entity have an investment policy? If yes to the above, does the investment policy include the: <ul style="list-style-type: none"> selection of counter-parties through credit risk analyses; establishment of investment limits per institution; establishment of investment limits per investment instrument; monitoring of investments against limits; reassessment of investment policies on a regular basis; reassessment of counter-party credit risk based on credit ratings; and reassessment of investment instruments based on liquidity requirements. 			X	The Proudly SA campaign does not have enough long term cash reserves to enable it to invest. Any surplus funds are placed in Call accounts with the highest rate of returns, as negotiated with the banking institution where the funds are kept.

PROGRESS ON ACTIONS IN THE RISK REGISTER

Risk No	Objective (Strategic/Operational)	Risk Category	Risk Description	Inherent risk	Current controls	Perceived control effectiveness	Residual risk	Actions to improve management of the risk	Action owner	Time Frame
1	Increase uptake of Membership	Strategic Risk	Lack of legislative mandate.	High	Presentations and submissions made to the Trade and Industry portfolio committee to have Buy Local legislated. Procurement regulations revised and the dti has designated products for public procurement	Satisfactory	Medium	A Proudly SA Buy Local Act to be developed and promulgated. A need for the enforcement and monitoring of the current public procurement regulations for designated products.	Board	31-Mar-16
2	To drive a national awareness campaign on the benefits of Buying Local.	Strategic Risk	Insufficient funding to ensure sustainability of the campaign.	High	Raising sponsorships Partnership with relevant institutions	Satisfactory	Medium	Improve sponsorship drive Initiate process to secure legislative mandate. Secure fulltime broadcasting partner.	MANCO	30 Nov 2015 31 Mar 2016 31 Mar 2016

Risk No	Objective (Strategic/Operations)	Risk Category	Risk Description	Inherent risk	Current controls	Perceived control effectiveness	Residual risk	Actions to improve management of the risk	Action Owner	Time Frame
3	To work with enforcement agencies to prevent illegal imports, dumping of unsafe products and illicit trade	Strategic Risk	Lack of legislative mandate and recognition of Proudly SA as a key player by the enforcement agencies.	High 25	Presentation submissions made to the Trade and Industry portfolio committee to have Buy Local legislated. Procurement regulations revised and the dti has designated products for public procurement	Unsatisfactory	High 23	A Proudly SA Buy Local Act to be developed and promulgated. A need for the enforcement and monitoring of the current public procurement regulations for designated products.	Board	31-Mar-16
4	Increase uptake of Membership	Strategic Risk	Poor value proposition for existing and prospective members.	High 20	Value proposition based on Proudly SA activities and campaigns	Weak	High 14	The value proposition needs to be improved to provide for items that impact on the bottom line of the member companies, including BEE points and/or tax benefits	Board	31-Mar-16
5	To educate South African on the importance of 'Labels of origin' in order to promote fair and legal trade with other countries.	Strategic Risk	Lack of uptake of Proudly SA products and services by all spheres of governments including SOE's (Non – compliance with regulations on designation of sectors)	High 20	Procurement regulations revised and products designated for local procurement by all organs of the state	Weak	High 14	Need for a monitoring mechanism to ensure that all organs of the state comply with these new procurement regulations - inclusion in AG audits and monitoring by NT and Proudly SA	Board	31-Mar-16

Risk No	Objective (Strategic/Operations)	Risk Category	Risk Description	Inherent risk	Current controls	Perceived control effectiveness	Residual risk	Actions to improve management of the risk	Action Owner	Time Frame
6	To drive a national awareness campaign on the benefits of Buying Local.	Strategic Risk	Lack of funding to undertake meaningful research to inform consumer education campaigns	High 16	Deep stick surveys undertaken after every event.	Weak	Medium 11	Conduct Economic impact study	Executive Manager: Marketing & Comms	31-Oct-15
7	To compile a database of locally produced products and services.	Strategic Risk	Lack of comprehensive LPA supplier database	High 16	Self-registration by local companies on the LPA database of local products on the website	Weak	Medium 11	Require a campaign to promote the database of local products and the use of the database by both the private and the public sector.	Executive Manager: Marketing & Comms	31-Mar-16
8	To compile a database of locally produced products and services.	Strategic Risk	Lack of funding to promote the LPA supplier database to consumers, business and government.	Medium 12	No funding allocated for promotion of LPA database, therefore database promoted at events, activations, etc.	Weak	Medium 8	Allocation of funds for a campaign aimed at popularizing the database. The increase of the use of the database by the public and the private sector will increase the profile of the database	Executive Manager: Marketing & Comms	31-Mar-16

Risk No	Objective (Strategic/Operational)	Risk Category	Risk Description	Inherent Risk	Current Controls	Perceived control effectiveness	Residual Risk	Actions to improve management of the risk	Action Owner	Time Frame
9	To compile a database of locally produced products and services.	Strategic Risk	Existence of multiple databases in the market, including a proliferation of similar industry sector organisations with similar objectives to Proudly SA	High 16	Attempts to conclude partnerships with organisations that have databases in order to merge the databases have been made. i.e. SALGA, NT, SOEPF	Weak	Medium 11	Efforts to merge databases to continue - require a legislative mandate for Proudly SA's database to be the preferred database. Promotion of database required to improve credibility of the Proudly SA database	Board	31-Mar-16
10	To drive a national awareness campaign on the benefits of Buying Local.	Strategic Risk	Threat of counterfeit goods, dumping of illegal and toxic waste and unfair trade.	Medium 9	Proposed partnerships with law enforcement agencies to roll out anti-dumping and prevent illegal imports	Unsatisfactory	Medium 8	CEO appointed as Interpol ambassador. Partnerships with law enforcement agencies to be finalised. Roadshows at borders and customs to educate consumers and customs staff about illegal imports	Executive Manager: Membership and Compliance	31-Mar-16

PROGRESS ON POST-AUDIT IMPLEMENTATION PLAN

No.	Finding	Corrective Action (Plan)	Status
1.	<p>Membership renewal forms relating to some invoices for membership renewal were not provided.</p> <p>There were some employees that had negative leave days at financial year end</p>	<p>Members are sent renewal forms at the time of renewal of membership and follow up is made regularly. Some members still do not submit renewal forms despite this process. This process will continue to be followed and this will also include regular follow up with all renewed members to get them to submit the required forms</p> <p>The campaign has a strict policy with regards to leave administration, however the above relates to employees who had to be given leave during the December holiday period, despite not having sufficient leave days as the Proudly SA offices were closed at that time. In some instances it is because the employees in question were still new and had not accumulated enough leave days at the time or they had been forced to take other leave which meant they could not save enough leave days for the December holidays, as required. The current practice is that leave is never granted to any official unless they have accrued sufficient leave credits, including leave days for the December period, except under exceptional circumstances.</p>	Implemented (ongoing)
2.	<p>Statutory deductions to the South African Revenue Services were not paid on time for the months of November and December 2013 and January and February 2015. It was noted that the EMP 201 payments were made after the cut-off date by SARS.</p>	<p>The Executive Manager: HR and Admin underwent surgery, was hospitalized and was off sick during the period when this return was due and as a result, this statutory return could not be filed in time, however provisions have now been made to ensure that all future statutory requirements will be complied with, including the submission and payment of the PAYE returns by the 7th of the next month (when they are due)..</p>	Completed
3.	<p>The company's listed directors are not updated on the CIPC database, as it still has the names of old directors. The current director details have not been updated by CIPC either.</p>	<p>The companies' updated information was lodged with the CIPC through their online platform following the AGM held on 27 November 2014, but despite several attempts, this was not successfully updated on the system. This was then followed up by actual physical visits and submissions to the CIPC office of the updated information, but despite this intervention, including communication with the Registrar responsible for this, the company's information continues to remain the same. There will be efforts made to continue to seek assistance from the CIPC to try and resolve this.</p>	Completed
4.			31 March 2016

FINANCIAL REPORT

9.1 Financial table reflecting expenditure vs. budget

Description of item	Budget for the quarter (Q2)	Actual for the quarter (Q2) Rands	Variance for the quarters (Q2) Rands	% Variance	Reason for Variance	Annual Budget Rands	YTD Actual (30 September 2015) Rands	YTD Variance (30 September 2015) Rands
INCOME								
Membership Fees	750,000	560, 820	(189,180)	(25%)		3,000,000	890,440	(2,109,560)
Grant – the dti	8,000,000	8,000,000	0	0%		32,208,000	16,000,000	(16,208,000)
Project based funding (dti for SAPBA)	0	0	0	0%		0	0	0
Sponsorship	0	495,000	495,000	100%		7,530,000	1,035,000	(6,495,000)
Other Income	0	85,541	85,541	100%		0	153,991	153,991
Total Income	8,750,000	9,141,361	391,361	(4%)		42,738,000	18,079,161	(24,652,315)
EXPENDITURE								
HR and Staffing costs	4,286,673	3,891,418	(395,255)	(9%)		17,076,689	7,865,800	(9,210,889)
Administrative costs	1,366,955	1,221,639	(145,316)	(10%)		6,985,811	2,444,083	(4,541,728)
Membership costs	99,876	53,789	(46,087)	(46%)	Cost reduction exercise undertaken	399,500	66,512	(332,988)
Marketing costs	3,602,499	1,203,640	(2,398,859)	(66%)	Cost related to commitments made still to be incurred and accounted for in subsequent quarters	17,650,000	2,113,122	(15,536,878)
Capital Expenditure	129,000	25,673	(103,327)	(80%)	Budget for the financial year almost depleted	626,000	544,213	(81,787)
Total Expenditure	9,485,003	6,396,159	(3,088,844)	(32%)		42,738,000	13,033,730	(29,704,270)