



**NATIONAL
SEA RESCUE
INSTITUTE**

**INTEGRATED
ANNUAL
REPORT**



2021

ABOUT THIS REPORT

The National Sea Rescue Institute (NSRI) is a registered non-profit organisation that is committed to drowning prevention and focused on saving lives, changing lives and creating futures for those threatened by immersion or submersion in water in South Africa. Our Integrated Annual Report covers all the operations of the NSRI for the period from 1 January 2021 to 31 December 2021. There has been no change in the scope and boundary of this report.

This report is a sincere attempt to tell our story and describe the progress we have made this year to achieve our vision of a water-safe nation and to uphold the values we live by. The Board has been fully involved in the selection of the material matters to be addressed in the report. Management has prepared and verified the information, with oversight from the Board and Audit Committee. The Board is satisfied that the report provides an accurate, balanced and comprehensive overview of our organisation.

All financial information in this report has been extracted from the audited financial statements. Our financial information has been audited by our independent auditors, Cecil Kilpin & Co.

In selecting information for this report, we have attempted to communicate the essence of the NSRI and its evolution. We have therefore selected topics that will provide the reader with a broad overview of our operations, as well as insights into our strategy, funding base, most important risks and opportunities, our successes as well as our challenges. Stakeholders who would like to know more are invited to contact the NSRI directly or to visit our website for further details, or to make a donation.

To prepare this report, we have applied the reporting principles and guidelines provided by:

- the International Financial Reporting Standards (IFRS)
- the King IVTM Report on Corporate Governance for South Africa 2016 (King IV)
- the Supplement for non-profit organisations included in King IV
- the International Integrated Reporting Council's (IIRC) International <IR> Framework, to prepare this report.

We strive for excellence in everything we do, and we are particularly proud to be recognised for our life-saving efforts.

We are also proud to be recognised for the quality of our communication and reporting, having received multiple awards for our previous Integrated Annual Reports from the Chartered Governance Institute of South Africa for the NPO Category.

Please refer to our website for a list of awards that we have received in recent years.

INDEPENDENT ASSURANCES

Assurances of our business practices, governance and financial information are provided through compliance with audit and oversight from many regulatory organisations.

Please refer to the Compliance discussion on page 94.

BOARD RESPONSIBILITY STATEMENT

While our financial information has been audited by our independent auditors, we have, in the interest of optimising the use of donor funds, not sought further independent verification for our Integrated Report. The report is, however, thoroughly verified internally and both executive management and our Board have assured themselves that all material aspects of NSRI have been covered comprehensively.

The Board of directors of the NSRI (the Board) acknowledges its responsibility to ensure the integrity of this report. The Board believes that the 2021 Integrated Annual Report is presented in accordance with the <IR> Framework, addresses all material matters and provides a balanced overview of the organisation and its prospects. The Board has therefore approved the 2021 Integrated Report for publication.

HOW TO NAVIGATE OUR INTEGRATED REPORT

This icon signifies related information *elsewhere in this report*

This icon signifies related information *available on our website* at www.nsri.org.za

OUR STRATEGIC PILLARS

- Advocacy and prevention
- Quality rescue services
- Quality corporate governance, management and administration
- Marketing and communication
- Fundraising

OUR CAPITALS

- Financial capital
- Human capital
- Social and relationship capital
- Intellectual capital
- Natural capital
- Manufactured capital

SUSTAINABLE DEVELOPMENT GOALS (SDGs) WE ALIGN WITH



OTHER SOURCES OF INFORMATION AVAILABLE ONLINE

The integrated report forms part of and should be read in conjunction with a suite of reports available online on our website at www.nsri.org.za.

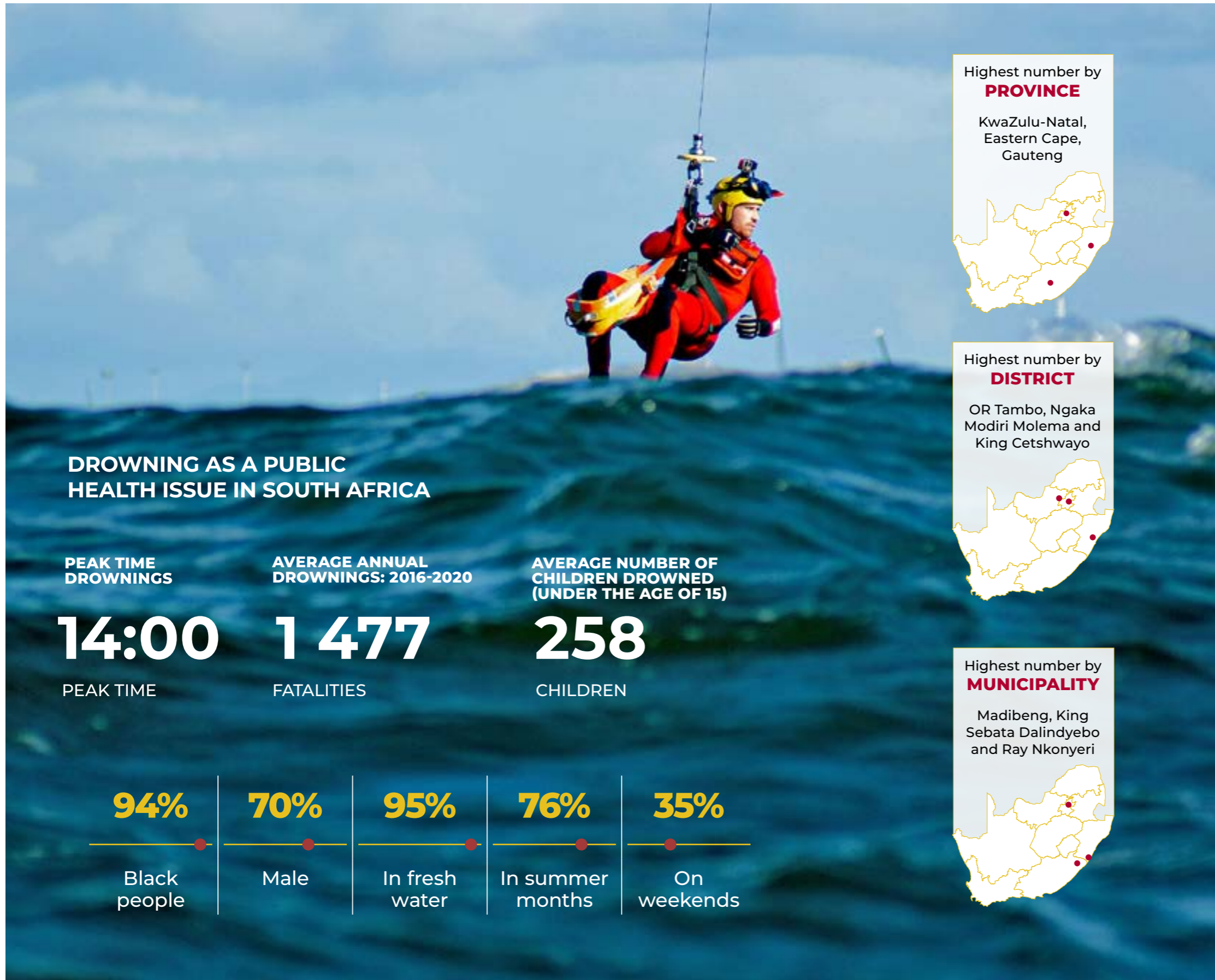
Other reports available include:

- A risk register
- Annual Financial Statements for 2021
- A King IV™ compliance register.

TABLE OF CONTENTS

	About this report
2	Why what we do matters
4	Who we are
6	Our new service structure
8	Our operations
01	10 Our new brand
02	14 Our people
17	Race and gender transformation
19	Volunteers
21	Beneficiaries
26	Donors
28	Stakeholders
03	40 Our services
42	Drowning Prevention
46	Rescue Services
04	50 Our impact on society
05	54 Our business model
60	The context we operate in
64	Alignment with the SDGs
06	66 Leadership reports
68	Message from our Chairman
70	Report from our CEO
07	72 Our strategic intent
74	Our goals and objectives
81	Our capital trade-offs
08	82 Our infrastructure
86	Information communication technology
09	88 Being accountable
90	Members of the board
92	Corporate governance
98	Risk
99	Remuneration
10	100 Our financial review
11	104 Annual financial statements
	112 Corporate information

WHY WHAT WE DO MATTERS



THE SOCIAL AND ECONOMIC IMPACT OF SAVING A LIFE AND OF DROWNING

Drowning has a social and economic impact on society. The social impact refers to the suffering, pain, sorrow, quality of life, loss of life, while the economic impact could be categorised into five components including: medical costs, production loss, human cost, damage, and administrative cost.

Drowning has not been afforded the same rigorous scientific research as other unintentional injuries such as road traffic accidents. The maturity of the road traffic accident research is evident since there are metrics available to calculate the cost. The cost is one key indicator of the impact on the South African society. This crucial information informs the preventative programmes and associated investments required to decrease the social and economic impact.

Countries such as Australia, Canada and the United States spend US\$85.5 million, US\$173 million, and US\$273 million per annum respectively in relation to drownings fatal and non-fatal. In the absence of rigorous research to outline the potential cost for drowning, data was used from road traffic accidents to attempt to quantify the economic burden of drowning. Per fatal road traffic accidents in 2017, the cost per incident was R4 119 437. The average annual drowning from 2016 to 2019 was reported as 1 477 drownings per annum. The estimate then would be that there is a spend of R5 973 183 650 per annum.

When comparing the economic impact on drowning and reviewing the drowning prevention spend per annum, and in the absence of thorough evidence based research, one could draw the conclusion that there is insignificant investment in drowning prevention to make a significant impact on the incidence of drowning.

WHO WE ARE

The National Sea Rescue Institute is a volunteer rescue organisation that is on call 24/7.

Our mission is preserving life and livelihoods on and around South African waters through education, drowning prevention and rescue. We are more than a rescue service. We educate communities and strive to innovate and constantly evolve and extend our water-safety initiatives through empowerment and visibility.

Looking to the future, our vision is for a water-safe nation, a country where as few people as possible lose their lives and livelihoods to drowning. We are unique in South Africa in being the only Non-Profit Organisation that focuses exclusively on preventing drowning through education, skills development, advocacy and proactive as well as responsive rescue services.

Increasingly the NSRI is moving from entirely volunteer-based services (water safety and rescue) to providing services like lifeguarding on dams and beaches to local authorities. As government donor funding has declined, we are having to create funding streams by contracting with local authorities.

As a model of governance and integrity, the NSRI provides a benchmark to society: we do things honestly and sincerely with the requisite compassion in the context of our service.

We are investing funds, time and effort in making sure we are relevant to all sixty million South Africans and that they can identify our brand wherever they are.

SINCE INCEPTION IN 1967, WE HAVE:

Responded to
23 341
Call outs

Rescued
33 764
People

Assisted
7 944
Vessels

Assisted
396
Animals

(COUNTING ONLY BEGAN IN 2015)

IN 2021, WE:

Responded to
1 025*
Call outs

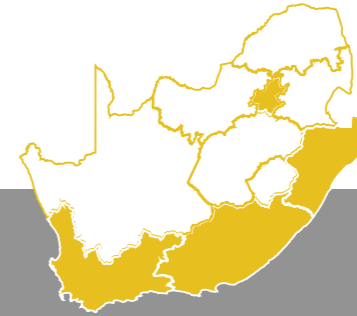
Rescued
960*
People

Assisted
249*
Vessels

Assisted
41
Animals

* Includes lifeguarding

Under the watch of our lifeguard units,
0 DROWNING DEATHS were reported on beaches where we were stationed



We provide water-safety school programmes in

WESTERN CAPE, EASTERN CAPE, KWAZULU-NATAL AND GAUTENG

We are represented in **>80 LOCATIONS** in coastal areas as well as inland water bodies

We have educated **>3 MILLION PEOPLE** in water safety, mainly children



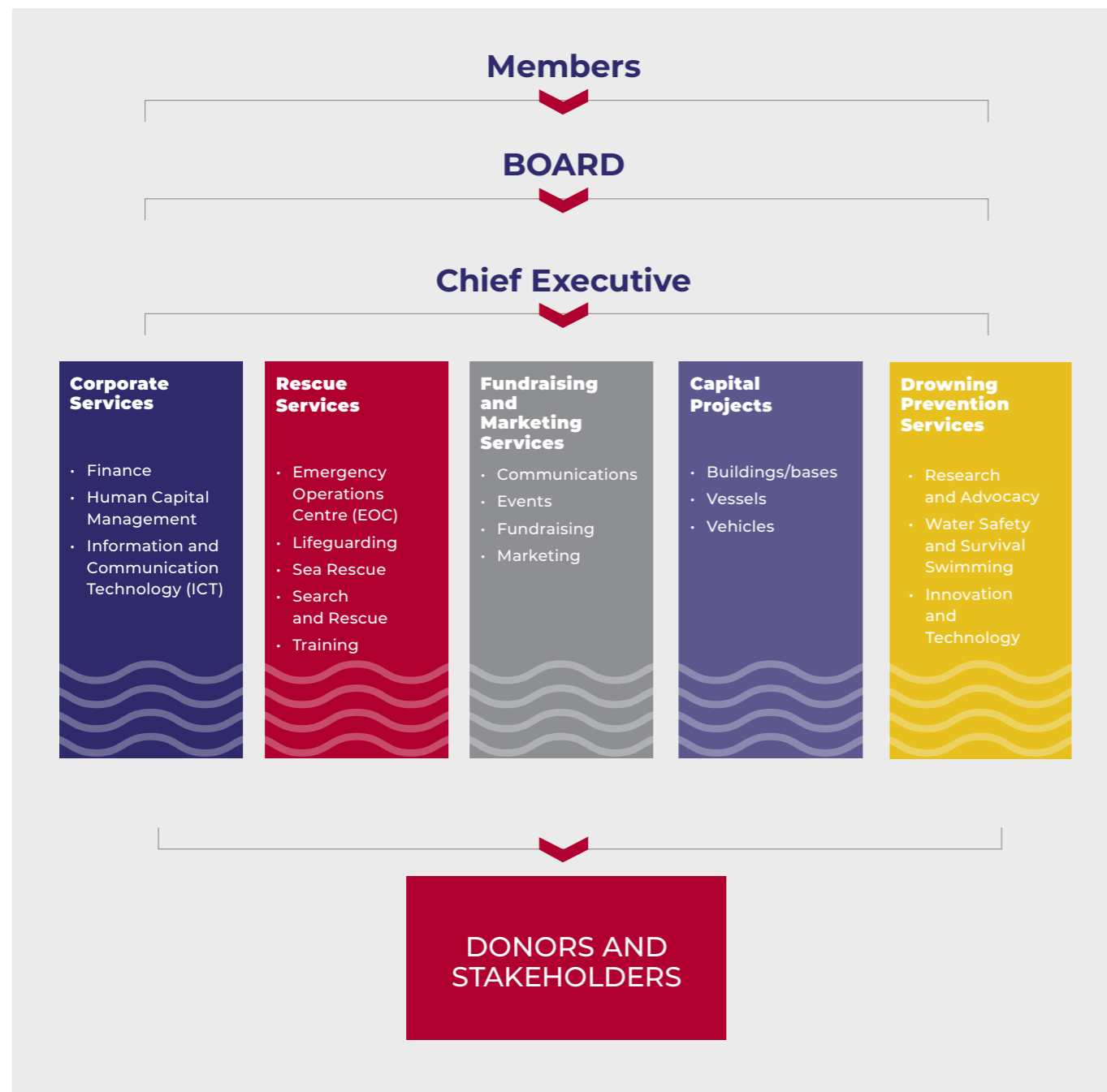
SINCE INCEPTION OF OUR PINK BUOYS IN 2017:

1 023 have been deployed

99 People have been rescued

OUR NEW SERVICE STRUCTURE

The NSRI has restructured the organisation into five departments, each with executive leadership, to create the capacity and linkages necessary to deliver on its national mandate and vision of a water-safe nation.



Corporate Services

This function provides transversal human capital management (recruitment, selection, administration and labour relations), finance (accounting, audit support, supply chain management, payroll management) and ICT (infrastructure, connectivity and functional systems). The human capital deployed in the paid segment of the service is recruited through competitive processes in the open market, including the volunteer NSRI community, taking operational requirements, diversity, experience and qualification into account. Staff development is managed on a case by case basis to ensure the business has an evolving skills base, and staff members are encouraged to annually enrol in personal development courses. Quality equipment pays the volunteer the ultimate respect and our procurement policy and processes are aimed at providing only the best emergency and protective gear available. Procurement is executed in a cost-conscious way, sensitive to the sacrifices made by donors, but accommodating the needs of volunteers for quality tools.

Drowning Prevention Services

There is no doubt that our most important 'manufactured capital' is the lives we save through prevention or rescue. Drowning prevention focuses on empowering knowledge and skills in the general population that prevent exposure to the risk of drowning or providing skills for self-rescue.

Refer to page 3 for the social and economic impact of saving a life and of drowning and to page 42 for more on our drowning prevention services.

Capital Projects

This department is responsible for ensuring that building, vessel and vehicle projects are conceptualised, designed and executed to the specifications and requirements of the relevant departments. They are currently planning their first completely 'off the grid' rescue station in Kei Mouth, which will begin the journey to decrease our environmental footprint.

The roof of the NSRI volunteer service centre building is covered with solar panels, and 20% of the electricity requirement is currently being delivered through this system.

All rescue stations have water tanks to reduce the demand for municipal supplies, and non-potable water is used to clean vessels and vehicles. The water in the water tanks is also used in the bathrooms. All outboards procured have four-stroke engines with fewer emissions and we are in the process of planning our first hybrid electric/diesel Offshore Rescue Vessel (ORC), to be built at Two Oceans Marine.

Refer to page 82 for more information about our infrastructure.

Fundraising and Marketing Services

This department handles all the activities necessary to raise the required revenue to sustain and evolve the objectives of the organisation, including telephone marketing, corporate fundraising, individual fundraising, legacy management, government contracts, event management, communications and public relations. They raised over R170 million in 2021 to sustain our operations and evolve our capital infrastructure for the future. As a result of their efforts, our buildings, vessels and vehicles are in excellent condition.

Donor data security management is a key responsibility within this department, with assistance from the ICT division, under the watchful eye of the CEO who acts as the Company Information POPIA Officer.

The team also plays a key role in stakeholder management through various social media, face-to-face and print media platforms.

Refer to the Stakeholder Engagement section on page 28 for more information.

Rescue Services

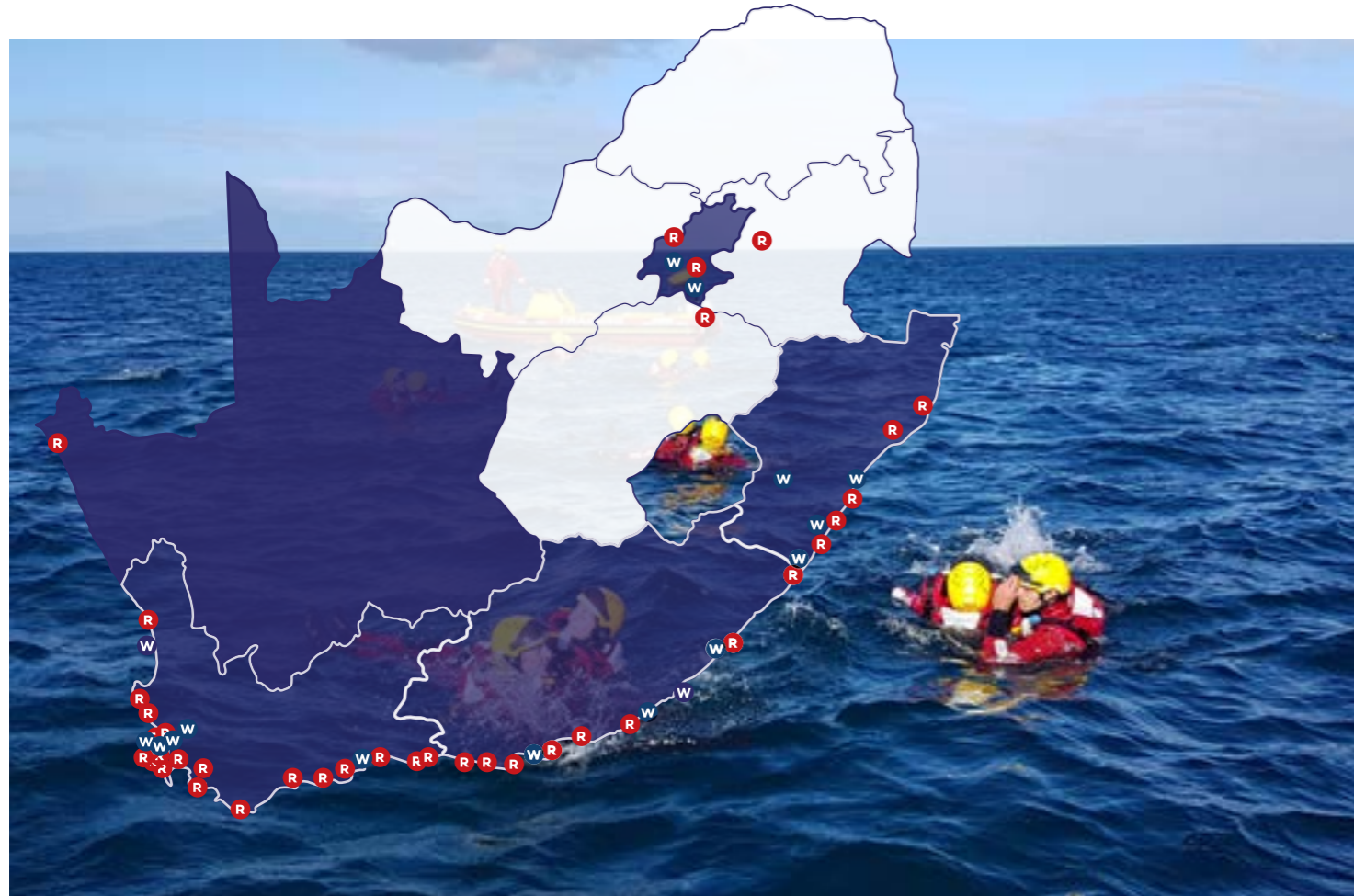
This includes the Emergency Operations Centre, Operational Training Department, Lifeguarding Services, Sea Rescue Services and Search and Rescue Services (inland). Volunteers are recruited locally at the station level through periodic drives, based on station/base needs. Stations require a range of skills including rescue, administration, fundraising, technical and medical. Stations are also an important social environment area as the demands on volunteers make it essential to involve families in the service and ensure support structures.

The interface between staff and volunteers is critical and there are structured, as well as informal occasions to ensure that volunteers all over the country can interact with Board members, executives, management and officials. The CEO and management try to visit each station at least once a year to engage with volunteers in person.

Leadership development within stations takes place through formal training programmes as well as local mentorship. There are many levels of guidance available from Honorary Life Governors, regional representatives, ex Station Commanders, current Station Commanders and coxswains. Volunteers also have special interest groups, such as a Technology Committee, which keeps them informed of the latest innovations and opportunities available in rescue to ensure their optimal safety. Collaboration is a mantra of our rescue services and interaction with colleagues at an operational as well as social level is vital to maintaining interservice cooperation. The department also actively engages with other providers to evolve cohesion.

Refer to the Our services section on page 40 for more information.

OUR OPERATIONS



W WATER SAFETY SCHOOL PROGRAMME EDUCATORS

Western Cape

- Eoudia Erasmus (Ceres)
- Linda Gedezi (Gugulethu)
- Petro Meyer (Riebeeek Kasteel)
- Nicole Anthoney (Lambert's Bay)
- Caville Abrahams (George)
- Simoné Bantam (Wellington)
- Kim Abrahams (Cape Area) (Retreat)

KwaZulu-Natal

- Rose Ndaba (Howick)
- Slindile Mthethwa (Darnall)
- Siya Mthethwa (Durban)
- Nkazimulo Nyawose (Port Shepstone)
- Mncedisi Hlalatu (Richards Bay)
- Ndumiso Skhosana (Richards Bay)

Eastern Cape

- Valerie Barlow (Port St Johns)
- Vuyolethu Zondani (Port Elizabeth)
- Siya Mlenze (East London)
- Mlungisi Ndamase (Umtata)

Gauteng

- Kenneth Gagela (Soweto)
- Linda Dalamba Soweto (Rockville)

LIFEGUARDS GEOGRAPHICAL LOCATIONS

Strandfontein

- Matzikama

Cederberg

- Lambert's Bay
- Elands Bay
- Clanwilliam Dam

Saldanha Bay

- Saldanha main beach
- Hoedjiesbaai
- Paternoster
- Laingville
- Leentjiesklip (Langebaan)

Club Mykonos

- Oceanis (Mykonos)
- Marc's Beach Bar (Mykonos)

Cape Agulhas

- Roman beach
- Kassiesbaai
- Bikini Beach
- Struisbaai
- Struisbaai North

Knysna

- Myoli
- Swartvlei
- Noetzie

Sedgemouth

- Leisure Isle
- Brenton-on-Sea
- Buffelsbaai
- Buffs Wildside
- Karatara (pool)

Great Kei

- Kei main beach
- Morgansbay

LOCATIONS WITH PINK BUOYS

Waste Water Treatment Works:

- Melkbosstrand
- Scottsdene
- Wesfleur
- Macassar
- Zandvliet
- Gordon's Bay
- Cape Flats

Saint Helena Bay

- Shelley Point Estate

Hekpoort

- Camp Nelu
- Adventure Centre

Goudini

- Goudini Spa

Germiston

- Victoria Lake Club

Somerset West

- Somerset Lakes MPOA

McGregor

- Dams, Voortrekker St

Hammankraal

- Ritsako Game Lodge

Robertson

- Springfield Wine Estate
- Goudmyn Campsite

Benoni

- Homestead Dam

Gariepdam Hazyview

- Mpumalanga Dam

Midrand

- Waterfall Estate

Hermanus

- Haygrove Farm

Klapmuts

- Easthill Farm

Stellenbosch

- Roulou Farm

Table Mountain

- Victoria Reservoir,
- Table Mountain
- Hely Hutchinson Reservoir,
- Table Mountain
- Woodhead Reservoir,
- Table Mountain
- Alexandra Reservoir,
- Table Mountain

Sterkfontein Dam Paarl

- Berg River

Moorreesburg

- Bridgetown Campsite

Retreat

- Retreat Pool

Grahamstown

- Rhodes University

Sea Point

- Sea Point Pavilion

Heidelberg

- Heidelberg Municipal Swimming Pool
- Riversdale Municipal Swimming Pool

Hoedspruit

- Forever Resort Swadini

Parklands

- Sagewood Estate

Crawford

- Leliebloem House

Kidds Beach

- Palm Beach Resort

Drakensberg

- Champagne Sports Resort

George

- Cherry Creek
- Country Estate

Riebeeek Kasteel

- Riebeeek Kasteel Pool

De Doorns

- Hexrivier Opvoedkundige
- Sentrum Swimming Pool

Rustenburg

- Buffelspoort Dam

Sodwana

- Cape Vidal

R RESCUE BASE AND PINK BUOY PLACEMENTS

S = satellite station

- | | | | | | |
|-----|---------------------------|-----|---------------------------|-----|------------------------------|
| 2 | Bakoven | 17 | Hermanus | 34 | Yzerfontein |
| 3 | Table Bay | 18 | Melkbosstrand | 35 | Witbank Dam |
| 4 | Mykonos | 19 | Richards Bay | 36 | Oyster Bay |
| 5 | Durban | 20 | Shelly Beach | 37 | Jeffreys Bay |
| 5S | Umhlanga (new) | 21 | St Francis Bay | 37S | Kabeljauws |
| 6 | Gqeberha (Port Elizabeth) | 22 | Vaal Dam | 38 | Theewaterskloof Dam |
| 6S | Noordhoek | 23 | Wilderness | 39 | Rocky Bay |
| 7 | East London | 23S | Sedgefield | 40 | St Lucia |
| 8 | Hout Bay | 23S | Herolds Bay | 41 | Ballito |
| 9 | Gordon's Bay | 24 | Lambert's Bay | 42 | Kleinmond |
| 9S | Strand | 25 | Hartbeespoort Dam | 43 | Port Nolloth |
| 10 | Simon's Town | 26 | Kommetjie | 44 | St Helena Bay (new proposed) |
| 11 | Port Alfred | 27 | Gauteng | 45 | Strandfontein West Coast |
| 12 | Knysna | 28 | Port St Johns | 46 | Storms River |
| 14 | Plettenberg Bay | 29 | Air Sea Rescue (ASR Unit) | 47 | Kei Mouth |
| 15 | Mossel Bay | 30 | Agulhas | 49 | Mdumbi |
| 16 | Strandfontein | 31 | Still Bay | 50 | Umhlanga (new) |
| 16S | Muizenberg | 32 | Port Edward | 51 | Sterkfontein (new proposed) |
| 16S | Monwabisi | 33 | Witsand | 52 | Gariep (new proposed) |

OUR NEW BRAND

01



OUR NEW BRAND

In 2021, specialist branding agency SuperUnion worked with the NSRI to assist with the refresh of our brand identity. They held interviews with our marketing and brand management team, selected Station Commanders and the general public (donors as well as non-donors), and identified a few key issues:

- For the majority of South Africans, the NSRI brand lacks meaning and relevance
- Even where the brand is known, there is low awareness and understanding of the full range of our brand services
- The emphasis on 'Sea Rescue' in our name is limiting and no longer accurately represents the full ambit of the organisation

OUR BRAND

Community volunteers are the organisation's most valuable assets and key to driving brand sentiment

NSRI members are seen as problem solvers within their communities

NSRI fosters a strong sense of community within the organisation and with those they assist/rescue

NSRI's presence allows for many industries to operate more safely and effectively within South Africa, benefiting livelihoods within communities

Brand strengths identified are leadership, trust and innovation

OUR COMMUNITIES

±75% of South Africa's population lives inland. Local/traditional communities focus on family and ubuntu; being "smart, helpful, and honourable"

Organisations (and skills) that strengthen communities are valued

Value the ability to offer wisdom and guidance

14- to 35-year old black males make up the key risk group for drowning

Brand strengths identified are leadership, trust and innovation

We gained a treasure chest of insights from our interviews:

The key learning from the study was that, as we continue to expand our services to better assist the greater population of South Africa, the future role of the NSRI in the lives of most South Africans will be very different to what it is today. We realised that our brand must evolve to support this change with a refreshed positioning and identity that better reflects and appeals to all South African peoples and cultures.

OUR LOGO

A symbol of **water rescue**

Our logo is well established and makes use of our iconic flag



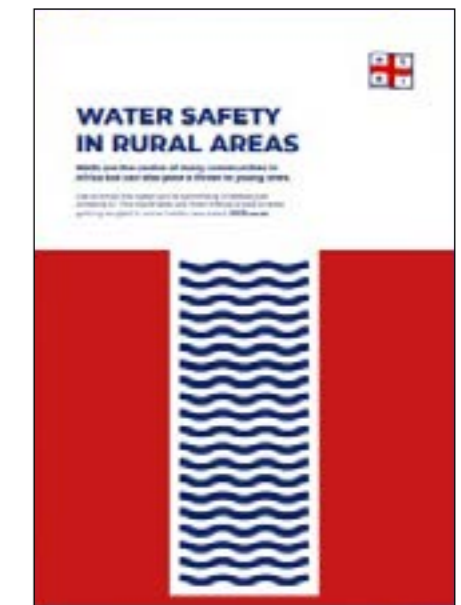
OUR VISUAL LANGUAGE

Inspired by the **nature of water**

Water flows, takes different forms, is continuously moving and because of this, it's hard to know when it's safe and when it isn't. In contrast, land is more static and consistent.

Our visual language makes use of curvy lines to show how water is constantly moving, changing, flowing and is dangerous. It was created to represent all water rescue and the other services that are part of the NSRI.

The red represents land, and various configurations of these will be used to tell different stories related to water rescue in coastal and inland environments, as well as stories related to drowning prevention and lifesaving.



We also took a fresh look at our VISION, MISSION, PURPOSE and BRAND VALUES to accurately reflect who we are and what we stand for

<p>VISION</p> <p>A water-safe nation</p>	<p>MISSION</p> <p>Preserving life and livelihoods on and around South African waters through education, drowning prevention, and rescue.</p>	<p>PURPOSE</p> <p>Saving lives, changing lives, and creating futures.</p>	<p>VALUES</p> <p>Life Trust Community Leadership Dignity Inclusivity</p>	<p>OUR VALUE PROPOSITION</p> <p>Whenever you need us, we are here.</p>
---	---	--	---	--

OUR PEOPLE

02



OUR PEOPLE

Our people are the foundation of our service, and the cornerstone of our mandate to save lives, change lives and create futures in South Africa.

NSRI's rescue stations and survival swimming teams are manned by 1 455 unpaid volunteers who are on call 24/7, ready to respond to water-related emergencies, and 125 paid lifeguards during the summer season.

The volunteers save us an effective salary bill of over R300 million every year, which is what it would cost to provide the service given by volunteers to their communities. For this, we are immensely grateful!



PAT VAN EYSSSEN

One of our volunteers, Pat Van Eyssen from Station 3 Table Bay, was recognised in 2021 for 50 years of service by the International Maritime Rescue Federation (IMRF) presented with the Vladimir Maksimov Lifetime Achievement Award. He was also chosen as the winner of the IMRF People's Choice Award - people from all around the world voted on the IMRF Facebook page and Pat won convincingly. Over 50 years, he accumulated over 8 000 hours as a volunteer and took part in more than 167 rescue operations. Pat's service is exemplary and it is a true honour to have such a remarkable individual as a volunteer at the NSRI.

The NSRI has a core staff operating from our volunteer service centre in Cape Town, and several full and part-time water-safety educators, marketers, lifeguards and call-centre staff working off-site.

As an organisation, we are committed to transparency, transformation, diversity and sustainability in everything we do. We're agile in our approach to change, offer a professional service, and remain ahead of the curve when it comes to providing our volunteers with world-class training and the latest equipment available to support their life-saving work.

Our donors comprise over 118 000 individuals and 2 000 companies and, like our volunteers, are key stakeholders who, particularly during the last two years of Covid, have remained loyal, generous and supportive. The ownership of this service demonstrated by this diverse and widespread community of 'rescuers' is exemplary! South Africa and, because of tourism, the world owe these remarkable people a huge debt of gratitude. We are overwhelmed by their generosity and philanthropy.

We immerse ourselves in the communities where we operate, extending our values to create a broader family network in and beyond our organisation.

RACE AND GENDER TRANSFORMATION

The transformation objective of the NSRI is to create a microcosm of the society we would like to see, with the diversity and inclusivity necessary to deliver the best possible service we can to our communities including stakeholders, donors, staff, volunteers, tourists and visitors. We seek to reconcile people within a working and social environment within the context of our values of dignity and inclusion.

We continue to make significant progress, our Board and executives exhibit substantial diversity with two black and three female executive directors, for the first time, and our staff complement is growing almost weekly in diversity and culture.

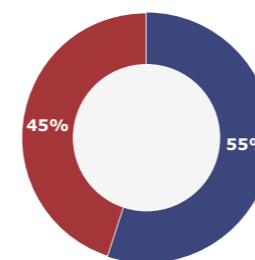
Transformation is now driven internally, with Dr Jill Fortuin being appointed as the Senior Executive responsible for transformation.

We are also pursuing a B-BBEE rating using the full B-BBEE Scorecard and we continue to make steady organic progress in a climate of engagement and active discussion while being conscious that we are integral to a normalised society.

STAFF MEMBERS 2021

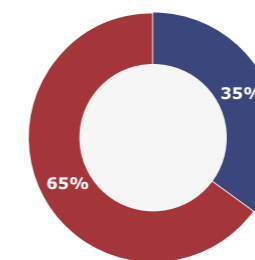
**TOTAL
150**

RACE



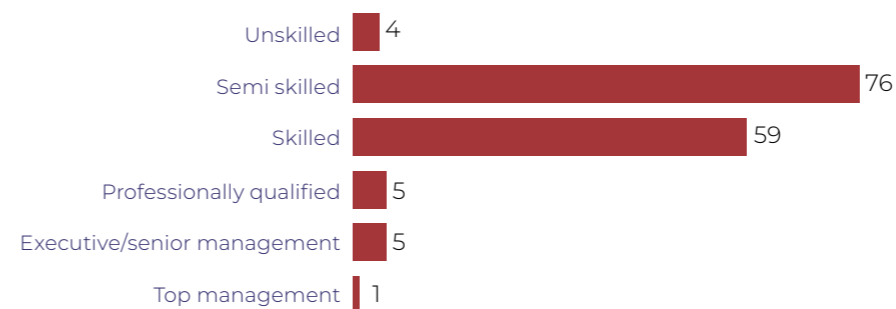
■ White ■ Black

GENDER DIVERSITY



■ Male ■ Female

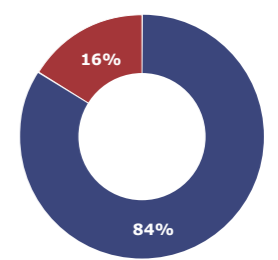
TOTAL STAFF COMPLEMENT



VOLUNTEERS 2021

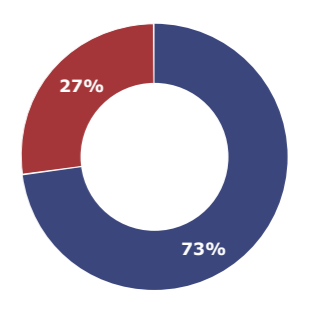
**TOTAL
1 455**

RACE



■ White ■ Black

GENDER

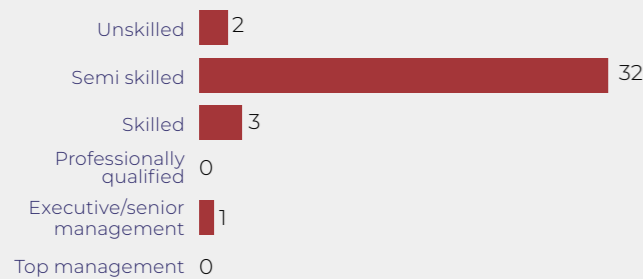


■ Male ■ Female

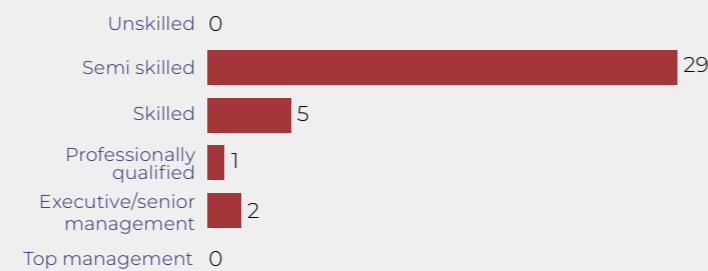
OUR PEOPLE

continued

TERMINATIONS



APPOINTMENTS



Reasons for terminations:

23 resignations, 5 dismissals, 8 retirements and 2 retrenchments.

The high termination number is mainly due to the Fundraising Centre turnover. Fundraising Centres are one of the industries most affected by high turnover rates for various reasons. It is generally challenging for new marketers to meet the required targets during the probation period, and therefore most of the exits are during this period. Two McGregor staff members were retrenched due to the sale of the property they were employed at.

The dismissals were mainly due to misconduct.

OUR EXECUTIVE TEAM

ROLE	NAME	NQF	AGE	RACE AND GENDER
CEO	Dr Cleeve Robertson	8	62	White male
Executive Director: Capital Projects	Mark Hughes	6	62	White male
Executive Director: Fundraising and Marketing	Janine van Stolk	7	60	White female
Executive Director: Rescue Services	Brett Ayres	9	40	White male
Executive Director: Corporate Services	Uviwe Mzilikazi	8	41	Black female
Executive Director: Drowning Prevention	Dr Jill Fortuin	10	44	Black female

EMPLOYEE AND VOLUNTEER WELLNESS

At the NSRI Station Commanders Conference in 2021, a need for mental and emotional wellness support for crews and employees was identified as an area to focus on. Being involved in high risk and extremely stressful work amidst Covid, the KwaZulu-Natal looting and the overall socio-economic context, among other things, makes this case.

The NSRI rescue effort is decentrally led, at dispersed locations around the coast and on inland waters, by an entire volunteer personnel base.

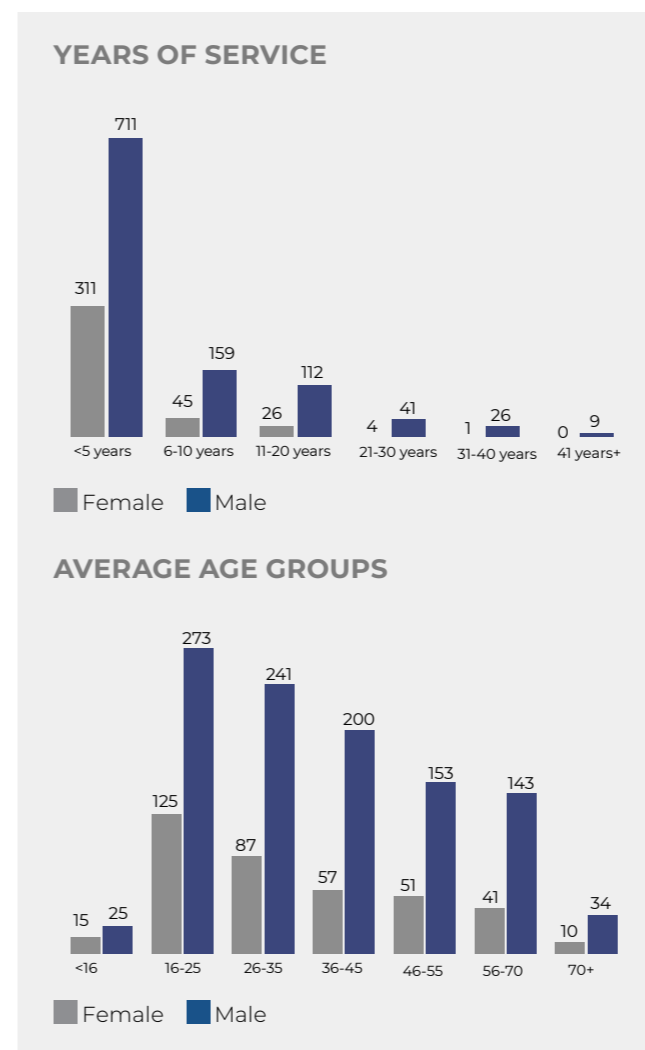
These volunteers are often involved in traumatic incidents such as body recoveries involving children and adults and they take on a risk of personal injury to themselves and/or the rescue teams. They do this while having to sustain a personal income and maintain a balanced family life.

In response, the NSRI went in search of a wellness service provider and, after a process of engagement and consultations, decided to bring Life Healthcare on board as a strategic partner and provider of these services. The roll-out of this programme will be a focus area for 2022.



Watch the video above to experience what our volunteers do, or click on: <https://youtu.be/hczeEIDsd4A>

Most of our volunteers have been with us for many years, some for more than 40. We also have volunteers of all ages – the youngest being under 16 and the oldest over 70. The graphs below reflect the years of service and average ages:



OUR VOLUNTEERS

The NSRI volunteer base has grown substantially over the past few years. Originally being entirely “rescue focused”, the service impact of volunteers has expanded to include roles such as station administrators to support the reporting and running of the bases in-between the rescues.

Beyond that, many individuals volunteer their time to sit on various committees, as well as contribute to our Survival Swimming programmes.

DEVELOPING OUR VOLUNTEERS

2021 was a catch-up year for the training team – they were pretty hamstrung until March due to the Covid pandemic, so they kept themselves busy with online Masterclasses and maintaining contact with the crews through the Facebook training page.

In addition, the following was done in the year:

- Coxswain training went well with a total of 53 new coxswains getting through their assessments.
- The electronic navigation systems simulator had a major upgrade and is now a truly world-class system.
- There was major emphasis put on “Train the Trainer” courses which will allow more training to be done in the regions for Whale Disentanglement and Class 4 Coxswain assessments.
- The new JetRIB has lightened the load on Class 4’s as this vessel is so easy to adapt to as a helmsman and we are finding a renewed availability of crew aspiring to become coxswains.
- New vessels were delivered to rescue stations and the following training was done:
 - ORC delivered and training done for Station 10 Simon’s Town
 - JetRIB delivered and training done for Station 16 Strandfontein
 - JetRIB delivered and training done for Station 33 Witsand
 - JetRIB delivered and training done for Station 40 St Lucia
 - 8.8m RIB delivered to Station 6 Gqeberha
 - 7.3m RIB delivered to Station 22 Vaal Dam
 - Mobile vehicle delivered to Station 12 Knysna
 - Mobile vehicle delivered to Station 15 Mossel Bay
 - Mobile vehicle delivered to Station 34 Yzerfontein
 - ORC training for Station 17 Hermanus in preparation for their ORC in December
 - 8.8m RIB delivered to Station 34 Yzerfontein

OUR PEOPLE

continued

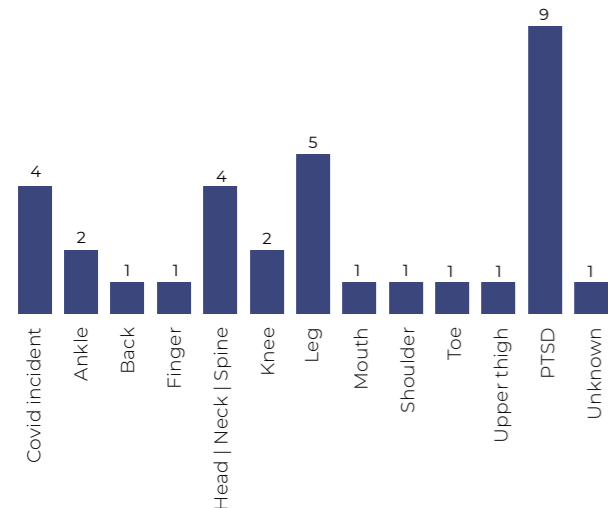
TRAINING PROGRAMME	NUMBER OF ATTENDEES
Class 1 Coxswain Assessment	1, passed
Class 3 Coxswain Assessment	20 of which 18 passed
Class 3 Coxswain Development	25
Class 4 Coxswain Assessment	43 of which 32 passed
Class 5 Coxswain Assessment	12 of which 2 passed
Personal Survival Techniques Life Raft	24
Electronic Navigation System Train the Trainer	4
Electronic Navigation systems course	23
Whale disentanglement	5
Air Sea Rescue helicopter underwater escape training	13
Maritime Extrication Train the Trainer	4
Leadership Course	41
Capsize training	16
Lawhill	10
Very high frequency short range radio course	57
Total "on course" candidates	298
Masterclass	14 020
Total Candidates	14 318

Injuries

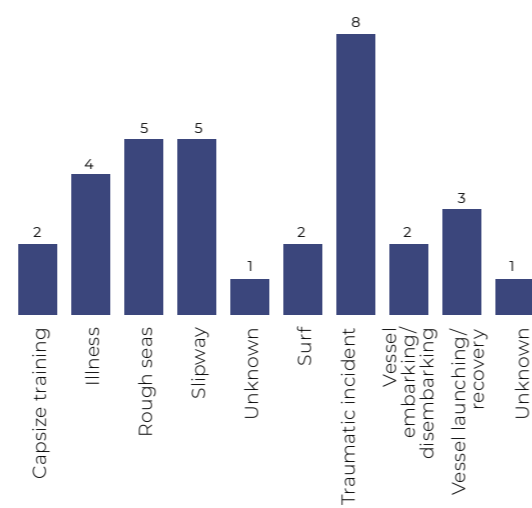
The volunteers operate in extreme and dangerous conditions and, despite being very careful, injuries unfortunately do happen. 33 injuries were reported in 2021 – the graph below reflects the type of injuries.

Most of the injuries were sustained by the sea crew during rescues and training. These injuries were attributed to the following:

TYPE OF INJURIES



INCIDENT ATTRIBUTES



OUR BENEFICIARIES

WE TAUGHT



332 980

Children through our water safety in schools programme



2 113

Children were taught Survival Swimming

WE RESCUED



960
People



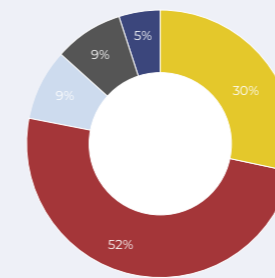
41
Animals



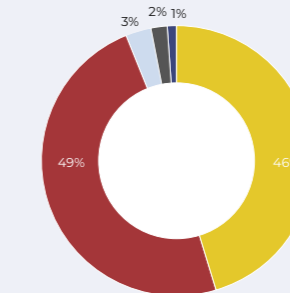
We responded to
1 025
Rescues

DEMOGRAPHIC BREAKDOWN OF BENEFICIARIES

PERSONS RESCUED WITH RESCUE OPERATIONS

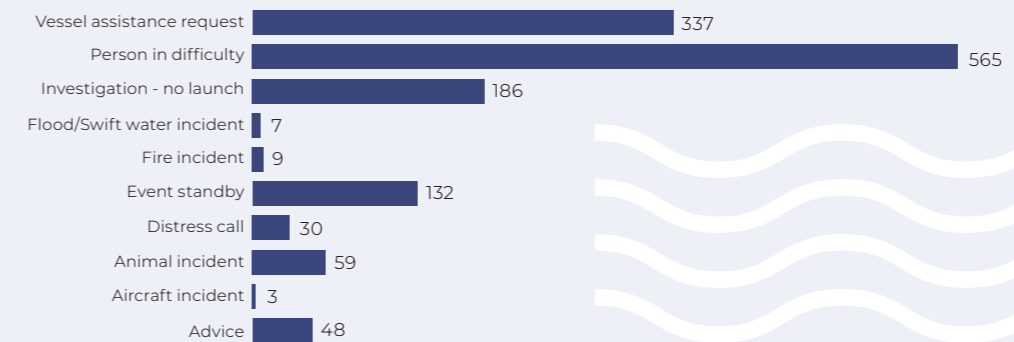


PERSONS RESCUED WITH LIFEGUARD OPERATIONS



- Black
- White
- Foreign
- Unknown
- Animals

TYPES AND VOLUMES OF RESCUES



OUR PEOPLE

continued

RESCUE STATION	INCIDENT TYPE				NUMBER OF INCIDENTS		
	Call (investigated, but did not launch)	Event (non-operational)	Operation (rescue incident with crew responding)	Total	Persons rescued	Vessels assisted	Animals rescued
Emergency Operations Centre	2	4		6		0	0
Station 02 - Bakoven	5		15	20	7	0	0
Station 03 - Table Bay	9	5	34	48	41	8	3
Station 04 - Mykonos	24	12	41	77	44	19	1
Station 05 - Durban	13	16	62	91	75	13	0
Station 06 - Port Elizabeth	11	4	57	72	70	9	1
Station 07 - East London	1	2	7	10	11	2	0
Station 08 - Hout Bay	3	2	24	29	17	8	0
Station 09 - Gordon's Bay	6	2	28	36	24	26	0
Station 10 - Simon's Town	11	11	52	74	20	15	1
Station 11 - Port Alfred	1	2	25	28	37	8	0
Station 12 - Knysna	2	4	20	26	15	7	2
Station 14 - Plettenberg Bay	5	4	38	47	31	4	0
Station 15 - Mossel Bay	1	22	32	55	17	6	1
Station 16 - Monwabisi Satellite			1	1	0	0	0
Station 16 - Strandfontein	2		7	9	8	0	0
Station 17 - Hermanus	20	4	33	57	15	3	0
Station 18 - Melkbosstrand	29	8	25	62	29	7	0
Station 19 - Richards Bay	3	13	36	52	13	17	0
Station 20 - Shelly Beach	10	5	7	22	7	3	0
Station 21 - St Francis Bay		5	30	35	27	13	1
Station 22 - Vaal Dam		4	23	27	5	3	2
Station 23 - Wilderness	1		25	26	25	0	0
Station 24 - Lambert's Bay	4	1	10	15	5	5	0
Station 25 - Hartbeespoort Dam	1	9	33	43	58	19	0
Station 26 - Kommetjie	7		38	45	30	8	0
Station 27 - Gauteng	2	9	2	13	1	0	0
Station 28 - Port St Johns			1	1	0	0	0
Station 29 - Air-Sea Rescue Unit			7	7	5	0	0
Station 30 - Agulhas	1	10	36	47	21	10	4
Station 31 - Still Bay	5	4	27	36	10	2	0
Station 32 - Port Edward	14	5	32	51	22	4	1
Station 33 - Witsand	1		6	7	1	2	0
Station 34 - Yzerfontein	18	1	27	46	16	5	7
Station 35 - Witbank Dam	153	9	11	173	3	1	0
Station 36 - Oyster Bay	2		9	11	6	0	1
Station 37 - Jeffreys Bay	6	22	16	44	7	0	6
Station 38 - Theewaterskloof Dam		1	1	1	0	0	0
Station 39 - Rocky Bay	18	5	7	30	8	5	0
Station 40 - St Lucia	1	3	23	27	24	2	0
Station 41 - Ballito	13	11	69	93	50	9	5
Station 42 - Kleinmond	7	3	28	38	22	2	2
Station 43 - Port Nolloth	7	5	12	24	16	3	0
Station 45 - Strandfontein		1	7	8	2	1	0
Station 46 - Storms River			1	1	1	0	0
Station 47 - Kei Mouth			1	1	1	0	0
Total	419	228	1025	1672	847	249	38

OUR PEOPLE

continued



Daring rescue at Rooi Els

A day of crayfishing on 2 April 2021 turned into a nail-biting rescue mission for three brave men at Rooi Els in the Western Cape. William Boltmann, his brother Richard and their friend Francois Koekemoer were preparing to head out to sea when they received word that two fishermen had been swept off the rocks nearby. Without hesitation, they jumped into action, grabbed the NSRI Pink Rescue Buoy and launched their boat. The swell was quite high and the two fishermen were dangerously close to the rocks.

William and Francois tied a rope to the rescue buoy and tried throwing it into the water, but the strong winds kept blowing it back – the fishermen were already in the water for 45 minutes by then. Richard took the boat close to the men, William jumped in and took the buoy to the one man and told him to hold on while he swam back to the boat as quickly as possible, and Francois pulled the man in with the rope. They did the same with the second man and then Richard drove the boat away quickly as a large swell was threatening to overwhelm them. They raced the two victims to an ambulance that was waiting on the shore with the NSRI. Both chose to go home after receiving medical treatment.

William, Francois and Richard were given an award by the NSRI for their daring rescue.



NSRI CEO, Dr Cleeve Robertson, presents Pink Rescue Buoy Awards to William Boltmann, Francois Koekemoer and Richard Boltmann

Image credit: Mike Leresche Photography

CASE STUDY



OUR DONORS



Our donors are an integral part of our business and without them we could not save lives. We benefit from a broad base of donors, which is evidenced by the following:

Corporate giving

We receive generous contributions from a select group of companies, who we refer to as our Strategic and Platinum Partners.

R6 056 525

(2020: R4 718 386)

Platinum Partners



Strategic Partners



Individual giving

We receive donations from over 4 000 individuals with an average donation of R2 000 a month.

R7 979 422

(2020: R3 440 114)

Legacies and bequests

Bequests remain an important source of income. Many of our members leave a legacy for the NSRI in their will. In 2021, we ran a Launch a Legacy project which raised R1.8 million.

R8 827 721

(2020: R4 179 534)

Government and State Owned Enterprises (SOEs)

Funding from this source has unfortunately declined quite a bit over recent years, but it is still a valuable contribution.

R7 220 754

(2020: R4 510 567)

Trusts

Trusts and Foundations raise an appreciable amount of funding for us annually. This is a tax deductible donation from SARS.

R7 629 018

(2020: R4 801 616)

Events

The NSRI has historically raised funds through special events, such as auctions and Golf days, but Covid-19 unfortunately had a negative effect on the possibility of hosting any form of event.

R1 198 241

(2020: R1 291 994)

Fundraising Centre

The NSRI outbound Fundraising Centre and face-to-face structure focuses on donations around two competitions in an incentivised model. This operation is a significant contributor to our total revenue.

R128 723 565

(2020: R120 846 771)

OUR STAKEHOLDERS



OUR STAKEHOLDERS

It's a big ask to have to deliver services to an entire nation, but the NSRI's vision talks to our aspiration and commitment to engage with, and provide solutions to all sixty million South Africans. Our job is to prepare people to prevent incidents from happening and mitigate the consequences and impacts of any incidents.

The scope of what we do makes the diversity and scale of our stakeholder community daunting and it requires each one of us, at a team and personal level, to give our best. Every business unit, employee and volunteer carries a responsibility to actively engage and interact. It's what we do.

The NSRI executives visit every volunteer station every year, and managers even more often. This ensures business familiarity and a direct connection. It also facilitates communication and evolves trust. The volunteers meet regularly in teams within stations and participate in cross-station exercises to ensure operational consistency and regional coordination of response. Station Commanders engage with local donors, do presentations at

community structures and participate in community events. Stations have open days when members of the public are invited to visit services, experience a ride on a rescue vessel and get a feel of the rescue environment. Often transport has to be arranged to facilitate access for poorer sectors of society.

Fundraisers call donors daily, meet with corporates and arrange events. The direct personal fundraiser/donor relationship is critical and some have endured for years, like the CEO who has been phoned by the same Car Competition marketer for the past 25 years and could immediately identify her by her voice. Giving requires trust, and these relationships feed on trust. Corporate relationships, like those with DHL or Two Oceans Marine, become longstanding friendships.

Interservice relationships between ourselves, ambulance services, police, disaster management and others are very important to the continuity and efficiency of emergency response and the chain of survival. Huge effort goes into building these relationships locally to ensure support.

Often incidents involve injury to members of one or another service and the urgency and quality of care provided is testimony to the mutual respect within this community.

Lately, our most challenging stakeholder relationship is with the national government, its departments and the SOEs. We struggle to get not only financial support but also administrative support. As an example, it took the NSRI over 8 years to secure short (5-year) leases in the fishing harbours. Given the service and the safety net we provide, one would expect better responses. The local government in municipalities has been very receptive and the NSRI is well supported by the Western Cape Provincial Government.

Our stakeholder groups and methods of engagement

OUR PEOPLE: VOLUNTEERS AND EMPLOYEES

- Operational Managers visit bases and engage regularly
- Volunteer crews participate in training
- Internal communication
- Performance appraisals
- Training and development

DONORS AND SUPPORTERS

- Director personalised contact (telephone, in-person, email)
- Share stories via magazine, newsletters, social media and at events
- Transparent reporting of how funding is used

GOVERNMENT

- NSRI represented on national and provincial bodies
- Participate in tenders for services
- Negotiate and engage directly

PARTNERS AND SUPPLIERS

- One-to-one communication and negotiation
- Regular meetings

CONSERVATION BODIES

- Cooperate and collaborate on rescues
- Advocate around issues



GENERAL PUBLIC AND COMMUNITIES

- Involve in community projects
- Lead public education campaigns
- Create awareness

THE MEDIA

- Distribute media releases around rescues and campaigns
- Sea Rescue Magazine and newsletters are shared
- Provide content on social media platforms

OTHER EMERGENCY SERVICES

- Cooperate and collaborate on rescues
- Participate in conferences
- Give recognition for involvement in rescues

INDUSTRY SECTORS

- Support and provide services
- Collaborate on issue positioning

OUR STAKEHOLDERS

continued

Stakeholder challenges and opportunities

01

OUR PEOPLE: VOLUNTEERS AND EMPLOYEES

1 455 NSRI volunteers across the country work daily with 150 volunteer service centre staff who provide support, technical and specialised services.

Many employees are also volunteers and this helps to preserve the committed and fast response culture, so critical to our work. As the organisation grows, maintaining this culture whilst also broadening the profile and skills of our people is an exciting opportunity ahead of us.

02

GOVERNMENT

The CEO of the NSRI sits on the South African Search and Rescue Organisation (SASAR) Executive Committee and provides direct input to the Department of Transport (DoT) through this Committee.

We also work internally to advocate resources for maritime rescue within DoT. Our success in securing resources remains a real challenge, increasingly so with the interruptions caused by Covid.

The Committee provides the opportunity to communicate with national representatives of rescue agencies, however, the level of representation often has no decision-making authority and action from these meetings is minimal.

At a provincial government level, we engage at a Disaster Management Committee level, to ensure coordination with emergency regional services. The SASAR regional meeting has unfortunately not been well supported and, therefore, coordination is not at an acceptable level.

We engage with local government on a municipality-by-municipality basis to discuss drowning prevention and lifeguarding opportunities and services.

In 2021 we achieved greater penetration than ever before for our Lifeguarding services, which were provided on 27 beaches in the summer season.

Some municipalities fund educators in their geographic precincts to facilitate water safety awareness, but there is a huge need to expand these activities to reach our objectives.

03

PARTNERS AND SUPPLIERS

We engage with suppliers and service providers continuously on a range of products and services, initially through contract negotiation, and subsequently during the order and supply process.

Cash flow management is an important issue for the NSRI as we need to think about staged payment plans, especially for large capital projects like boats. From the partner/supplier side, we need to be mindful of partners' cash flows to ensure their sustainability as well.

Our B-BBEE standing matters, especially when contracting with local government, as the upsurge in NSRI Lifeguarding services through municipalities has highlighted.

Through Covid, our partners have been challenged with supply chain constraints and these have also impacted us with regards to the availability of wetsuit fabric, boat parts and IT components, for example.

04

CONSERVATION BODIES

Our services are directly intertwined with conservation agencies and other bodies involved in environmental and marine conservation. Notable are the South African Whale Disentanglement Network, Two Oceans Aquarium, uShaka Marine World and the South African Foundation for the Conservation of Coastal Birds (SANCCOB). There are frequent engagements and combined operations that ensure that our turtle, bird and whale work continue. We believe our conservation efforts create greater geographic awareness as our reach is greater than some smaller agencies.

07

THE MEDIA

The media are key stakeholders in positioning our work and sharing our stories.

Journalists are always interested in the NSRI, yet we have to work carefully with them to balance sensationalism with the very human and personal impacts arising from incidents.

Media owners and platform partners provide us with valuable subsidised and free exposure in all channels, from online to print and at events. Normally outside the reach of our affordability, such exposure provides valuable public service messaging.

05

INDUSTRY SECTORS

We provide a safety net to many industry sectors like tourism, shipping, recreational sport, fishing and events. We communicate directly with businesses in each sector, either individually or through associations, to raise awareness and we then get feedback on the experience of our services.

Whilst many industry players do support us, for which we are extremely grateful, our services are often used to replace commercial providers with little or no compensation. During Covid, we saw a significant increase in the need for our services around shipping activity and medical evacuations, which places challenges on our resources.

08

GENERAL PUBLIC AND COMMUNITIES

Our rescue bases play an important role in servicing local communities and are an integral part of the social fabric of communities. In our give-and-take relationship, communities pay it forward by volunteering, and the NSRI gives back through service to that community.

Bases are instantly recognisable and display current and relevant information on emergency access as well as emergency numbers.

In many communities, the NSRI's leadership standing extends beyond our mandated rescue service. In some cases, this creates additional pressure on volunteer capacity in the absence of other emergency or civic services.

06

OTHER EMERGENCY SERVICES

We work closely with other emergency agencies to ensure the coordination of incidents to the benefit of our stakeholders.

09

DONORS AND SUPPORTERS

Our donors are key to our sustainability.

We are as grateful to donors as we are to individuals, entities or groups who believe in us and advocate the work we do. We rely on their interest and advocacy as much as the funding that sustains our work.

Our donors and supporters come from everywhere. We value those we already know and who know us, yet we also understand the challenge of reaching far wider groups where our services are relevant but not well known - inland and rural communities as well as the youth are two examples.

OUR STAKEHOLDERS

continued

Stakeholder engagement and fundraising

Our engagement strategy involves engaging with stakeholders at 3 levels :

Behaviours and beliefs

We are passionate about our vision to make South Africa a water safe nation and to ensure that all South Africans are capable and safe around water. At this level of engagement, we consider those without knowledge and appreciation of both the dangers and opportunities around the water they play in, work on and around, and depend upon for their existence. A lack of understanding often leads to the wrong behaviours and puts people and families at risk.

We see it as our core purpose to create shifts in knowledge, beliefs and behaviours – not only of those directly at risk but also those in the same radius of influence (e.g. schools, employers and community leaders). We do our work here using education and training, communication and on the ground engagement, using partnerships and collaborations.

Advocacy, care and interest

Many of our stakeholders already enjoy lives, recreation and livelihoods attached to the water, or they have a deep interest. From surfers to fishermen, yachtsmen to shipping crews, boat builders to beach-goers, parents to marine environmentalists, there is an appreciation for water, but equally a desire to do and know more.

At this level of engagement, our focus is on nurturing and harnessing interest to ensure that these stakeholders remain well informed and equipped to benefit from the lives they lead on and around water. Our work here focuses on sharing stories and insights, collaborating on innovations and ideas, and enabling users through tools and applications such as SafeTRX, online training, NSRI newsletters and magazines.

Donations and contributions

Our work is entirely funded by the generosity of donors and we cannot exist without them. Supporters of the NSRI come from all walks of life, in all shapes and sizes, at all moments in time (from when we most to least expect it). Whenever and however it comes, every contribution is a gift that we cherish and utilise for the purpose for which it was intended.

In engaging stakeholders around funding, our focus is on building relationships which translate naturally into funding support. The NSRI has a powerful story and a unique brand which seldom fails to enthrall even the most modest supporter. Our work is focused on ensuring that donating is easy and accessible, that we have projects and ideas which appeal to a wide array of donors and their interests, that our brand is trusted, and that we always share information about how contributions are applied.

Our approach

In practice, our approach to fundraising and engagement centres on a set of tried and tested principles. They are not without challenges and risks but they do provide a consistent approach that supports the sustainability of our efforts.

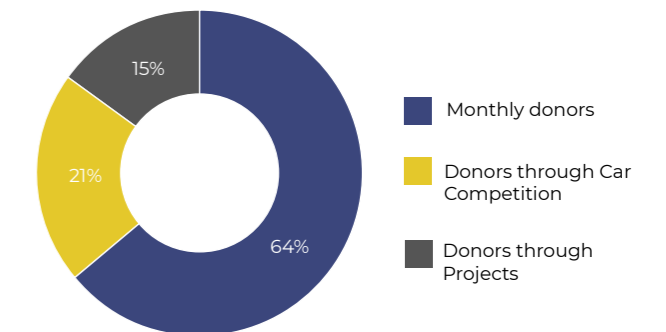
PRINCIPLE 1: DONATING IS ACCESSIBLE

Raise small amounts from many people so that we are never dependent on single donors and never a burden to any supporter.

We ended the year 2021 with over 118 000 donors. The makeup of our donor base is represented in the graph on the right. The net growth in our donor base has been pleasing, with over 5 000 new donors in 2021. We believe that the following three factors contributed to this growth:

- heightened sensitivity to giving in the market
- better visibility and brand presence for the NSRI
- improved social media marketing.

DONOR SPLIT



PRINCIPLE 2: FUNDING IS DIVERSIFIED

Ensure diversity in our revenue streams so that we are not vulnerable to any single source of income.

The NSRI benefits from a broad base of donors in several categories – from trusts to corporations, and individuals to government institutions. Each source contributes a share to our overall funding and provides a well-diversified spread to our funding base. The table below reflects the diversity and contribution of our different income streams:

INCOME (IN RANDS)	2021
Fundraising revenue	39 578 388
Grants and contracts	7 220 754
Companies	6 056 525
Individuals	7 979 422
Legacies and bequests	8 827 721
Shipping levies	666 707
Trusts	7 629 018
Events	1 198 241
Competition revenue (Fundraising Centre)	128 723 565
Total fundraising revenue	168 301 953

Of note are the generous contributions we receive from a select group of companies, who we refer to as our Strategic and Platinum Partners. Our long-term partnerships with these organisations enable extended relationships, including partner marketing, advisory and service-in-kind support. In 2021, our Strategic and Platinum partners contributed over R6 million to the NSRI.

OUR STAKEHOLDERS

continued

PRINCIPLE 3: WE ARE ALWAYS PERSONAL

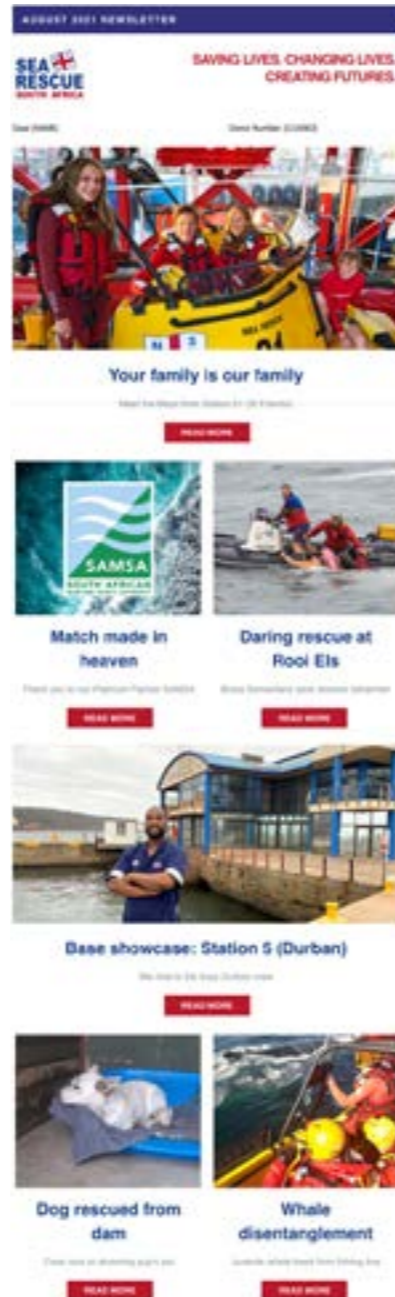
We are always personal and authentic in how we engage with our donors and supporters. We build long-term relationships with them, know their names and communicate with them in the ways that they prefer.

Our Fundraising Centre provides a hub for keeping in contact with our donors and supporters. We recognise longstanding relationships and our CEO contacts the top donors and winners every month in person. At the same time, we are rigorous about keeping contact to a minimum so as not to harass our supporters.

The Publishing Partnership produces our *Sea Rescue* magazine three times a year, at no cost to us, as well as our monthly newsletter. Both publications are key in sharing our general interest stories, rescues, technology, crew features as well as advocacy programmes. It also gives recognition to our donors, announce events, report on fundraising projects, and allows our readers to engage with us and share their experiences.

The magazine has shifted to predominantly online distribution which achieved significant cost savings in post and print. A small proportion still goes out through a new home delivery system for those who prefer it. This circumvents challenges presented by the national postal system.

Our circulation today has grown to over 183 000 for the magazine and monthly newsletter.



Social media and digital communication provide an excellent opportunity for engagement and to share information quickly and cost-effectively.

The table on the right indicates our followers on the different social platforms

INTERACTIONS		2016	2017	2018	2019	2020	2021
Website	- Page views (YTD)	N/A	N/A	N/A	N/A	760 166	754 280
	- Page views (monthly average)	30 283	25 879	40 395	64 403	119 866	62 856
	- Average session duration	01:37	01:24	01:41	01:52	01:51	0:59
Facebook	- Followers	18 997	26 832	38 943	42 300	67 995	84 624
	- Reach	65 004	164 794	777 619	57 169	47 434	74 876
Twitter	- Followers	6 038	6 947	7 319	7 544	7 955	8 106
YouTube	Views	89 626	43 639	67 800	47 200	132 634	175 435
Instagram	Followers	756	1 104	3 101	4 657	6 125	8 100

Social media utilised to identify rescuer at Clifton beach

The NSRI Facebook page was used very effectively to identify a man who used a Pink Rescue Buoy in February 2022 to help save a life on Clifton beach.

A post was published on 4 February which included a photograph of an unknown man and followers were asked to help identify him. The response was overwhelming and a few hours later he was identified and contacted. An updated post was published the following day in which the story was told and his amazing effort acknowledged.



CASE STUDY

OUR STAKEHOLDERS

continued

PRINCIPLE 4: BE INTERESTING

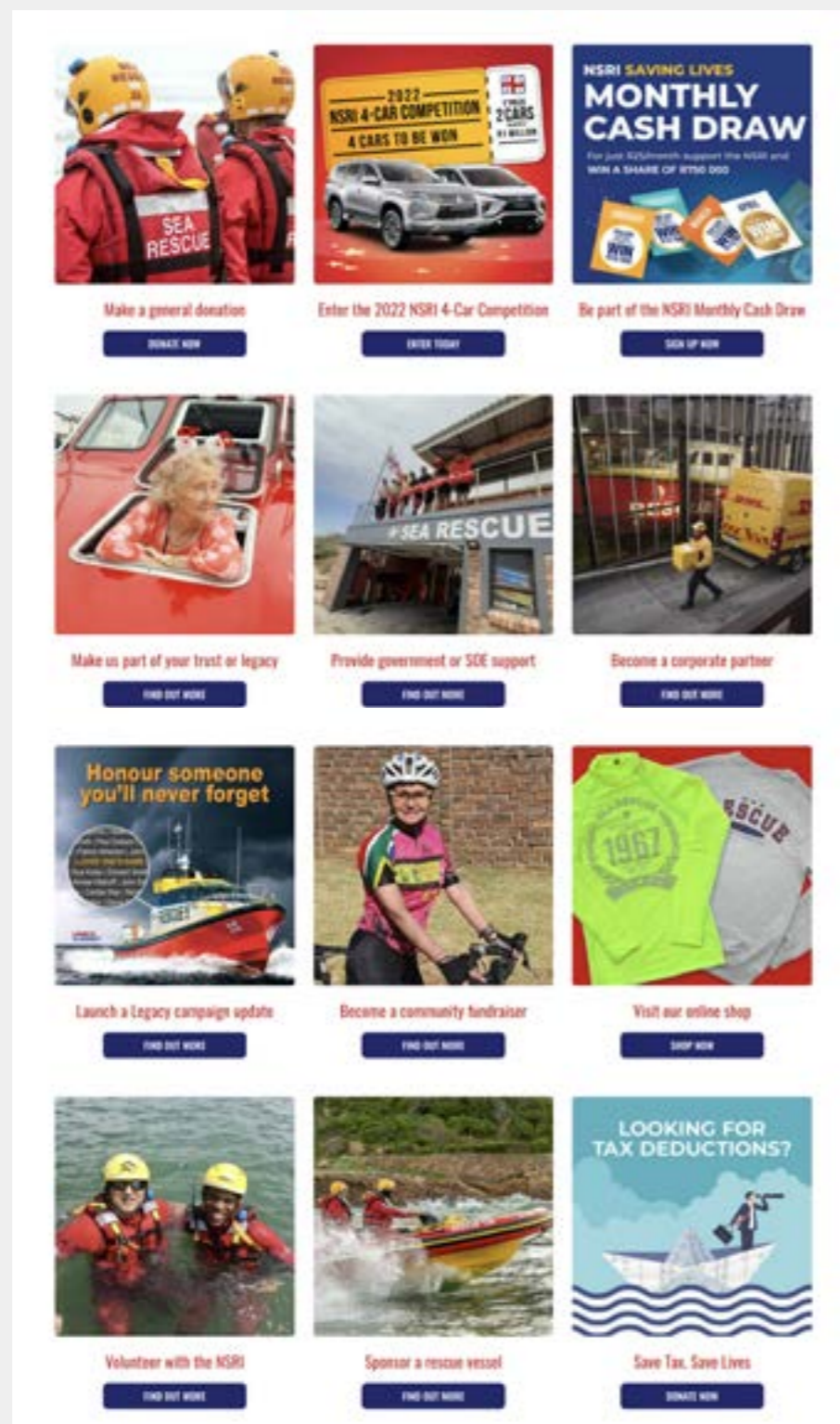
We try to be interesting and to stay current with the interests of our supporters. We want to be able to reach them with the most relevant stories, offers and opportunities, whether it is about our competitions, opportunities to volunteer, funding of special projects or even just simpler ways to interact

In 2021, we relaunched the new NSRI website. We took particular care to position all the interesting touchpoints in our world of work, as well as providing useful and practical information, water safety tips for example, and presenting our rescue stories timely and engagingly.

In the process, we have made more varied and streamlined payment options available on the website, as well as direct donation channels.

We were pleasantly surprised with the response on that and immediately saw an influx of new supporters who are interested in engaging, including volunteering.

A depiction of our 'Support us' model on the new NSRI website



PRINCIPLE 5: UPHOLD TRUST

We work hard to ensure that our brand is trusted and relevant. We want our people and supporters to feel invested in and part of our family and story.

In 2021, we completed a detailed brand review that has enabled us to reset our brand strategy for the long-term sustainability of the NSRI. Beyond rescues at sea, our ambition is to bring to the surface the full range of our services, as well as position our relevance to the widest audiences for whom our services matter.

Our refreshed brand goes way beyond a logo. It is the encapsulation of everything we stand for and seeks to retain the heritage of our rich past, as well as the possibilities of a new future. Sharing this inside the organisation and ensuring buy-in to the change has been critical, a sometimes challenging first step ahead of rolling it out to all of our other stakeholders. The cost of a brand refresh can be daunting but we will roll it out in a measured and organic way according to our plans. The new brand architecture will also help to position the major NSRI functional areas more formally through our sub-branding approach.

For more information about our new brand, refer to page 10.

PRINCIPLE 6: DATA IS PROTECTED

We are scrupulous in our approach to managing donor data and revenue. If donors specify that their donation is meant for a specific project or rescue station, we ensure that it is allocated accordingly.

All funds and donations received are carefully allocated to projects or stations, as designated by our donors. In keeping with transparency and good governance, we report diligently on our projects and donor contributions.

The requirements of the new Protection of Personal Information (POPIA) legislation have been firmly adopted in 2021. The NSRI is also a member of the Direct Marketing Association of South Africa (DMASA) and adheres to its guidelines and practices regarding opt-out lists.

Our data and workflow migration to a new online CRM system has been a major focus during the past year and we hope to go live in 2023. This will enable stronger data management capability and implementation, as well as better security and reporting. We have also moved to a new telephone system in 2022 which will be integrated with the CRM system in due course.

PRINCIPLE 7: PAYMENT IS EASY

We strive to make it as easy as possible for supporters to donate, and provide relevant options that suit individual choices.

We work with a variety of payment platforms and providers, intending to minimise the costs of donating and enable fast easy and secure transactions. We operate in a cashless environment for security and transparency purposes. Some donors prefer to transact directly online, some like to make recurring payments, and others like to use their credit cards. We strive to cater for the needs of all our supporters and will continue to monitor opportunities in this space. The only form of payment we cannot accept is cash, for reasons of personal safety and accounting security.



OUR STAKEHOLDERS

continued

PRINCIPLE 8: DIVERSITY MATTERS

We value diversity both within our organisation and across the communities that we serve. Given our understanding of where the highest risks are around water and drowning, we know that there are more diverse groups that we need to engage with.

Our drowning prevention and awareness programmes are key in positioning our services to wider audiences in South Africa – those whose beliefs, interests and engagement levels offer us an opportunity to engage. For example, youth are an extremely high-risk group and we intend to engage more with them. Families with children are another high-risk group where knowledge of water safety is lacking.

 Refer to page 42 for more information on our drowning prevention initiatives.

PRINCIPLE 9: AMPLIFY IMPACT WITH PARTNERS

We value working in partnerships and with networks and associations that help us to achieve what our skills and resources alone cannot.

- Our strategic and partner companies, like DHL, Power Plastics, Speedo, Plakkies and many more, develop joint marketing initiatives with us, which we are extremely grateful for.
- Our network of marketing partners provides an important support framework, especially in digital, advertising, creative and media management. These include The Publishing Partnership (TPP), Walton & Son, 2Right Media, Ogilvy, Bastion and Flowe, SuperUnion and Pear. Each partner contributes extensively, and often at no cost, to our capability.
- Media owners across the spectrum of print, digital, and above and below the line marketing in South Africa have been particularly instrumental in 2021 by generously donating R13 371 217 in free advertising space to keep our brand and stories visible to the South African public.
- We consult and work with the National Lottery Commission to ensure compliance with our competitions.



PRINCIPLE 10: JOURNALISTS TELL OUR STORIES

We work with journalists in the media to position our work objectively, tell our stories authentically, and build trust and confidence in the public about the work we do.

Storytelling is a fundamental part of our strategy. It is the place where our work comes to life, highlighting the importance of rescue operations and the critical need for water safety and preventative measures. The stories we tell open the door to dialogue with a wide range of stakeholders, from government and SOEs to volunteers who want to join our services. Our partnerships with the media are strong because of our consistent, open and honest reporting, the discipline we maintain around authenticity and the governance of privacy as well as individual family rights and circumstances.

In 2021, journalists and the media covered our stories extensively and we achieved an equivalent of R98 550 910 in media coverage.



Fundraising and marketing risk matrix

Risks

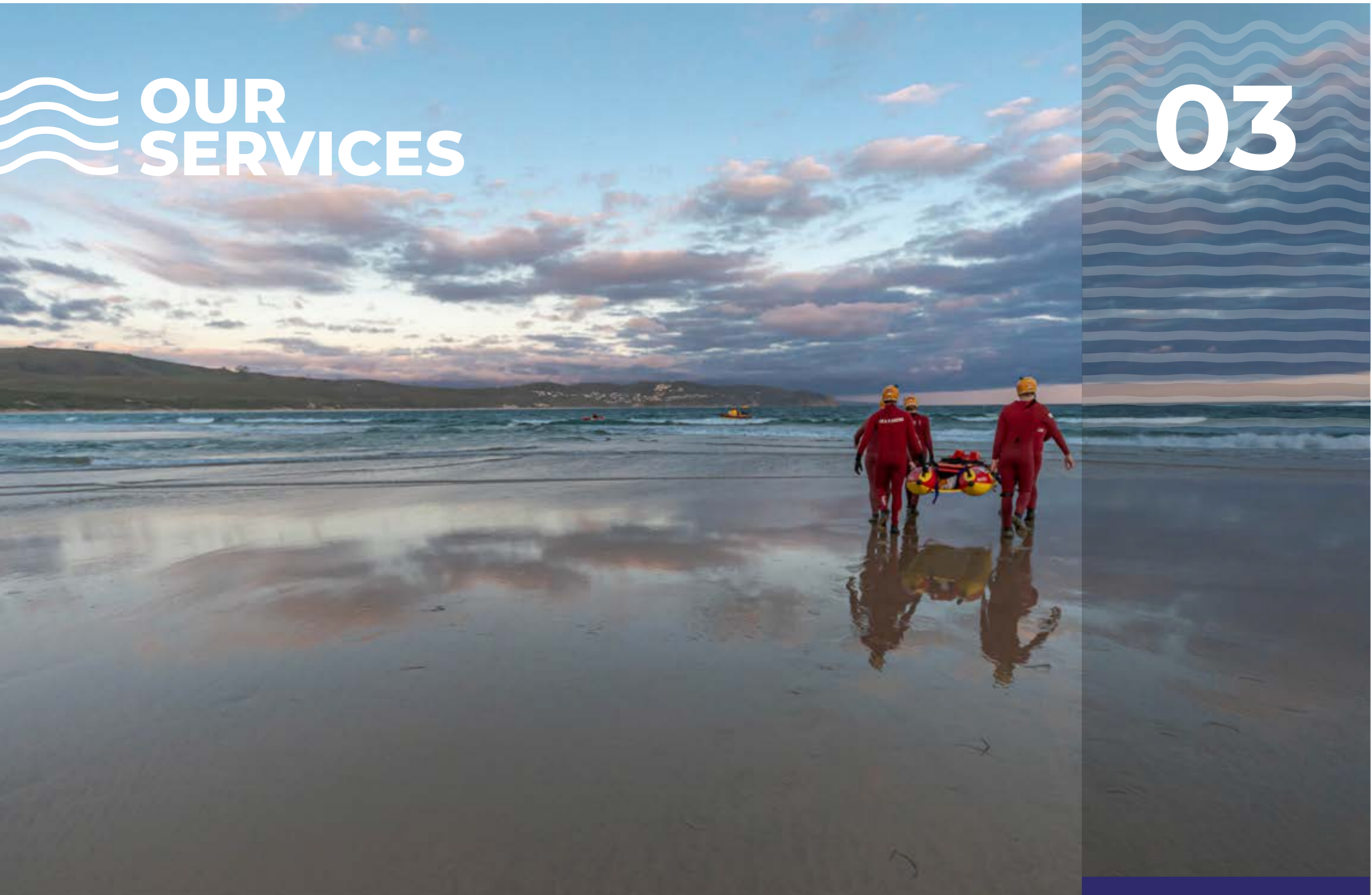
- The economy affects donor capacity
- How to penetrate or access new audiences (e.g. inland, youth)
- Abuse or misuse of the NSRI brand

Opportunities

- New donor audiences
- Continued migration to digital for cost-saving
- Improved technology for donor management
- New fundraising channels (e.g. direct donations, merchandise)

OUR SERVICES

03



OUR SERVICES

The NSRI's value proposition is

“WHENEVER YOU NEED US, WE ARE HERE”

To truly live out this promise, we offer the following:

- Drowning Prevention Services
- Rescue Services

Over **3 000 000** children have been taught since the inception of the programme in 2006 - **332 980** in 2021, across **2 835** places of learning in South Africa



DROWNING PREVENTION

DROWNING PREVENTION SERVICES

A report published by the World Health Organization (WHO) in 2021 cited that, on average, 236 000 deaths occur every year due to drowning. Furthermore, drowning is reported to be one of the leading causes of death among people aged 1 – 24 years. South Africa has an average of 1 477 drownings per annum – that is approximately four drownings every day.

The NSRI's Drowning Prevention team has been focusing on reducing drowning incidences by upskilling our team, having people-centred interventions and exploring innovations.

Water safety lessons in schools

One of the key interventions recommended by WHO is to aid in the prevention of drownings. One of the ways we do this at the NSRI is by teaching school children water safety skills, safe peer rescue and cardiopulmonary resuscitation (CPR). These skills are crucial as it equips the children with the ability to potentially save a person's life. In 2021, a year when Covid-19 variants were rampant in South Africa and we experienced many lockdown levels, the team employed innovative solutions to distribute water safety knowledge. Instructors used the time to improve their teaching methods.

In 2021, our team of skilled instructors used various platforms to disseminate information including radio stations, social media and television. They also designed a puzzle to use as part of the training and this was well received. The feedback from the instructors was that it was amazing to witness how the children's faces lit up when the puzzles were handed to them. They remembered the story that they were told and recognised the names of the characters in the puzzle. The instructors said that it would be useful to have the story translated into other languages so that teachers who are not confident in English can still tell the story with the same enthusiasm as it was initially presented.



Our team does amazing work and they are well-liked wherever they go. Some of the feedback received from the teachers at the schools they visited was that the talks were “informative”, “very entertaining”, “very educational”, “of high value”, “very interesting” and “well presented”. They also said that, through this training, youngsters are given “the opportunity to equip themselves better and to deal with a potential calamity.”

Dedicated water safety instructor tells her story

Eoudia Erasmus, one of the NSRI's dedicated water safety instructors, tells the story of how the life of a little girl was saved by 4 teenagers through administering CPR, which they learned at a water safety workshop a few years before. They remembered that Eoudia taught them that: “If you see someone isn't breathing, don't run away, start CPR!”

Donnalee Person (3) was swimming in a farm dam when she stepped into an inlet ditch and disappeared under the water. Her friends managed to get her out of the water and screamed for help. Waylan (16), Gabriel Filander (13), Keanan Jansen (18) and Wesley Storm (10) rushed to her aid. They took turns to administer CPR, and after about three minutes the little girl gasped for air. They had saved her life.

For Eoudia, Donnalee's story remains the highlight of her career.

🌐 Watch the story on You Tube! <https://www.youtube.com/watch?v=xhDjvLKjYCE>



CASE STUDY

OUR SERVICES

continued

In 2021
332 980
children were
taught survival
swimming




Survival Swimming

With only an estimate of 15% of the South African population being able to swim, the NSRI has identified Survival Swimming as an important part of the water safety education programmes. Further to this, most disadvantaged communities do not have access to swimming pools and children are not taught to swim. The Survival Swimming programme aims to resolve this issue.

For the first part of 2021, however, Covid-19 made it difficult for us to start the programme. Upon the relaxation of the restrictions, we increased the number of sites where Survival Swimming is offered to reach as many children as possible and lessons were taught at various locations, including:

- Sea Point Swimming Pool
- Retreat Swimming Pool
- Conville Swimming Pool
- Riebeeck Kasteel
- Ceres
- Hanover Park Swimming Pool
- Strandfontein Swimming Pool
- Harold Chapman Swimming Pool

We collaborated with the City of Cape Town and they are supporting the implementation of the programme at all the swimming pools throughout the municipality.



**Valuable life skills
gained through
Survival Swimming**

Leliebloem House is a non-profit organisation that serves as a home-away-from-home for 60 children. The kids, who are aged from 4 to 18 years, have been removed from troubled families by child protection agencies and are placed at Leliebloem for specialist care and intervention programmes.

The director of the children's home contacted Liza Mostert, the NSRI's national government and SOE Relationship Manager, to ask for advice on water safety as they have a swimming pool at the facility. We partnered with them and offered free Survival Swimming lessons, given our mandate of assisting kids in challenged communities. In addition, two of the children were trained as Survival Swimming instructors.

Hilda Davids, one of the social workers at Leliebloem, sent a lovely thank you letter to the NSRI team, in which she said: "Through this programme, the children could face their fears and overcome their anxiety and phobias. Their self-esteem has improved, their confidence has been boosted, and they all felt good about themselves. They also learned to be assertive, build positive relationships and focus on goals."

CASE STUDY

Survival Swimming Centre

The conceptualisation of a survival swimming centre commenced shortly after we moved to our new offices in Milnerton, Cape Town. It started with a brainstorming session in which ideas kept flowing, but the concept was received with a lot of scepticism. It was, however, agreed that it is a necessary innovation to ensure that survival swimming lessons reach the disadvantaged communities. We managed to get the following sponsors on board who have all committed to make this a reality:

- Fluidra
- Pools for Africa
- Dibana Logistics
- Mr Water Delivery
- Power Plastics
- Delve
- Metalo

Pink Rescue
Buoys were
used in
99 rescues
in 2021

At the end of 2021, a clear concept had materialised and was implemented as seen on the photograph on the top right.

Pink Rescue Buoys

In 2021, 200 Pink Rescue Buoys (PRB) were deployed throughout South Africa. The total amount of Pink Rescue Buoys deployed since the commencement of this project is 1 023.

We launched the Pink Buoys Campaign in 2018 to raise funds for the deployment of PRBs and Speedo and Plakkies were at the forefront of supporting this campaign. South32 in Richards Bay is another supporter and focused their efforts in that area.

The theft of PRBs is a big challenge for us and a considerable effort is being made by the team to reduce this. This includes education in schools and surrounding communities, monitoring PRBs with beach surveillance cameras and placing electronic tags inside the PRBs.



**On Wednesday,
28 April a successful
rescue was completed
at Rocky Bay, Durban.**

An incident occurred in which a child was in difficulty in front of the Rocky Bay Caravan Park, which is not patrolled by lifeguards. The 12-year-old boy was caught in a rip current and swept out to sea. Two good Samaritans, locals Richard Gibson and Nick Bell, reacted immediately and, with the assistance of NSRI Durban Station Commander, a Pink Rescue Buoy and a bodyboard, they rescued the boy and brought him safely to the beach. He was medically assessed and released into the care of his family.

CASE STUDY

OUR SERVICES

continued

Beach safety camera project

The beach safety camera initiative has been successfully implemented at Strand and Blouberg beaches in Cape Town. The cameras have assisted in various aspects including:

- Identifying rip current hazards
- Observing dangerous swimming conditions and reporting to lifeguards or NSRI stations
- Alerting the necessary response teams in an emergency
- Recording rescues in progress for future learning


The proof of concept provides valuable information for future planning and implementation.



Research and advocacy

This is an area that is being formalised in the Drowning Prevention Department. 2021 focused on the Rip Current Hazard research project, which is a collaborative initiative between the South African Weather Services, City of Cape Town and NSRI. The information gathered will be used to verify the rip current predictive model. Once the model is verified the next phase would be to create platforms for coastal users in the Western Cape to be informed about the rip current status.

Read more about the rip current forecasting system here:

 <https://www.nsri.org.za/2021/11/a-novel-way-to-identify-and-forecast-rip-currents/>

As part of formalising drowning prevention research, a process is underway to develop a monitoring and evaluation framework to aid in the conceptualisation of new initiatives and evaluate all drowning prevention initiatives.

RESCUE SERVICES


The major strategic focus in 2021 was to embed the new organisational structures and solidify the operational base. With any new structural implementation, there are learnings and realities to deal with and eliminating departments working in a silo. Energising the people side of NSRI is the focus for 2022, with a drive to improve communication and engagement of the volunteer base.

Emergency Operations Centre (EOC)

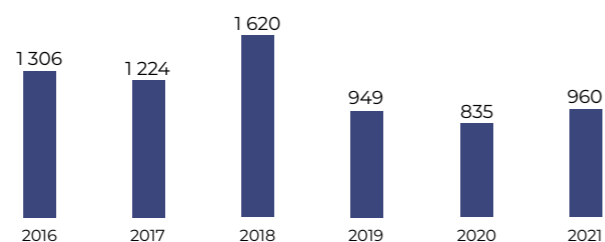
The NSRI's Emergency Operations Centre (EOC) did a fantastic job over the recent festive season and are truly a pillar of support to the operations of the organisation. Craig Lambinon, the NSRI spokesperson, continues to be a well-known voice of confidence in the rescue reporting world and his experience and wisdom remain pivotal in supporting stations and the EOC. Casualty and family care, as well as compassion, are intangible aspects of what NSRI does, and Craig exemplified this – as do many stations. Maintaining consular communications during and after incidents as well as liaising with other emergency services is critical to our success – it holds things together.

Rescues

In 2021, NSRI rescued 960 people through our rescue stations, people who, if it had not been for the volunteer dedication, would probably not be here today.

 More information about our rescues can be found in the Our Beneficiaries section on page 21.

NUMBER OF PEOPLE RESCUED



SEARCH & RESCUE

The NSRI has five stations on inland waters and intends to open more wherever the need is identified. What these stations do is often a subject of jest, but they are major players in an inland water safety context. There are many inland water users, and the presence of the NSRI is critical to safe events and safe inland water use. In addition to a boating context, these teams are skilled in swift water rescue and often play a substantial role in responding to inland flooding situations.



LIFEGUARDS

Even though we are still experiencing some of the Covid pandemic ramifications, many elements of normality have returned. New ways of working, altered operations and change were the new normal for lifeguards and management teams. As a result, skills training and equipment supply were affected and our teams had to work around

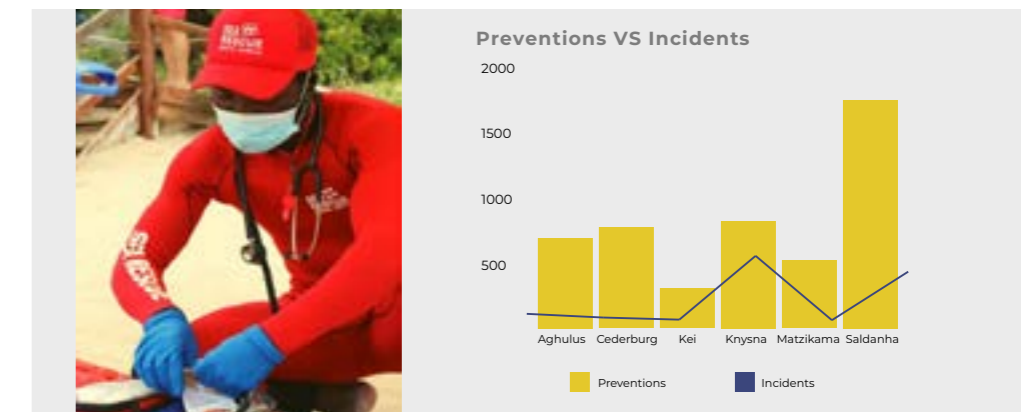
the clock to ensure our lifeguards had everything they needed to perform their duties. We welcomed back the many visitors to our shores while battling the adverse weather and turbulent surf conditions brought upon us by the La Niña weather pattern.

Despite the challenges ahead, our vision of making South Africa a water-safe nation has never changed. However, the large influx of visitors to the beaches, together with the adverse weather and swell conditions, brought with it a significant increase in incidents on our beaches.

The lifeguard service supports the community by providing the highest

quality lifeguarding, beach safety and upliftment of local community members in the areas that we serve. NSRI lifeguards provide a service that enhances the beach amenity available to the communities. The information and statistics provided in this report demonstrate the dedication of the lifeguards, and teams that support them, in serving those communities.

The remarkable figures below demonstrate the impact our lifeguard services have had in the 2021/2022 season. Our lifeguards focus on providing a preventative and proactive service that has an observable positive effect on incident rates and beach safety.



Vaal River – man rescued from a flooded river

Jake Manten, NSRI Vaal Dam Station Commander, tells the story:

“The man, who was part of a team from the South African Wildlife Rehabilitation Centre, had reportedly gone missing on the river while on a kayak. The river, swollen from heavy rainfall, had four dam wall sluice gates opened at the time.

Our NSRI rescue vehicle responded and was joined by a diving unit from the SA Police Services, ER24 ambulance services and Netcare 911 ambulance services. A search was carried out along the river banks.

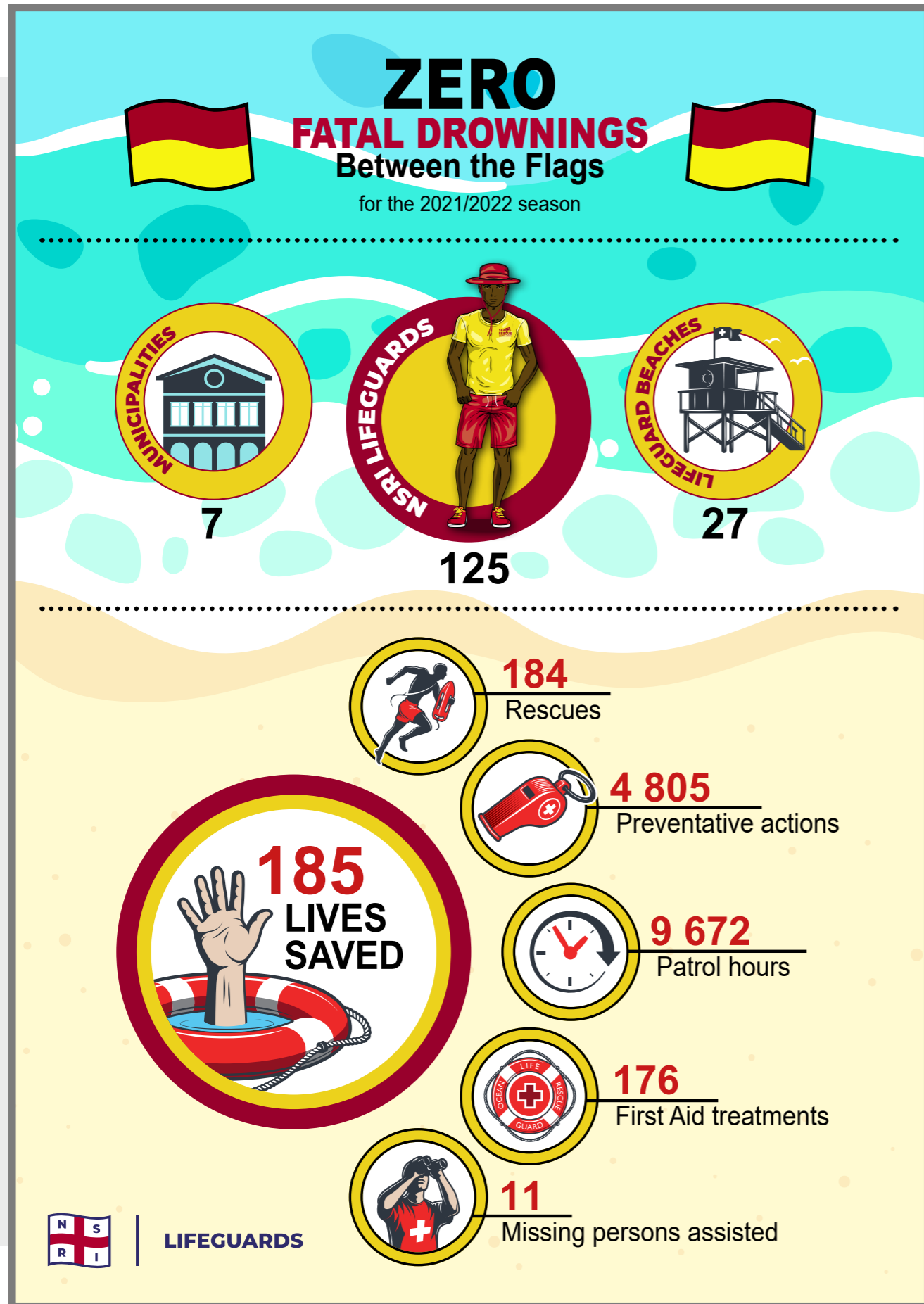
During the night the search was suspended and was resumed at first light on Tuesday, 4 January. A police helicopter joined the team in the ongoing search. The missing kayak was located, damaged and wrapped around a tree, and later the man was found huddled in a tree that he had climbed to escape the rapids after being swept away when his kayak capsized. He was rescued and taken onboard the NSRI rescue craft and brought to the staging area where he was reunited with family, colleagues and friends. He had reportedly remained in the tree throughout the night.

ER24 paramedics assisted with medical treatment for exhaustion and dehydration. NSRI commend all services involved in the successful search and rescue operation.

CASE STUDY

OUR SERVICES

continued



Drowning chain of survival

The image on the right indicates our drowning chain of survival for the 2021/2022 lifeguard season. The drowning chain of survival refers to a series of steps that when enacted, reduce mortality associated with drowning and attempted aquatic rescue. The unique and universal chain comprises six links guiding the important lifesaving steps for lay and professional rescuers. This may significantly improve chances of prevention, survival and recovery from drowning

Expanding our service

We trialled new signage, which proved to be successful. We introduced beach safety education in the form of temporary tattoos and utilised the new lifeguard surf rescue reporting application with a live view dashboard for better oversight over operations. We also started expanding to other provinces and provided lifeguarding services on two Wild Coast beaches in the Eastern Cape.

TRAINING

On the NSRI's eLearning portal, we have two online learning platforms available to both its volunteers and the public - the NSRI Training Academy and Bravo Bravo. Below is a summary of each of the platforms for the year 2021/22.

NSRI Training Academy

The Academy currently hosts a total of 32 courses, covering a range of topics such as POPIA, Navigation, Outboard Motors and Maritime Emergency Care, to name a few. Volunteers have access to these courses any time of the day or night to assist them with their development in any of the roles they are serving - whether it is as a trainee, sea-going crew, coxswain, shore controller or station commander.

In 2021, the Training Academy had a total of 3 126 participants. Below is a breakdown of the total number of Bravo Bravo participants per course:



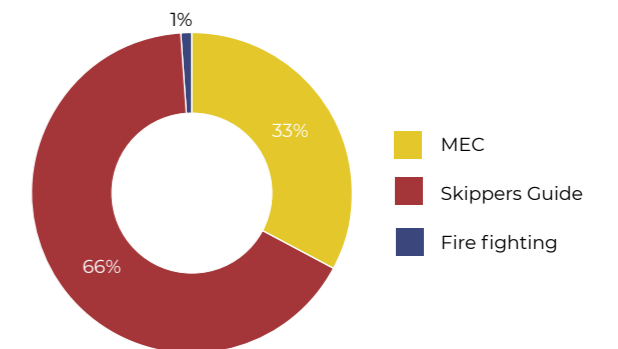
Bravo Bravo

The Bravo Bravo platform aims to create safer boat users on South African waters by offering the following courses at no charge:

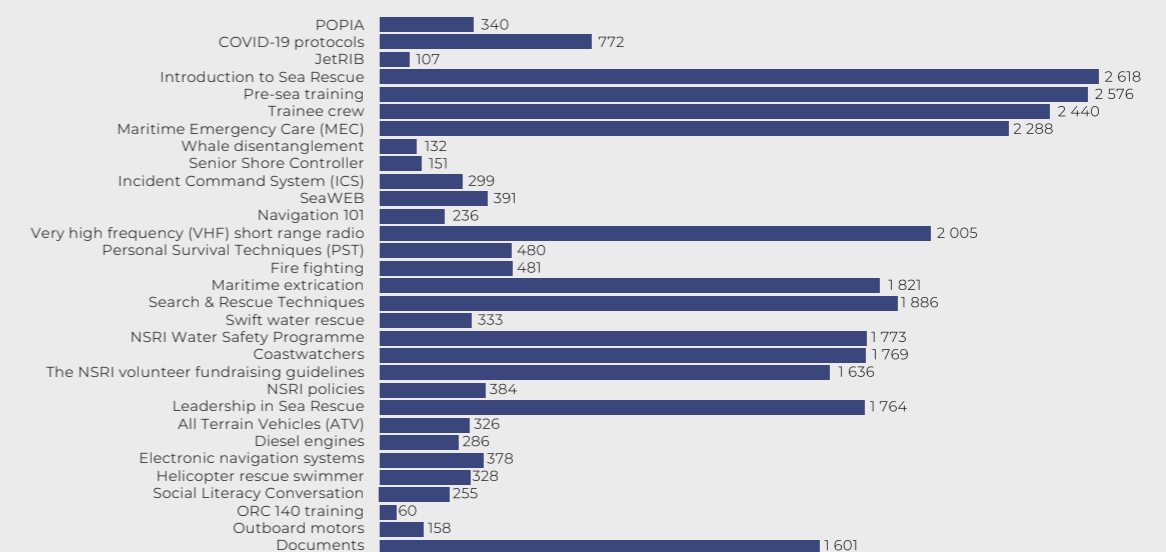
- A Skippers Guide
- MEC: First Aid and Fire Fighting
- Fire Fighting Course

9 182 users made use of the platform.

% PARTICIPANTS PER COURSE

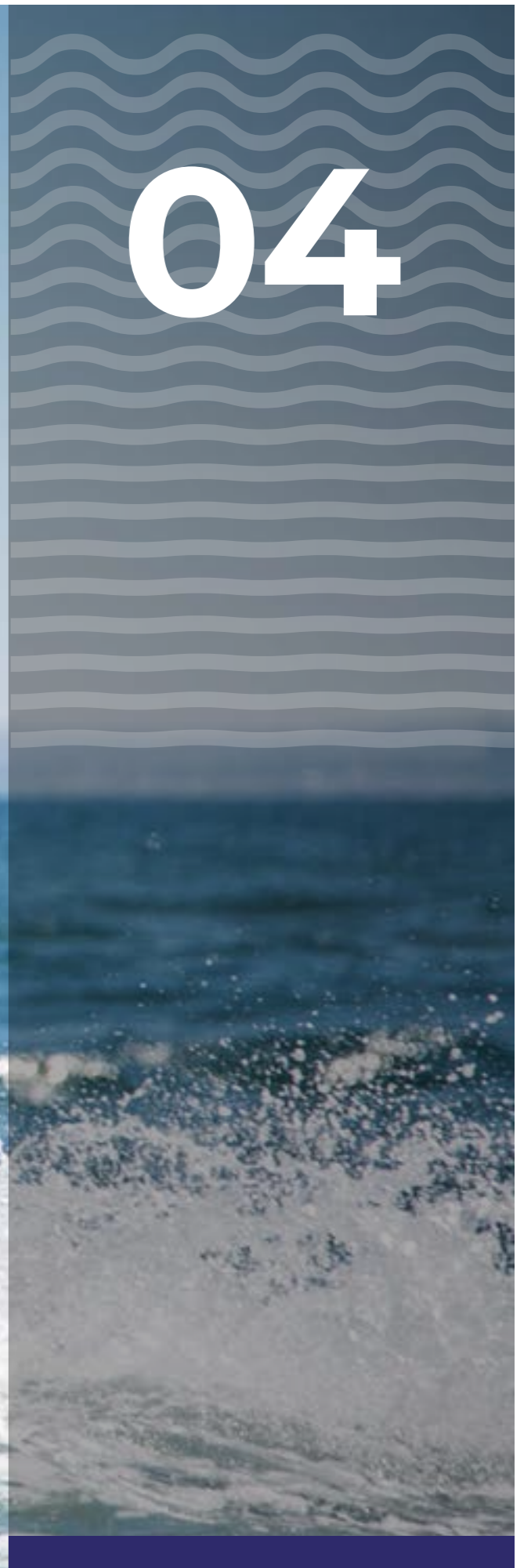


NUMBER OF ENROLLED PARTICIPANTS PER COURSE IN 2021



OUR IMPACT ON SOCIETY

04



OUR IMPACT ON SOCIETY

WE SAVE **LIVES**, CHANGE **LIVES** AND CREATE **FUTURES**

VALUE PRESERVATION

- To save lives, we need an infrastructure with assets such as rescue bases, craft and vehicles. These assets are treasured, maintained and protected.
- Our donor base is one of our greatest assets and we are constantly looking for ways to strengthen our relationships with donors.

WHERE DO WE COMPROMISE?

In the process of creating value, we often have to make sacrifices. These include:

- acquiring assets from international rather than local suppliers
- our volunteers give up valuable time away from loved ones
- volunteers often endanger their own lives to save others and get injured

01

Our communities

We are committed to making local communities a safer place through our water safety education schools programme and survival swimming lessons. Our volunteers are from the communities they serve. We utilise builders and suppliers from the local communities when we expand.



05

Social infrastructure

The NSRI is a proudly South African organisation, and we embrace the ideal social construction, attitude and action that will take us forward as a country. Our values underpin our commitment to the development of our society's quality of life in the context of emergency service provision.



02

Our donors

We value the sacrifice from our donors who continue to support us under trying economic conditions and communicate with them on a regular basis on how we have spent their contributions.



 Refer to page 26 for more information

06

We save lives

We place a strong focus on preventing loss of life by offering tracking and rescue services to sailors, surfers and swimmers, and through education, skills development and rescue to save the lives of people and animals.



Refer to page 46 for more on Our Rescues.



03

Our environment

We are aware that environmental pollution is one of the key problems facing our world today and are committed to do what we can to reduce our environmental impact. We also support and advocate the conservation of our marine areas and animals.



07

The government

We embrace and support the government's efforts to keep its citizens safe and take the responsibility of saving lives very seriously. We offer a safety net for tourism, fishing, water sport, shipping, mining water and sanitation.



04

Our volunteers and employees

We value the sacrifice from our volunteers - selflessly giving up family time to face sometimes very difficult conditions, to focus on saving lives. We invest significant time, effort and resources in training our staff and volunteers and put effort into creating an environment where volunteers and their families can spend time together.



08

Our Board and Honorary Life Governors (HLG)

We govern the organisation with integrity and dedication and provide the assurance necessary to maintain the relationship of trust with all our stakeholders. Information about our Board can be found on <https://www.nsri.org.za/about-us/governance/>.



OUR BUSINESS MODEL

05

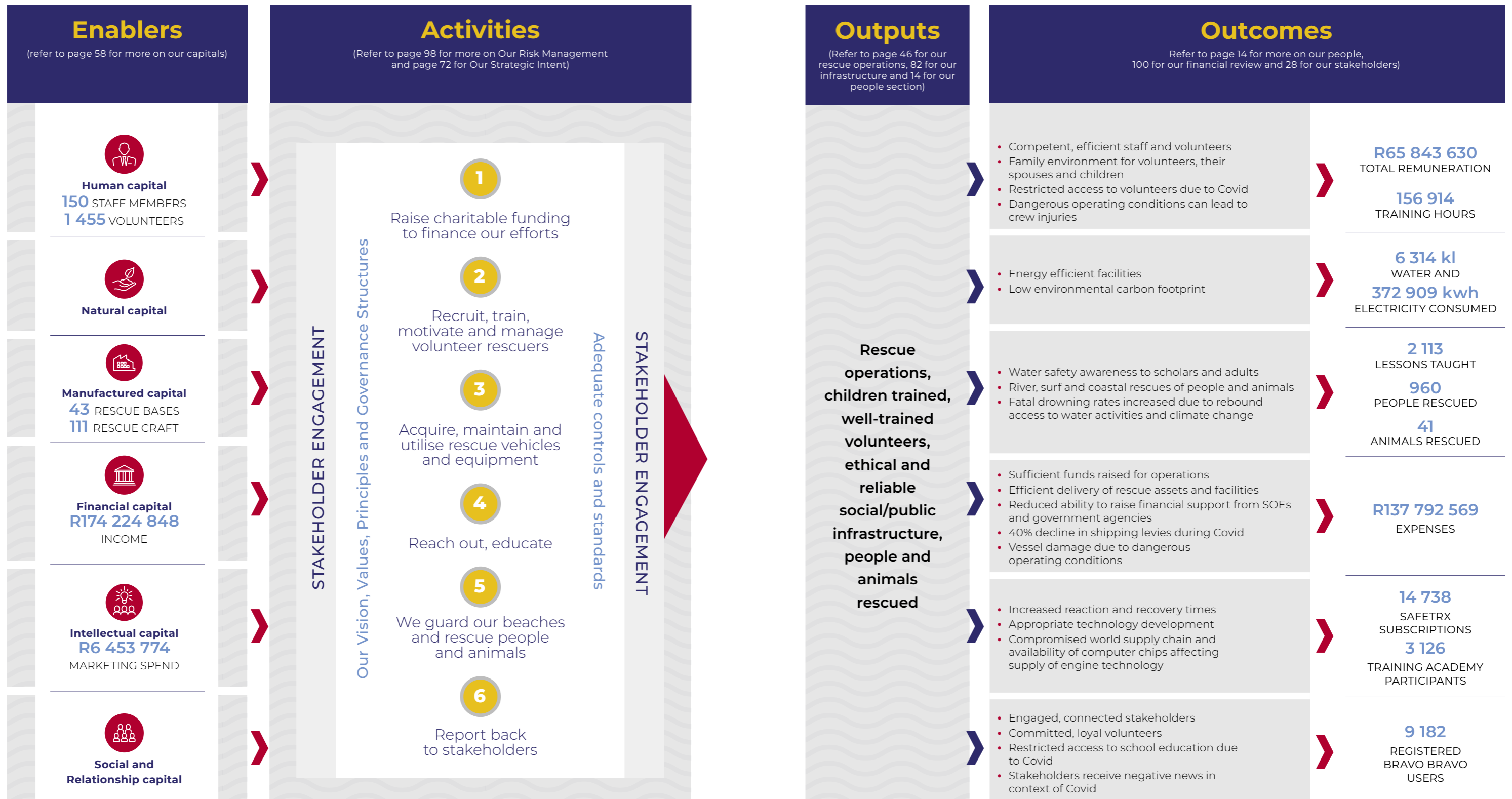


OUR BUSINESS MODEL

The NSRI business model of delivering services through a non-profit structure ensures efficiency, flexibility and responsiveness.

All funds generated are directly deployed in services. We do maintain reserves because we are a National Strategic Service and we retain 3 years of Operating Capital in a special fund.

A central national office delivers efficiency and consistency of management, supply chain, logistics and systems across the entire country. Regional managers provide a connection between a Volunteer Service Centre and Operational Regions and Stations.



OUR BUSINESS MODEL

continued

The traditional model of free services is changing. To generate operating capital, we are having to contract with the local government for Lifeguarding Services because, by the nature of the work, lifeguards have to be paid (long hours on a beach). We will continuously review our other service components and explore contracts for services in other areas.

Financial Capital



Our primary capital is financial capital and the NSRI has a professional and complex fundraising structure that is unique in South Africa. We have an outbound Fundraising Centre and face-to-face structure that focuses donation around two competitions in an incentivised giving model. The Fundraising Centre is run entirely in-house using self-generated tools. In addition, we have traditional fundraising teams that generate donations across a wide range of streams. This model and business generate over R170 million annually.

Human Capital



Human capital is no less important, the most important component being our volunteer corps who not only provide their services effort-free and unencumbered but who inspire the employee component and drive them to greater performance. Employees are recruited and appointed, with an eye on diversity, with required qualifications, experience and competencies to ensure their smooth integration into their function. We recognise that culture eats strategy for breakfast and technology for lunch, so individual culture, passion for purpose and drive are key issues. Staff must share volunteer passion!

Intellectual Capital



Our intellectual capital is closely entwined with our human capital, our people are innovators, thinkers and problem solvers. Our international awards are testimony to our ability to problem solve and innovate. We are respected for our knowledge and expertise in drowning prevention and rescue.

Manufacturing Capital



Our equipment, tools and vessels constitute another important capital. The quality of our equipment and facilities pay respect to volunteer commitment, we invest in quality to ensure the safety of both crew and casualty. We innovate to ensure we are at the leading edge of maritime rescue technology.

Social and Relationship Capital



Our social and relationship capital is key to maintaining relevance and connection with our donors, government agencies and communities. We devote huge effort and communication in making sure our communities are informed and aware of our services. Awareness is key to fundraising; communities must know that when they need us we'll be there.

Natural Capital



The NSRI is intimately engaged with our natural capital, we are at the mercy of the elements on every operation, we see the direct consequence of climate change and we are investing in reducing our impact to ensure a sustainable future. We also play an important role in marine animal conservation through our whale disentanglement and turtle recovery efforts. We are advocates for a healthy environment and make our voices heard in respect of ocean pollution.

OUR MATERIAL ISSUES

Material issues are those matters that substantially impact NSRI's ability to fulfil its mandate of saving lives through primary (water safety education, skills development, advocacy) and secondary prevention (rescue services).

These matters are identified by every component of our structures from the Board, volunteers in Annual General Meeting, Station Commanders in conference and consultation with stakeholders.

The Material issues in 2021 were:

- Sustainable diverse fundraising streams
- A healthy volunteer complement (physical, mental, emotional)
- Our brand and reputation
- Executive cohesion and management capacity
- Capital programmes aligned with future operations
- Effective business systems including Information Communication Technology (ICT)
- Diversity and Inclusivity

OUR COMPANY STRUCTURE AND GOVERNANCE

Volunteer model

The NSRI is undoubtedly driven by the purpose, passion and commitment of our volunteers who inspire and motivate our stakeholders, staff and society in general. It is the volunteer ethos and culture that is at the heart of the organisation. The volunteers are supported by more than 150 staff who share the same passion for purpose and are inspired by volunteer effort, commitment, professionalism and competence.

Corporate governance

With growth over time the business has inevitably become more corporate in the way the organisation is managed while at the same time retaining balance with the core nature and responsiveness of the service.

Governance is formalised through a Board with a balance in equity and strong business skills, Board Committees to provide adequate oversight of operational, financial, human capital and risk-related issues and pro-bono Secretarial support from Kilgetty to ensure proper Board administration. Comprehensive internal and external audit functions flow from these Committees in ensuring that stakeholders get assurance that the business is run properly.

The NSRI is substantially King IV compliant with more than 98% of the principles applied and reviewed annually.

None of the non-executive directors receive any remuneration or compensation for expenses and are in themselves volunteers.

Non-profit business

The NSRI capitalises on the massive national volunteer effort and derives its efficiency and effectiveness from a self-managed but well-supported rescue station structure. Station Commanders have absolute operational discretion and control which allows agile, flexible and appropriate emergency decision making.

Rescue station ownership by local communities is an important pillar of this model.

Staff are there to support the volunteer effort with a focus on effectiveness and efficiency in providing the financial, training, infrastructural and logistical support necessary.

Donor funding deployment is made with detailed consideration in valuing every Rand and where it came from. We have a unique fundraising structure in South Africa. Raising over R170 million each year is no small task, requiring a professional and complex approach.

Reputation Management

The NSRI reviewed its brand in 2021. The brand is central to its identity and communities and individuals identifying with it. A brand is much more than a logo: it encompasses a vision, mission, purpose, values, personality traits, tone of voice, reasons to believe, community take-out and core value proposition.

NSRI's reputation is key to soliciting support across a diverse range of stakeholders, the pillars of which include our organisational values, our responsiveness, our connection with society and a range of industries and activities, our commitment to open, accurate and honest communication and transparency. This Integrated Report, for example, contains comprehensive disclosure on the activities of the organisation.

The visible leadership and behaviour of staff and volunteers, the representation of our brand, the quality of our services, the professionalism of crews and our efforts to communicate through diverse media and languages all underpin our reputation.

For more information about our governance and our new brand, please refer to pages 88 and 12 respectively.

THE CONTEXT WE OPERATE IN

Our Strategic Pillars



ECONOMIC ENVIRONMENT

In 2020, the economy came to a standstill, everyone froze and waited out the year. In 2021, people started to work the system and find a 'go round' to Covid, working from home became convenient rather than a burden, people even relocated to lifestyle towns, with the realisation that work could be done differently. World markets recovered, stock markets bounced back and business started to move again, even with major supply chain logjams and issues.

In South Africa, the economy is drifting between the impact of Covid lockdowns and restrictions, as well as load shedding, buoyed again by commodities and growing international demand.

On the ground, structural changes to the economy and a turnaround of corruption are just not happening fast enough. This has impacted our ability as a non-profit organisation to raise government and SOE support. The local government is providing opportunity through Lifeguarding and service contracts. In 2022, we have managed to sign a new three-year contract for support with the Department of Transport.

SOCIAL ENVIRONMENT

Drowning is indiscriminate across a very distributed area, mainly inland on rivers, dams and canals, which makes intervention complex. The stories of drowning inform the strategies for intervention, and many are fundamental and quite basic within the context of society.

School children are a 'captured' population, providing the opportunity for education and skills development. It, therefore, makes sense that drowning prevention and water safety and survival swimming skills development need to be mainstreamed within the formal education system. Swimming is a life skill that seems to have been missed by formal educators.

We need to advocate and lobby within the education sector to change a mindset and make sure that every child in South Africa can swim. By reaching 1 000 000 children each year, we can get to every child under 15 years before they leave school.

Access to education often requires the crossing of a river or water body and there must be simple engineering solutions to ensure children can get safely across the water.

The Eastern Cape and KwaZulu-Natal have the greatest prevalence of rivers and, therefore, the greatest challenges.

The school environment has frequently been in the spotlight from drowning during events and schools need a water safety culture and systems to ensure children are safe.

Workplaces in many occupations involve work around water: sewage workers, fishermen, dock workers, construction workers and emergency personnel all need water safety awareness, need to have access to personal flotation devices, and need to learn to swim. We have to evolve a water safety occupational culture and get employers to buy-in.

Child supervision on beaches is a major headache and parents need to own the safety of their children by always making sure that there is supervision near water, swimming pools and the ocean.

Alcohol and water don't mix in the context of drowning and we have to change society to diminish alcohol use.

We need to construct a society in such a way as to mitigate drowning, and many other problems!

ENVIRONMENTAL CONSIDERATIONS

All over the world weather events are proving to be increasingly destructive, with major social and economic impacts. An exclusive focus on CO₂ emissions will not impact climate change without fundamental social and economic change on the planet. Too many people on the planet demand too many resources and drive pollution, requiring a fundamental shift in the global economic system. The implications are that extreme weather events are going to increase, and we are going to have to deal with the consequences. For us, that means threats to coastal assets and rescue under more austere conditions, both requiring planning to mitigate challenges, at a cost.

To reduce the environmental impact, we have undertaken the following initiatives to reduce our water and energy consumption:

Below is a screen shot of our solar energy system at the Milnerton building:



LOCATION

INITIATIVES

Volunteer Service Centre building in Milnerton	<ul style="list-style-type: none"> Installed a solar panel system with an inverter that can produce 15 Kw electrical power and we intend to expand this to eventually provide all the power for the building – on a hot day, we need around 50 Kw Installed LED lighting and 22 500 litre water tanks to harvest rain water
Station 36 Oyster Bay	<ul style="list-style-type: none"> Installing 20 000 litre water tanks and LED lighting Investigating the installation of a solar system to take the station completely off the electrical grid
Station 21 St Francis Bay	<ul style="list-style-type: none"> Installing 10 000 litre water tanks and LED lighting
Station 43 Port Nolloth and Station 47 Kei River Mouth	<ul style="list-style-type: none"> Investigating the installation of a solar system to take the station completely off the electrical grid Installing 10 000 litre water tanks

CONSUMPTION	2016	2017	2018	2019	2020	2021
Electricity (kwh)	195 519	198 899	149 672	216 675	294 202	372 909
Water (kl)	11 152	6 910	6 862	4 204	2 954	6 314
Fuel - Petrol (litres)	81 716	77 290	76 050	80 374	18 445	83 587
Fuel - Diesel (litres)	80 089	89 374	86 027	116 538	86 691	144 716
No of Flights	339	292	326	481	6	189

Electricity usage has increased due to the consolidation of facilities and inclusive reporting. We are consciously making efforts to reduce consumption by installing LED lighting, for example.

At the new head office building, 20% of our electricity is being provided by PV. We are in the process of planning a next Rescue Station in Kei Mouth, which will be totally off grid, and supply will be entirely by PV.

In respect to the fuel usage, we have converted to four stroke engines and our newer diesel engines will be clean and more efficient. In the medium to long term, we will be designing vessels with hybrid electric and diesel motors, with a long-term plan to convert to electric motors. It may, however, not be possible to rely totally on electric motors at sea.

Loadshedding is at the moment forcing us to use diesel to provide onsite power and we will be forced to increase our PV capacity in the future.

THE CONTEXT WE OPERATE IN

continued

TECHNOLOGICAL DEVELOPMENT



With Offshore Rescue Craft (ORC) vessel number 5 in production, later versions are likely to be driven by greener technology arises. Tesla cars are now a day-to-day reality and the first battery/hybrid driven vessels are on the water. Investigations are underway with our builder to evolve the first hybrid rescue vessel in South Africa.

Soon, every surf rescue operation will be supported by a JetRIB for safety and, as with larger vessels, we will see an evolution of hybrid vessels. Safety has been the primary motivator, but this unique craft has an astounding performance in the surf, different from any other, and recoverable immediately from a capsize! An international award-winning vessel in 2021!

Our Pink Rescue Buoy project has also earned international acclaim. It is a simple innovation, available on public beaches as a public safety device, and it has now been directly instrumental in saving 99 lives. Simple technology, massive impact, low cost!

Our beach cameras are still under evaluation with sites at Strand and Blouberg and time will tell whether they are a technology of the future.

SafeTRX, our free water safety application, has 14 738 subscribers and proved to be a reliable instrument for tracking and alerting for personal watercraft users. It has also been used successfully in many major water-based events. Again, a cost-effective innovation (the cost of one surfski) with high impact, awareness creation and great user buy-in.






OUR ALIGNMENT WITH THE SUSTAINABLE DEVELOPMENT GOALS

Our philosophy towards Environmental, Social, and Governance (ESG)







The NSRI's main goal is to prevent drowning through education, preventative measures and active rescues. To do this, we are heavily dependent on our communities, our environment and our organisational structures. Our philosophy towards the above is therefore to:

- Remain true to our social impacts with drowning prevention and rescue
- Continue to promote the conservation and health of water-related environments and support the rescue of marine mammals and bird life
- Continue to reduce our pollution footprint and maintain advocacy and activism against water pollution
- Maintain and improve our strong position on corporate governance

GOAL	WHAT DOES IT MEAN?	HOW DO WE ACHIEVE THAT GOAL?
	Good health and wellbeing – ensure healthy lives and promote wellbeing for all of all ages	<ul style="list-style-type: none"> • wellness programme for volunteers and staff • training on trauma handling • active drowning prevention programme • reactive rescue services
	Quality education – ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	<ul style="list-style-type: none"> • teaching children water safety, emergency service activation, CPR and survival swimming skills • training programmes for volunteers
	Gender equality – achieve gender equality and empower all women and girls	<ul style="list-style-type: none"> • culture of gender equality within the service and continue to integrate women at all level • transformation programme which includes gender inclusivity and diversity
	Affordable and clean energy – ensure access to affordable, reliable, sustainable and modern energy for all	<ul style="list-style-type: none"> • retrofitting facilities with green energy technologies • implementing cleaner energy alternatives in the fleet of vessels and vehicles • convert outboard engines to more efficient four-stroke models • replace propeller-driven rescue craft with water jet rescue vessels
	Decent work and economic growth – promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	<ul style="list-style-type: none"> • supports career development and skills development • independently evolved an eLearning training platform to facilitate small vessel maritime training
	Industry, innovation and infrastructure – build resilient infrastructure and foster innovation	<ul style="list-style-type: none"> • being a safety net for all maritime industries • rescue stations and technology incorporate the highest quality to ensure the safety of volunteers

Read more about our JetRib award here: [Two awards and two nominations for the NSRI | NSRI](#)



GOAL	WHAT DOES IT MEAN?	HOW DO WE ACHIEVE THAT GOAL?
	Reduced inequalities – reduce income inequality within and among communities	<ul style="list-style-type: none"> • providing a national service, independent of the ability of the person rescued and their economic capacity • endeavour to open new stations in support of local subsistence fishing and marine-based communities
	Sustainable cities and communities – make cities and human settlements inclusive, safe, resilient and sustainable	<ul style="list-style-type: none"> • NSRI's youth academy encourages the youth to participate and grow with the service and share knowledge and skills with their communities • participate in community structures and engage with community and government to achieve water safety and competent rescue • anti-pollution advocacy
	Climate action – take urgent action to combat climate change and its impacts by regulating emissions and promoting developments in renewable energy	<ul style="list-style-type: none"> • understanding the impact of global warming, particularly on coastal infrastructure • being a strong advocate for change • implementing green technology
	Life below water – conserve and sustainably use the oceans, seas and marine resources for sustainable development	<ul style="list-style-type: none"> • rescue marine mammals and turtles in partnership with the DEA, Two Oceans Aquarium, uShaka World Aquarium, SAWDN and support eco-tourism • being a strong advocate against marine pollution
	Peace, justice and strong institutions – promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	<ul style="list-style-type: none"> • having a strong governance structure • promoting the role of good non-profit organisations in the developmental state • being an example of good governance as evidenced by multiple awards from professional oversight organisations since 2013
	Partnerships for the goals – strengthen means of implementation	Partner with many governments, non-profit and private organisations to achieve mutual goals

LEADERSHIP REPORTS

06



MESSAGE FROM OUR CHAIRMAN

It is my pleasure to reflect on 2021 within the NSRI and the impact that this fantastic organisation has on the South African community. As a boater myself, I have always been conscious of the safety challenges on the sea and other waters and have always been thankful that there was an organisation like the NSRI, which is there whenever it is needed. The fact that the operational component for rescue is entirely staffed by volunteers across the entire country makes it all the more incredible.

After more than 600 days in the restricted environment imposed by the government, I would have forecast more conservative outcomes for the NSRI, but our performance in 2021 has been exceptional, both in our ability to raise the necessary funding and in our operations. We have raised donor revenue over budget, sustained a complex Fundraising Centre operation, maintained and improved our drowning prevention interventions and continued to respond consistently to water-related rescues. The impact on lives and livelihoods cannot be underestimated. The credit for this performance goes to a great team of directors, management, staff and volunteers who, despite the insecurities and stress, muscled through the year.

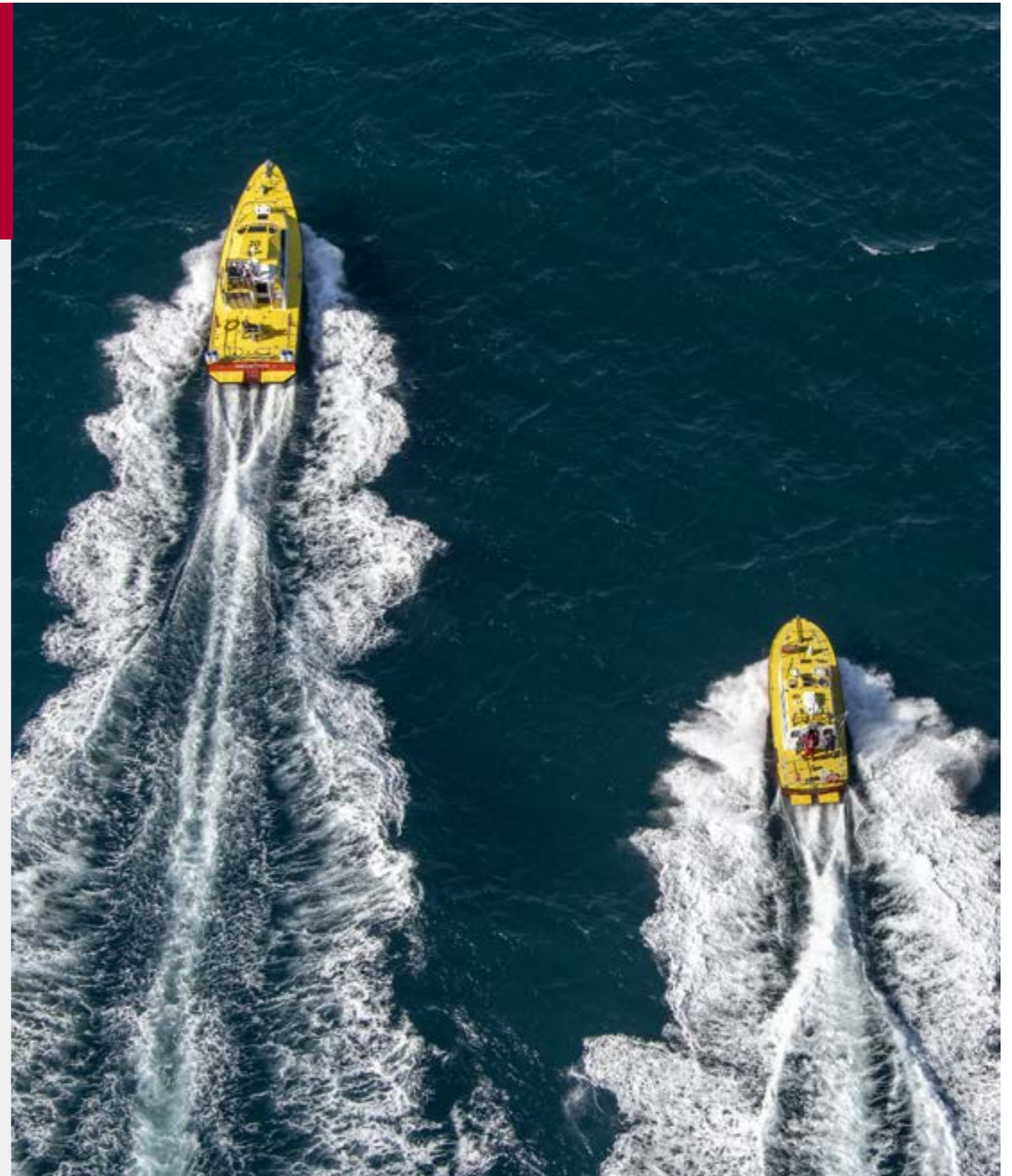
The business challenges of 2021, as if not enough on their own, were complicated by Covid, a struggling state and an insurrection in KwaZulu-Natal. We must not underestimate the impact of such incidents on our volunteers: the personal impacts were substantial and they deserve our gratitude for protecting our members, service operability and assets, during unimaginable personal duress.

The local and global economies are experiencing challenges, all of which impact our ability to deliver services. I commend our management for always being able to find a 'go round' and create solutions to seemingly insurmountable problems. The independent non-executive directors have expressed their collective appreciation to a management that has remained focused and committed and consistently achieve strategic outcomes. Well done!

I express my thanks to our board of directors who were able to gradually get back to 'ops normal' by attending meetings in person. We have a good range of diversity in all aspects, and with the assistance of Honorary Life Governors, provide balanced, critical oversight of the executive team. I think that positive collegial criticism creates the environment for complex and innovative thinking and inspires management to greater success.

Having been on the Board for the last eight years, and with the CEO nearing retirement, we are planning leadership succession so that there is overlap between the current CEO and a new Chairman, as well as with the introduction of a new CEO. 2022 will in all likelihood be my last year on the NSRI Board and I want to thank everyone in the extensive NSRI community, as a boater and consumer of NSRI services, as a citizen of this incredible country, and as Chairman of an outstanding non-profit organisation in South Africa.

Ronnie Stein
Chairman



REPORT FROM OUR CEO

2021 can only be described as an amazing year, given the anticipation following a year of Covid lockdowns, fear and economic uncertainty. The stellar performers in our story for the year must be our donors and volunteers who, despite the gloomy outlook, pulled out all the stops to ensure that not only did our operations continue and expand, but our capital programmes continued as planned.

We ended the year with an achieved donation revenue of R174 million, exceeding budget by R9 million, albeit conservative following on from 2020. Our two competitions both exceeded targets and general fundraising, with a few substantial bequests and fantastic campaigns, hit the lights out. Sustaining funding in the last two years has been nerve-racking and stressful. However, our strategy towards greater digital and media fundraising is beginning to bear fruit, supported by a relentless marketing effort that ensures our existing loyal donors and new donors know and understand that we are there when they need us.

NSRI volunteers, management and staff exhibited their true colours as public servants, pitching up at every opportunity, grinding the hard yards and achieving our purpose of saving lives, changing lives and creating futures. We have created even more pressure with the expansion of our footprint and scope, knowing the huge demands for services, but we have confidence in every man and woman who pulls on the NSRI Brand. I know that they will commit, respond, innovate and perform. The ultimate compliment comes from those individuals we rescue and, as a prominent CEO whom we recently rescued said, "you run a world-class service"! Kudos to every volunteer out there, competent, compassionate and professional!

We performed 1 025 operations in 2021, rescuing 960 individuals, preserving both life and livelihoods, and understanding the economic consequences to families and businesses of lives lost. Recovering various vessels also has an economic impact, we assisted 337 vessels and rescued 16 kite surfers and 61 paddlers. Overall, a busy year of rescues.

“

I have only respect and humility for the contributions our donors make to our, and I mean 'our' in the true sense of collective ownership, service. We are the only maritime rescue service out there, and our many funders ensure our sustainability.

Drowning prevention is our other major operational area, and 2021 has been a year of recovery as we were able to access schools again for water safety education and survival skills development. 332 980 children were taught Water Safety lessons and 2 113 were trained in Survival Swimming (evolving skills in children to be able to orientate, float and be safe in water).

We spend more than R15 million annually on direct drowning prevention, something we appeal to other organisations/institutions to match in support of making South Africa a water-safe nation. Our drowning prevention research initiatives are starting to take shape and will inform future strategies.

“

The Pink Rescue Buoy program has now saved **99** lives through the deployment of **1 023** buoys on beaches, dams and rivers across the country, such a simple innovation with such incredible impact!

HUMAN CAPITAL

- Conservative approach to human capital
- Lost an excellent trainer
- Executive team consolidated and roles planned and balance in team evolved
- New regional managers fared well with real impact on operations
- Junior training officers appointed to develop from within

OPERATIONAL STATISTICS

- 1 025 operations performed (2020: 971)
- 960 people were rescued (2020: 835)
- Training continued at almost maximum capacity

REVENUE

Covid had no negative impact on our 2021 donations

PERSONAL PROTECTIVE EQUIPMENT

Covid expenditure was well within the budget

Covid-19 IMPACT

MEDEVACS

Definite trend in continued medical evacuations from ships at sea:
43 in 2019, 89 in 2020, 111 in 2021

DROWNING PREVENTION

332 980 children taught water safety and survival swimming (2020: 168 293)

This will continue to have long-term consequences for fatal and non-fatal drowning in South Africa

HEALTH RISK

- Direct health impact was relatively low
- Sadly lost a volunteer in Gauteng
- Staff availability and attendance was impacted, but operations were maintained
- Most staff and volunteers were vaccinated

Drowning prevention and water safety advocacy on safe boating, safe working on/near water, lifejackets, ferries, beaches and rip currents are ongoing, but we know we have a massive task in reaching 60 million South Africans and influencing the government, private sector agencies and businesses to commit to safety around water. We strive to be a competent authority on water safety and provide reliable information, training and skills.

OUTLOOK

We are bullish about our outlook for 2022, given the experience of our donor and volunteer communities over the last two years. However, we understand how difficult it is to raise donor funding in the current economy, so we have realistic views in terms of donor revenues, and conservatively estimate our 2022 income at R167 million.

Given the anticipated revenues, we expect our rescue and drowning prevention operations to continue and expand. We will solidify our footprint on the Wild Coast at Kei Mouth, Mdumbi, Port St Johns and Lubanzi, to ensure the coastal gap between Port Edward and East London is covered. The biggest growth forecast is in Lifeguarding services to municipalities where we anticipate exceeding 30 Lifeguarded beaches. The Lifeguard model will evolve as we learn lessons from child supervision, demarcated swimming areas, alcohol use, cameras and beach facilities.

The outlook for our capital programme of base building, Offshore Rescue Craft (ORC), small craft and vehicles remains optimistic but there are dependencies, such as the Department of Public Works, that are proving to be serious obstacles to our life-saving efforts. We will continue delivering a new ORC each year to a total of ten and will realistically deliver one new major base build each year.

The other threat to small vessels is the international supply chain where the supply of outboard engines, computer chips and Yamaha jet skis may well be constrained. We are having to make deposits months ahead of time to secure purchases!

Our volunteer human resource is our most important asset, and we are acutely conscious of their health and wellbeing, particularly in the context of the Covid impact. We engage actively with volunteers and volunteer leadership and, in creating access to wellness and wellbeing services, we recently signed a contract with Life Healthcare to deliver a comprehensive service to all our volunteers and staff. This contract will provide a safety net at a personal level and provide services and assistance across a broad range of possible needs, whether financial, health or family-related.

Dr Cleve Robertson Chief Executive Officer



In 2021 we completed our review of the NSRI brand in seeking to ensure that we reach into every sector of society and that every individual can find relevance in our brand and identify with our services. Our vision is for South Africa to be a water-safe nation, and we will roll out our branding refresh in 2022, towards this vision

OUR STRATEGIC INTENT

07



OUR STRATEGIC INTENT

Setting and achieving appropriate objectives to sustain us and broaden our reach is vital to fulfilling the NSRI vision. Achieving the objectives at the right quality depends on the competence, commitment and passion of an entire community of volunteers and staff. Our work environment is dynamic and, although we carefully plan, our world changes day by day. This requires agility and flexibility throughout the organisation, glued together by continuous communication through the structures.

Measurement, monitoring and evaluation are an integral part of the achievement of excellence and from Board evaluations to the number of lives saved, we maintain a continuous conscious reflection of where we are and the progress we make. The principal focus remains, however, on the lives we save, the lives we change and the futures we create both inside and outside the organisation through the work we do. We are driven by the value we bring to society.

OUR GOALS AND OBJECTIVES

Each year our directors, managers and regional representatives construct goals and key performance indicators into an activity matrix. This document ensures focus and tracks performance and is updated and circulated quarterly. The implementation of these goals and strategies serves the dual roles of mitigating our risks to ensure continued sustainability, and moving our organisation and our mission forward in our drive for excellence.

Some of the key objectives we've met this year include:

- Increasing Water Safety and Survival Swimming lessons
- Expanded provision of Lifeguarding Services through local authority contracts
- The building and vessel capital project delivery of ORC 3 to Hermanus
- The initiation of rescue stations for the Wild Coast
- Transformation at a Board and executive level
- Progress in the application of digital/social media in fundraising and marketing
- Completion and move to the Milnerton volunteer service centre
- Pink Rescue Buoy deployment and consequent rescues
- Appointment of Life Healthcare as a wellness provider
- Brand review
- Fundraising targets and donor revenue



OUR STRATEGIC INTENT

continued

Our strategic pillars



Our strategy in action

	MATERIAL ISSUES	STRATEGIC PILLARS	GOALS AND OBJECTIVES	SDGs	STRATEGIC HIGHLIGHTS FOR 2021
<p>HOW WE AIM FOR EXCELLENCE</p> <p>The NSRI vision, mission and purpose all direct the pursuit of excellence, we know that setting out to save lives and livelihoods is complex and challenging in the context of the South African society and physical environment.</p> <p>Every five years we outline a strategy that is reviewed annually which sets out what we plan to achieve in progressive phases or steps, understanding that building a successful business and service takes place gradually over time. Each step is deliberate and calculated, making sure that the people, processes and technology necessary to success are delivered within the right quality standard.</p> <p>People must have the right qualifications, experience, competence and professionalism before deployment, they must be trained and maintained at the right level of expertise, and they must deliver within the right culture of passion and enthusiasm.</p> <p>We deploy quality technology to support human competence in a climate of crew safety first, everything else second. Quality technology is fundamental to the task, but also motivating and rewarding.</p> <p>We design processes for efficiency, safety, effectiveness and control. Everything has a guideline or procedure as a baseline to ensure continuity and consistency, while also allowing for flexibility and out-of-the-box thinking in exceptional circumstances. No emergency is the same but starting with a guide is a good foundation.</p> <p>All these things contribute to achieving excellence, a vision, the right culture and approach, a purpose, structure, competence, development and well-thought-through process.</p>	<ul style="list-style-type: none"> Sustainable diverse fundraising streams A healthy volunteer complement (physical, mental, emotional) Our Brand and Reputation Executive Cohesion and Management Capacity Capital Programmes aligned with Future Operations Effective business systems including Information Communication Technology Diversity and Inclusivity 	<p>ADVOCACY AND PREVENTION</p>	<ul style="list-style-type: none"> Reduction in fatal drowning incidents Sector collaboration, partnerships and cohesion by being constructive, persistent and consistent 		<ul style="list-style-type: none"> Fatal drowning rate at 2.46/100 000 Initiation of a Drowning Prevention Alliance
		<p>QUALITY RESCUE SERVICES</p>	<ul style="list-style-type: none"> Ensuring emergency access Rescue swimmer and surf rescue technician development Improve access to services by increasing geographic footprint of bases Developing leadership to achieve objectives Training and development to meet service demands Personal safety 		<ul style="list-style-type: none"> Operation of the EOC Roll-out of lifeguarding services to 27 beaches Scoping visits to the Wild Coast to establish bases Continuous development of Coxswain and Station Commander training Online training, eLearning, webinars and master classes PPE roll-out for Covid-19 Completion of Simon's Town, St Lucia, Hermanus and Lambert's Bay stations Increasing volunteer and staff diversity and inclusive base cultures
		<p>QUALITY CORPORATE GOVERNANCE, MANAGEMENT AND ADMINISTRATION</p>	<ul style="list-style-type: none"> Quality infrastructure and technology Transformation, diversity and inclusivity Human capital and management capacity Effective executive and institutional management Effective information communication technology systems 		<ul style="list-style-type: none"> Executive succession, implementation of organisational structure Regional operations managers Institution of SeaWeb, MS Nav, SafeTRX operation, writing of new Fundraising Centre solution
		<p>MARKETING AND COMMUNICATION</p>	<ul style="list-style-type: none"> Effective marketing and communication to positively influence donor, public, staff and volunteer behaviour 		<ul style="list-style-type: none"> Appointment of a marketing manager, continuous communication on emergency incidents, Pink Rescue Buoy campaign, ORC campaign
		<p>FUNDRAISING</p>	<ul style="list-style-type: none"> Effective and efficient fundraising 		<ul style="list-style-type: none"> Revenue above target, despite Covid-19

BROAD HIGH-LEVEL STRATEGY OF THE NSRI, LINKED TO MANAGEMENT OBJECTIVES

Our Strategic Pillars



Focus on drowning prevention to mitigate a high fatal drowning rate

Drowning is a serious public health issue in South Africa with significant loss of life, injury and economic loss – it is estimated to cost billions of Rand. The NSRI spends over R15 million annually directly on drowning prevention. This is probably unique in South Africa, but still inadequate to address the problem and substantially reduce the number of lives lost. Even though very few South Africans can swim to survive, there are no mainstream government programmes to address drowning.



Objectives

The fatal drowning rate increased in 2021, probably due to rebound to Covid interventions/activities.

- Maintaining our Water Safety education programme within schools and recovering from the lack of access during Covid.
- Providing Water Safety education content for the industry.
- Creating Survival Swimming content for our eLearning platform.
- Delivering Survival Swimming lessons (skills as opposed to knowledge).
- Increasing the deployment of public rescue devices, such as our Pink Rescue Buoys, to all water bodies (which, to date, have saved over 105 lives)
- Testing beach cameras
- Innovating a mobile swimming pool for Survival Swimming
- Researching rip currents



Expand the footprint and scope of rescue services to improve access and impact on saving lives

Rescue Services have been and will always be a core component of our strategy because however good we are at prevention, emergency incidents will always occur, and these services provide a safety net for a range of business, industry and recreational activities that involve water.



Objectives

- Maintaining response to all emergency incidents from over 77 service locations.
- Expanding the footprint of geographic locations to improve response times.
- Expanding Lifeguarding operations to more beaches on contract with the local government
- Filling the gap in presence along the Wild Coast



Strong focus on Corporate Governance and reporting to ensure donor trust

Corporate integrity is a key issue in the South African context given our history of corruption, and establishing and maintaining trust in our brand is key to raising the financial and other capitals necessary to the business.

The NSRI, therefore, has a strong focus on Corporate Governance.



Objectives

- Achieving an unqualified/clean audit.
- Policy development and review.
- Business continuity planning.
- Leveraging audit partners.
- Transparent organisational reporting.
- Positive organisational culture.
- Executive training and orientation.



Strong marketing and communication to create awareness and motivate giving

Marketing and Communication are strategic to our ability to raise funding and while we present a comprehensive package of communications that raises awareness, we need to penetrate all of society to prevent drowning.



Objectives

- Building our brand, specifically inland and in poorer communities, to be identified and associated with Water Safety and drowning prevention.
- Creating an intranet to improve internal communication and access to information.
- Strengthening public-facing communication across a wide range of media and using media that are prevalent in target communities.
- Increasing our telephone marketing capacity incrementally.
- Producing a comprehensive Annual Integrated Report to use in industry and business, and building trust in our brand.



Diversity in fundraising streams to ensure financial sustainability

The sustainability of the NSRI is dependent on our ability to raise the necessary funding for both operational and capital expenditure of R167 million in the 2022 budget noting that the achievement in 2021 was R174 million.

To de-risk dependence in an environment where we are almost totally dependent on donations and philanthropy, the strategy is to ensure that funding flows through a wide variety of streams.

The main objective therefore is to achieve a revenue budget of over R170 million, in 2022 despite the budget, the projected expectation would be R180 million.



Objectives

- Maintaining and pursuing a diversity of fundraising opportunities.
- Rolling out the Fundraising Centre Customer Relationship Management (CRM) solution which should derive greater telephone marketing efficiency and improve margins in the medium to long term.
- Strengthening direct online donations using electronic/digital media across a multitude of platforms like Facebook (direct Facebook donations achieved R2 million in 2021), Instagram and SnapScan.
- Effective lead generation i.e. the people to call for donations, which is complex in a Protection of Personal Information environment.
- Pursuing government funding which has diminished remarkably since 2013, from over R10 million to under R7.2 million. This was partially mitigated by our ability to contract with the local government for Life Guarding Services to a value of R2.9 million over the 2021/22 Summer season. Several attempts were made to source funds from government agencies in 2021. We signed a funding agreement with the Department of Transport, through the South African Search and Rescue Organisation (SASAR) to receive an annual grant amount of R4 million.

BROAD HIGH-LEVEL STRATEGY OF THE NSRI, LINKED TO MANAGEMENT OBJECTIVES

continued



- Improving shipping and industry relationships - the NSRI is performing over 100 medical evacuations from ships at sea, yet we struggle to extract appropriate value from the shipping industry to balance our capital and operational investment in a fleet of vessels and crews that service them. A funding proposal was submitted to the Transnet National Port Authority and the South African Association of Ship Operators to charge a fee/levy to every Twenty-Foot equivalent unit, but it was turned down. Shipping declined by 40% to South African ports in 2021, and the shipping levies that do get recovered by us on a per ship basis declined proportionally.
- Improving retail and merchandising income – the NSRI runs a small clothing store in the Victoria and Alfred Waterfront in which we sell NSRI Branded items. We recently converted this into a Shopify online store and, even though this stream has potential, high input costs affect our returns, so it currently serves more of a marketing objective.
- Improving direct fundraising appeals – we ran a specific appeal for funds for the first time in 2021 for the Offshore Rescue Craft (ORCs) and raised R1.8 million for a single vessel. We will consider repeating this appeal.
- Improving community fundraising - we understand the value of Face-to-Face fundraising for our debit order competition and we believe that, by using our 75 operational locations and volunteer Face-to-Face fundraisers, we could substantially increase our debit order subscriptions. A challenge is creating a cellphone application that creates direct and secure donor-to-bank donations and complying with POPIA.



ADDITIONAL STRATEGIC OBJECTIVES

Our quality runs through the people, processes and technology in our business, starting with the cleanliness of our boats and ultimately flowing through to the expert rescue care we provide. We, therefore, have the following additional strategic objectives:

- **Investment in people and transformation to evolve a microcosm of the South Africa we would like to see.** Transformation is central to any South African organisation in achieving the necessary diverse human capital environment to create a microcosm of the society we would want to see. Our objectives to achieve this include:
 - Implementation of a comprehensive Health and Wellness Programme
 - Performance management systems
 - Training and development
 - Equitable representation
 - Employment equity compliance
 - A transformation culture
 - Achieving a B-BBEE certification
- **Investing in technology to create a safe, effective and efficient organisation.**

The NSRI is investing in capital assets and technology to ensure sustainability and alignment with environmental and social goals. Safety in an emergency service is a key issue.

The NSRI is investing in safe vessels with the objective of producing hybrid or electric vessels by 2025.

Every building designed includes green technology and our newest station in Kei Mouth will be completely 'off the grid'. Our head office building has a photovoltaic array that currently supplies 30% of our electricity, with a view to more expansion.

OUR CAPITAL TRADE-OFFS

The impact of Covid and the consequent impact on both economic and social issues within the organisation requires that we continuously review our resources, investment in the business and expenditure across our standard chart.

Investment in capital assets versus investment market

The NSRI is fortunate to have recorded consistent financial surpluses after operational expenditure which we are consciously reinvesting in our capital assets rather than the investment market. The costs of building bases and vessels increase 15-20% every year and with the added volatility of our currency spending in the future remains unpredictable. We are investing substantially in our buildings, new bases, and our rescue fleet where we are already on vessel number five of ten in replacing our Offshore Rescue Fleet of 15m class boats. The financial markets have delivered poor results of around 4% over the last five years, so investing in the company directly made sense. The capital investment in purchasing the Fundraising Centre business has been paid back through the revenue delivered in under two years.


All NSRI departments are housed in one building versus separate buildings


In 2021, we completed the renovation of a new volunteer service centre which now houses the entire support structure for our operations, including the telephone fundraisers, management, training, human capital management, supply chain and stores, as well as financial management. At the same time, we retained the original company that occupied the premises as tenants, thereby delivering additional rental income. The colocation of all these functions within a modern fresh environment has improved morale, motivated staff, and provided immediate coordination and cooperation across all five departments delivering on improved efficiency and positive outcomes. The financial results for 2021 in some measure reflect

the anticipation of this move. The Fundraising Centre environment is now supported by a modern VOIP telephone system and ICT Network, across which the new CRM System to be implemented in 2022 will run.

Preventative versus reactive services

There has been a conscious shift over time from reactive services to preventative services and the NSRI is the only organisation in South Africa that invests over R15 million directly in drowning prevention. The impacts of our preventative work have both immediate and long-term impacts e.g. our Pink Rescue Buoy programme, through which we place rescue devices on beaches, rivers, canals and dams, has directly resulted in saving 99 lives in 2021 and raised widespread awareness for water safety. Our Water Safety and Survival Swimming programs, through which we eventually plan to reach 1,000,000 children every year, have a long-term impact on reducing fatal drowning in South Africa. The economic consequences of drowning in South Africa are not calculated, but based on a study that was done in Australia, we estimate the cost to be hundreds of millions of Rand.

 More information about the study in Australia can be found here: <https://www.sciencedirect.com/science/article/abs/pii/S0022437517306680>

 Refer to the social and economic impact of saving a life and of drowning discussion on page 3.

Investing in our human capital

In 2021, having taken into account the health and economic impacts of Covid on our staff and volunteers, we contracted a health and wellness provider to deliver a comprehensive service to our staff and volunteers. This investment is a direct expression of the value in our human capital and the need to protect and nurture the cornerstone element of our business, our people. We are also negotiating to add additional services which will augment the emergency care component of the rescue service we provide e.g. training curriculum oversight, competency assessment and cellphone applications.

OUR INFRASTRUCTURE

08



OUR INFRASTRUCTURE

Our crews are relied upon to keep their bases in 100% running order to be ready to respond to any call at any time. They are responsible for the maintenance and cleaning of bases, boats and all other rescue equipment they use – this takes up their time, over and above the huge demand for the training they are required to do. Furthermore, they are carrying an enormous financial responsibility: overall, the buildings, boats and equipment they are responsible for are worth a replacement value of up to R50 million in each facility.

43

Rescue bases

16

Quad bikes/ATVs

111

Rescue craft

35

Rescue vehicles

18

Tractors

NEW RESCUE BASE EXPANSION PROJECTS

The NSRI is continually expanding its footprint around the country. Below follows a list of the capital expenditure projects for 2021:

PROJECT	STATUS
New base at Kei Mouth for Station 47	New property purchased, design phase initiated, and construction to start third/fourth quarter of 2022
New base in Jeffreys Bay for Station 37	Vacant stand purchased, design phase started and construction to start in 2023
Base building in Oyster Bay for Station 36	Commenced in fourth quarter of 2021, completion anticipated in third quarter of 2022
Construction of redesigned Station 21 in St Francis	Delayed by local authority processes – progress made towards end of 2021, construction to start second quarter of 2022
New base in Port Nolloth for Station 43	New property purchased, design being finalised, building to start in third quarter of 2022
Container for Station 38 in Theewaterskloof Dam	Container base used at Station 17 Hermanus was moved to Station 38
New head office in Milnerton, Cape Town	Building completed and entire head office staff complement moved in July 2021. New Fundraising Centre was commissioned in December and occupied in January 2022
Base upgrade in Hout Bay for Station 8	Design completed, waiting on a lease from DPW which is ongoing since 2016
Base upgrade in Table Bay for Station 3	Design completed and construction to start in the second/third quarter of 2022
Base upgrade in Gqeberha for Station 6	Design completed and engaging with TNPA and DEA - Construction to start in Q1 / Q4 2023
Base upgrade in Mossel Bay for Station 15	Engaged TNPA regarding slipway and dredging in front of the slipway, and looking for alternative solutions for the ORC 140

RESCUE VESSELS

The NSRI operates in an austere and resource-constrained environment and innovation is a continuous process to ensure that we adapt and flex to the demands for our rescue services in South Africa. We were, therefore, thrilled to be awarded the IMRF Award for Innovation and Technology for our JetRIB vessel. The award was presented to us by Admiral Powercats and Droomers Yamaha in 2021 and recognises new products and technologies developed that improve the work and success of Search and Rescue (SAR) organisations.



Graeme Harding – National Training Manager, Brett Ayres – Rescue Services Director, Mark Hughes – Capital Projects Director, David Droomer – Droomers Yamaha and Alan Geeling – Admiral Powercats

New Offshore Rescue Craft (ORC) 140

ORC 140 Hull 2 *Donna Nicholas* delivered to Station 10 – Simon's Town

ORC 140 Hull 3 *The Legacy* delivered to Station 17 – Hermanus

Construction of ORC Hull 4 commenced in the third quarter of 2021, with the completion date in the second quarter in 2022

The contract for the construction of ORC 140 Hull 5 was signed in the fourth quarter of 2021, with the construction start date of the vessel being February 2022. Completion is anticipated for the end of the first quarter in 2023.

New Gemini RIBs Rescue vessels

8.8m Gemini RIB delivered to Station 6 – Gqeberha

8.8m Gemini RIB delivered to Station 34 – Yzerfontein

New Triton 4x4 Double Cabs

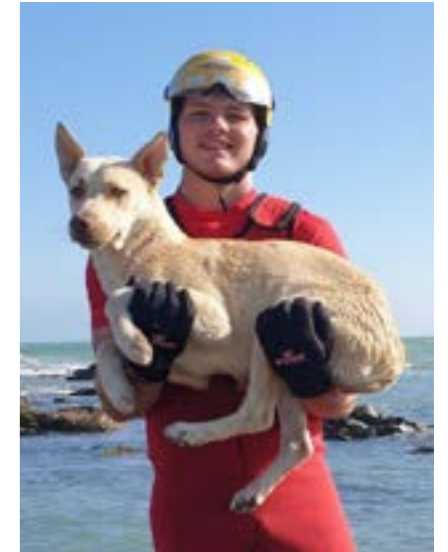
8.8m Gemini RIB delivered to Station 6 – Gqeberha

Station 39 – Rocky Bay

Station 12 – Knysna

Station 15 – Mossel Bay

Station 17 – Hermanus



New JetRIB vessels were delivered to the following stations in 2021:

- Station 5 – Durban
- Station 16 – Strandfontein
- Station 18 – Melkbosstrand
- Station 24 – Lambert's Bay
- Station 30 – Agulhas
- Station 37 – Jeffreys Bay
- Station 40 – St Lucia
- Station 46 – Storms River

PROJECTS PLACED ON HOLD IN 2021

Station 41 – Ballito rescue base project: no suitable property found as yet

Station 35 – Witbank Dam boathouse project: waiting for lease to proceed

INFORMATION COMMUNICATION TECHNOLOGY

The NSRI volunteer service centre moved from Three Anchor Bay to new premises in Milnerton, Cape Town in 2021. This move has necessitated the need for a hardware refresh for servers, and a complete installation of networking using advanced technologies to ensure security. The infrastructure project began three months before the official move date and phase one was completed on time and within budget. The target was to ensure a smooth transition and improve network speed as well as failover capabilities. Our connectivity has three levels of failover and the WiFi network is controlled to avoid potential insider threats.

One of the priorities in this project was to secure our devices, both on the internal network and the end-point protection when working from home. Security policies are in place on the firewall and on user devices to protect the NSRI from cyber attacks. We also installed CCTV systems, a new server, Ubiquiti wireless hotspots, over-hauled the ENS hardware platform and consolidated all printer contracts to one provider with a refresh of printing devices.

Phase two of the project involved cabling the Fundraising Centre floor to prepare for the marketers to move into the building at the end of 2021. The decision was taken to change VOIP providers for the telemarketers and the Fundraising Centre was brought into the existing NSRI IT systems. We rolled out laptops across the Car Competition and Monthly Giving telemarketers to replace the telephone handsets they had used before. By using a Cloud-based VOIP provider, we can ensure that telemarketers can work remotely if required, and align them with the IT strategy we have implemented at NSRI over the previous years.

At the end of 2021, the Fundraising Centre server and firewall were moved to the head office building and the hardware reaching the end of its life cycle was decommissioned.

The Fundraising Centre administration team are accessing their respective databases through a VPN connection to our data centre. Project HOF (House of Fundraising) continues with the strategy to bring these databases into Dynamics 365 in 2022. Once this has been completed, each telemarketer will have the ability to manage their leads digitally, moving away from the pen and paper method and thereby having a tool to increase productivity.

A strategic objective has been to start ensuring that our data is meaningful for business decisions in the future. We implemented a pilot project of Power BI to understand the gaps in the MIS data and/or track trends. This project provided insight as to how we can use our current Microsoft platforms to integrate our data and use the Power BI technology to drive future recommendations across all parts of the organisation. An example would be to illustrate how many Pink Rescue Buoys have been used to save lives in a particular area where we have a footprint with water safety education. If we can provide these insights to telemarketers via a dashboard, it could enable them to target leads and convert them to donors.

We added some further functionality to Microsoft Dynamics 365 to monitor our risks and M & E tasks. The development of Dynamics 365 continues to aid IT, Procurement, Drowning Prevention, Fundraising and Operations.


At a station level, we have continued to upgrade stations to the best available connectivity option in their location whenever possible. We have also introduced Wireless Mesh technology for stations that have had the requirement and continue to upgrade hardware reaching the end of the lifecycle.

More broadly, we have reconsidered the role of the NSRI Futures Committee (a sub-committee of the NSRI Operations Support Committee (OSC), which is a volunteer-led think tank with a focus on the 10-year time horizon. Some of our volunteers have unique private careers and insights into these topics and provide a valuable resource of support to the organisation.

This structure is to ensure we are as aware as possible of future strategic disruptors. The new focus of the Committee is to help "step" the future into the present, with a focus of 70% in terms of present or near-term technological impacts – managed as "projects" to support station operations, with a 30% focus on the more distant 5 to 10-year future. This committee is responsible for listing, considering and prioritising future challenges, bringing these to the attention of the OSC, for consideration of the possible creation of a project team to then tackle the challenge.

In addition to this, a tool and process for understanding problems (as opposed to providing blind solutions) and considering project impacts, stakeholders and consequences are in the process of being developed: "When a person walks into a hardware store asking for a drill bit – they are not looking for a drill bit – they are looking for a hole", is an anecdotal example of the benefit this tool would add.

Lastly, the Futures Committee will institute and administer the project teams for various projects, such as rescue base and administrative automation, drone technologies, telematics (data transfer between vessel and shore), Unmanned Surface Vessels (USVs) and various other disruptive technologies as they emerge, all in support of the strategic future success of the organisation.

 For more information on the governance of technology, please refer to page 94.



BEING ACCOUNTABLE

09



MEMBERS OF THE BOARD



01 RONNIE STEIN (72)
Independent Chairman of the Board
APPOINTED: 2013
BCom Hons, CA(SA)

04 JANINE VAN STOLK (60)
Executive director: Fundraising and Marketing
APPOINTED: 2020
BBusSc Hons

06 BRETT AYRES (40)
Executive director: Rescue Services
APPOINTED: 2020
BSc Hons, PGCE, MBA (Cum laude)

09 KARL OTTO (67)
Independent non-executive director
APPOINTED: 2016
MM (Nautical), NHD Post School Education

12 MARK MACLEAN (49)
Independent non-executive director
APPOINTED: 2018
BSc Eng

15 CLIFFORD IRELAND (47)
Independent non-executive director
APPOINTED: 2021
BTech Eng, PrTech Eng, PrCPM, OHSPROF

02 DR CLEEVE ROBERTSON (62)
Chief Executive Officer
APPOINTED: 2013
MBChB, FEMSSA

05 UVIWE MZILIKAZI (41)
Executive director: Corporate Services
APPOINTED: 2021
BCom Hons, CA(SA), ACMA, CGMA

07 DR JILL FORTUIN (43)
Executive Director: Drowning Prevention
APPOINTED: 2021
B. OH, M eHealthcare, PhD

10 DAVE ROBINS (67)
Independent non-executive director
APPOINTED: 2008
BBusSci

13 VIOLA MANUEL (50)
Independent non-executive director
APPOINTED: 2013
MBA, HDipEd, BA

16 LYNN DAVIS (53)
Independent non-executive director
APPOINTED: 2021
BCompt Hons, CA(SA), PGDip Internal Audit

03 MARK HUGHES (62)
Executive director: Capital Projects
APPOINTED: 2011
Nat Tech Dip Industrial Automation and Electronics

08 RANDALL TITUS (55)
(Absent in photograph)
Independent non-executive director
APPOINTED: 2015
BA LLB, LLM

11 CHRIS WILSON (47)
Company Secretary
APPOINTED: 2013
FCG GS CCGP

14 RADHA GOVENDER (56)
Independent non-executive director
APPOINTED: 2020
B.Pharm, PGDip PallMed

BOARD COMPOSITION

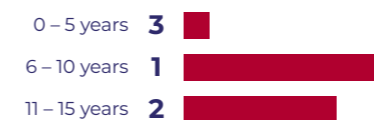
GENDER AND RACE DIVERSITY



DIVERSITY AND EXPERTISE



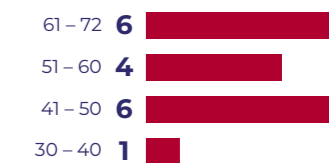
TENURE



STRUCTURE



AVERAGE AGE



CORPORATE GOVERNANCE

Governance structure

Governance is provided through a Board consisting of eight independent non-executive directors, six executive directors, two appointed non-executive directors and a pro bono Company Secretary.

The Annual General Meeting (AGM) of members is responsible for electing Board members and approving formal resolutions that guide the Company.

The Board elects the Chairman annually with the current Chairman being Ronnie Stein and Vice-Chairman Viola Manuel. The Board has voted unanimously for Ronnie Stein to continue as a director, despite him reaching the prescribed age limit.

The Board maintains close oversight over the activities of the Company through scheduled meetings of the Board and its Committees and facilitates participation electronically through MS Teams.

Formal Board Committees are maintained for the following functions: Audit and Risk, Human Capital, Investment and Operations. In 2021, because the Risk and Audit Committee functions were so closely integrated, the decision was made to combine the two Committees into one. These Committees meet quarterly and formal minutes are recorded for each meeting and reported at each full Board meeting. The Board meets quarterly to consider issues of governance and receive Committee reports, and once annually to discuss the strategy of the NSRI.

The executive management team consists of a CEO and five executive managers, responsible for Rescue Operations, Drowning Prevention, Capital Projects, Fundraising and Marketing and Corporate Services (Accounting, HR, ICT) respectively. The executive managers are responsible for employing and managing the staff required to competently execute the business of each department.

The Board approves the annual budget presented by management and provides the necessary authority for expenditure. The CEO is the only

executive with a specific financial delegation of R5 million but within the approved budget. Expenditure outside of the approved budget must be approved by the Board at a full Board meeting.

The roles of Chairman of the Board and Chief Executive Officer are separate to ensure that management and governance functions are independent and that control of the Company is vested primarily through the members in AGM, the Board and the executive. Both the Chairman and the CEO are reaching the end of their terms and planning is underway for succession to accommodate an overlap between the existing CEO and a new Chairman and then the appointment of a new CEO.

This structure ensures that no single individual exercises unfettered powers of decision-making but that the executive has very clear mandates and exercises management within the guidance of a framework and clear plans. Robust debate and discussion pursue eventual consensus and collective buy-in to, and ownership of, decisions.

The NSRI employs the assistance of Kilgetty Statutory Services in managing its corporate governance environment. The Human Capital Committee ensures that executive roles are clearly defined and the budget process provides clear delegation in terms of financial control.

The Board is satisfied that the delegation of authority framework contributes to role clarity and effective arrangement of authority.


The directors participate in Board Committees and all meetings are recorded and actioned against minutes monitored. The Committees hold the executive to account and ensure that management complies with all legislation, regulation and policies. The governance structures strive to achieve transparency, accountability, integrity and ethical leadership as well as provide practical guidance to the executive regarding the sustainable development of the activities of the Company.


The NSRI rotates directors in a three-year cycle and retiring directors are re-elected or replaced by resolution at an AGM of the members of the NSRI.

The Board is satisfied that it has fulfilled its responsibilities as per its charter.

In 2021, the NSRI continued to operate in terms of a Corporate Governance Framework.

The above Framework can be viewed on:

 <https://www.nscri.org.za/who-we-are/governance>

 More information about our governance practices can be found on our website at <https://www.nscri.org.za/who-we-are/governance>

Governing and managing ethics

The NSRI has various policies in which the ethics of the organisation are embedded, and a detailed Code of Ethics and Conduct informs the ethical environment. Volunteer culture and ethics are strong drivers of the ethical culture of the organisation and, the fact that all non-executive directors are unpaid volunteers is an expression of this culture.

While the Board leads in an ethical sense, the registration of executives with professional bodies or associations further extends the ethical burden to manage the business ethically. The CEO, for example, is answerable to the Health Professions Council of South Africa for ethical conduct, not only in a medical sense but also in a business sense. The CFO is likewise registered with the South African Institute of Chartered Accountants (SAICA).

Key areas of focus during the reporting period included the distribution and communication of the volunteer Code of Ethics and Conduct and the commitment of each volunteer to ethical behaviour within a volunteer 'contract'.

No specific measures to monitor ethics within the organisation took place but our stakeholders are reliable monitors of our service environment and don't hesitate to communicate when they see behaviour that does not fit the organisation.

Planned areas of future focus include reviewing the emergency medical standard of care provided in the course of rescues, the internal relational behaviour of executives and managers, and ethical issues related to POPIA.

Responsible corporate citizen

The NSRI has, at its centre, the social responsibility of providing both prevention and rescue services across the country to both local and international stakeholders. Trust is a key element of our ability to do our business and being perceived as a responsible corporate citizen is vital to us - trust to provide funding and trust to call us in an emergency are primary aspects of our corporate persona.

We work hard to be transparent and to communicate often, accurately, and immediately. Our website provides direct access to corporate information and we publish award-winning Integrated Annual Reports.

We continue to focus on improving our communication and reporting. In the next year, we will improve the automated reporting from our business systems to deliver real-time company metrics.

Individual stakeholders, having open access to our policies and documents, direct questions to the CEO who answers them directly. Questions asked on post-retirement medical aid and other issues, for example, are discussed at Board and Committee level.

We plan to improve our corporate visibility and bring our brand and activities to the attention of communities across South Africa.

Constitution

The NSRI is constituted through a Memorandum of Incorporation (MOI) which details the structure of the Company and its governance mechanisms. The members (directors, volunteers and Platinum Partners) of the NSRI in the AGM elect the directors of the Company. The Board of directors continue to take guidance from the principles advocated in the King Report on Corporate Governance (King IV™) and has completed a gap analysis in 2018. The Board is satisfied that the NSRI is substantially compliant with King IV. The fact that the NSRI was awarded for the best Integrated Report for 2018 and 2019 and with a Merit Award in 2020, in the NGO/NPO Category by the Institute of Chartered Secretaries illustrates the NSRI's commitment to corporate governance.

The Board composition reflects the appropriate mix and knowledge, skills, experience, and independence and has achieved greater inclusivity in terms of race and gender. The Board acknowledges that the only skill absent at the Board is Information Communication & Technology (ICT), although the Chairman of the NSRI ICT Steering Committee is an ICT professional with an Accounting and MBA Degree.

The NSRI Board Chairman is highly experienced, having sat on multi-national boards and retaining a high level of independence. The Board has also appointed an independent Vice-Chairman who is directly involved in the human capital aspects of the business.

The Board recruited an additional member with strong Financial, Banking and Investment skills in 2021 to begin service in 2022 and to replace the Chairman when he retires.

Board evaluation

The Company Secretary performs a board effectiveness evaluation (King IV Principle 9) biannually using a survey questionnaire. The survey results are reported to the Board for attention and remedial action if necessary.

In 2021, a 360° evaluation of the Board was performed and the outcome was that the Board functions very well as a unit.

The following methodology was utilised in performing this corporate governance assessment:

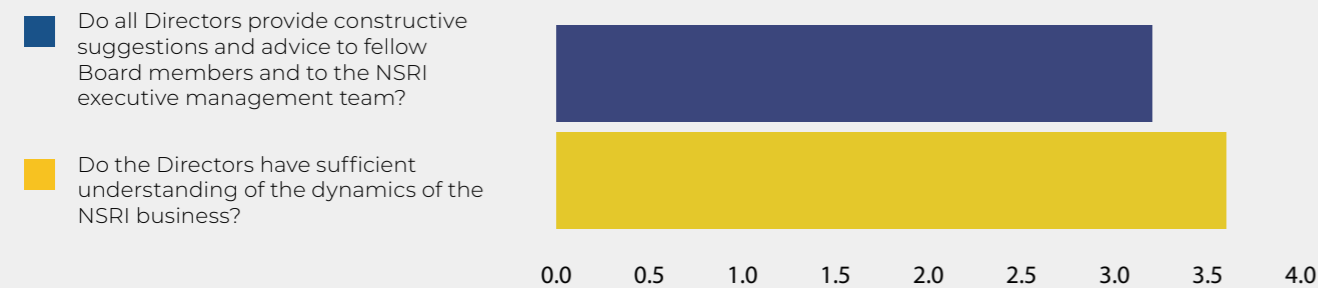
- Information request: questionnaires were circulated to Board members for online completion
- Information gathering: results emanating from the questionnaires were collated
- Assessment: the responses were assessed and areas were identified where corrective action may be required.
- Report: a comprehensive report was developed on the outcomes of the evaluation detailing recommendations for consideration.

CORPORATE GOVERNANCE

continued

Below is an example of the metrics reported:

BOARD EFFECTIVENESS EVALUATION



Compliance

As an emergency service on land and sea, the NSRI must comply with a range of legislation and regulations.

The NSRI risk register contains an extensive list of Acts/Regulations with which the organisation must comply, and the risk of non-compliance is rated individually and compliance assessed.

The institution of POPIA has been a focus in 2021 but we are constantly evaluating compliance in new areas e.g. having to comply with environmental management plans with regards to fixed premises or rescue bases.

The NSRI has not received any compliance or penalty notices in the reporting period. The organisation is continuously inspected by surveyors from SAMSA in terms of our vessel seaworthiness, our buildings are inspected by municipal inspectors, and we are required to produce environmental management plans for our leased facilities.

The company has a register against which compliance with laws, regulations and codes are recorded. Assurances are provided through compliance with audit and oversight from several regulatory organisations including:

- Banks
- Government Departments
- Legal Firms
- Audit Firms
- Regulatory Authorities

- The Companies and Intellectual Property Commission (CIPC)
- Industry Associations
- Statutory Councils
- Sector Education and Training Authorities (SETAs)
- South African Revenue Service (SARS)
- Insurance Companies
- Telecommunications Industry
- National Lotteries Commission (NLC)
- International Federations

IT governance

The NSRI has an ICT Policy that outlines the governance oversight and operation of ICT within the organisation. An ICT Steering Committee was appointed to oversee specifically Information Communication Technology (ICT). The ICT Steering Committee meets quarterly to review ICT strategy and implementation against operational plans, and management is responsible for implementation through the in-house and service provider capacity.

The Operations Support Committee deals with the investigation and deployment of both ICT and mechanical technology and has a specific sub-committee that considers and evaluates new technologies.

Oversight of this process is performed at the Board level and current and future considerations relate to ESGs in the sense of movement towards PV electricity supply, hybrid diesel/electric vessel motors and the technologies

deployed in our buildings.

The most sensitive data within the ICT stable is the donor database and the NSRI assures personal data security and compliance with the Protection of Personal Information Act (POPI) through the implementation of Microsoft CRM and NAV programs, up to date threat protection software and diligent attention to secure access, through limited system users and passwords. The CEO is the Company Information Officer responsible for POPIA Compliance.

The key strategic issue in 2022 remains to write the donor database into MS Dynamics CRM, which should be operational by the second quarter of 2022.

Director induction

The CEO, with the assistance of Company Secretarial services, assumes responsibility for an informal induction programme that provides new Board appointees with a comprehensive briefing on Company strategy, financial budgets and accounts, as well as operational activity. Induction documents distributed to the directors include the integrated annual report, Memorandum of Incorporation, Board Charter, Board Committee Terms of Reference, Corporate Governance Framework, declaration of interest forms, the rights and duties of directors, the risk report and the strategic plan. All documents, policies and SOPs are available on eLearning and the Company SharePoint Site for the convenience of officials and directors.

Succession

The CEO is appointed full time with a contractual notice period of a calendar month. He is currently registered as an Emergency Physician with the Health Professions Council of South Africa and is therefore bound by the ethical codes and prescripts of the medical profession, in addition to those of his role of CEO and the Companies Act. The CEO is due to retire in 2024 and the Board will, apart from the development of internal candidates, identify possible candidates in the market well before his retirement date. Succession will take place in a manner that ensures overlap with successive Board Chairman.

Remuneration of directors and members of Committees

The independent non-executive directors and Board Committee members receive no remuneration. Executive directors are entitled to such remuneration as is agreed to from time to time by the Human Capital Committee within the remuneration structure created through job evaluation after comparison with external analysis (Averile Ryder and Associates who also compile the annual South African NPO Remuneration Survey and the PWC Remuneration Survey). Jobs are evaluated independently by 'Bethefuture' using the 'engage' tool.

Conflicts of interest

All directors are obligated to disclose any conflict or potential conflict of interest at each Board and Board Committee meeting and sign disclosures at each meeting. All NSRI employees make a financial declaration in respect of conflict of interest annually by 31 January each year and must have CEO approval to perform remunerative work outside of the NSRI.

Company Secretary

The Company does not deem it necessary to appoint a full-time Company Secretary. The CEO, with the guidance of Chris Wilson from

Kilgetty Statutory Services (Pty) Ltd, is responsible for ensuring compliance with relevant legislation and regulations. He is further responsible for continually updating the Board on legislative and/or regulatory developments. The Board also has some independent non-executive directors that serve/have served on Boards of listed public companies and have a strong awareness of corporate governance practices and requirements as a result.

Nominations and appointments

The members in AGM are responsible for the election of non-executive directors to the Board and the Board in turn is responsible for the appointment of executive directors. The ultimate accountability lies with the members in the AGM. Nomination as a director is in writing and is signed by the nominee and any voting member of the Institute and accepted in writing by the signature of the candidate in question.

The AGM ensures that directors are appointed in a formal and transparent process.

Risk management

NSRI risk oversight is performed through a, now combined, Audit and Risk Committee. The appointed audit partners for external and internal audits coordinate work to avoid duplication. A risk register is maintained by management and matters identified during audits are included in the risk register and scored in consultation with management. The Audit and Risk Committee have oversight of the register and discuss detailed risk and action at each meeting.

The CEO voluntarily communicates exceptional incidents immediately to appropriate individuals/committees should urgent intervention or decision making be required.

In 2022 the new internal audit partner will review the risk process and register and assist with the provision of online risk management tools.

Internal audit

In 2021, the NSRI continued with the services of Moore Stephens Risk Management but issued a bid and appointed BDO in the second half of the year to continue the Internal Audit function.

The BDO three-year programme from 2022 to 2024 focuses on the following areas:

- Crew wellness
- Fundraising Centre operations

Items may be added as necessary. Findings are identified with each audit; management are consulted for their response and remediation is implemented to address risk as appropriate.

The NSRI has created an electronic risk register that provides convenient access for oversight by directors.

Internal audit costs are balanced by risk-benefit.

King IV management review

The Board is satisfied that the Human Capital Committee is fulfilling its function and maintaining appropriate oversight over its mandate. The Board is satisfied that the Awards Committee is acknowledging and rewarding volunteer achievements and that volunteer engagement are assured in some measure by their efforts. The Board is also satisfied that the Operations Support Committee is meeting its mandate and maintaining oversight over the operational rescue activities of the institute.



The application of the King IV principles and the adoption of the recommendations set out in King IV is available on our website at www.nstri.org.za

CORPORATE GOVERNANCE

continued

Board Committees and attendance

BOARD	
Chairman	Meetings
Ronnie Stein	4/4
Members	
Dr Cleeve Robertson	4/4
Viola Manuel	4/4
Mark Hughes	4/4
Randall Titus	4/4
Dave Robins	3/4
Chris Wilson	4/4
Karl Otto	3/4
Mark MaClean`	4/4
Brad Geyser	3/4
Janine van Stolk	4/4
Radha Govender	3/4
Uviwe Mzilikazi	3/4
Brett Ayres	4/4#
Clifford Ireland	2/4
Lynn Davis	3/4
Dr Jill Fortuin	3/4*

* Appointed May 2021

Retired May 2021

Focus areas in 2021

- Fundraising, revenue and expenditure in the face of the Covid pandemic
- The wellbeing and safety of volunteers in the context of the health issues related to Covid, injuries and the economic and social impacts
- Data security and the protection of personal information in relation to the NSRI donor database and the prevention of a data breach
- Long term sustainability, the investment in capital projects and an investment strategy to ensure operations in future under austere economic conditions
- The evolution of a new brand and brand strategy

HUMAN CAPITAL COMMITTEE		
Key Responsibilities	Chairperson	Meetings
Considers matters relevant to the recruitment, remuneration and retention of paid personnel within the NSRI, as well as induction of new Board members	Viola Manuel	4/4
	Members	
	Dr Cleeve Robertson	4/4
	Dave Robins	3/4
	Radha Govender	2/4
	Uviwe Mzilikazi	4/4
	Karl Otto	2/4
	Dr Jill Fortuin	3/4

Initiatives undertaken in 2021

- Review of remuneration against the NPO and private sector
- Consideration and approval of the human capital budget
- Recruitment and orientation of new Board members
- Personnel financial disclosure oversight
- Oversight of Employment Equity Plan reporting and progress
- Oversight of disciplinary process
- Approval of cost-of-living remuneration for 2022
- Oversight of planning for executive succession
- Introduction of wellness contract for volunteers and staff
- Monitoring of Fundraising Centre relocation process
- Recommendation on executive Board training
- Monitoring the injury and health risks to staff and volunteers
- Oversight of the human aspects of the implementation and impact of Covid-19 protocols, regulations and procedures

Future focus

- Volunteer wellbeing
- Executive succession
- The professional/volunteer management interface

INVESTMENT COMMITTEE		
Key Responsibilities	Chairman	Meetings
The Investment Committee is chaired by an independent investment consultant and advises management and the Board on the extent and timing of investments related to cash flow. It also advises on forward cover for capital payments in foreign currencies.	Bernard Osrin	4/4
	Members	
	Dr Cleeve Robertson	4/4
	Dave Robins	4/4
	Ronnie Stein	4/4
	Howard Godfrey	3/4
	Uviwe Mzilikazi	4/4

Initiatives undertaken in 2021

- Review of portfolio managers and performance with recommendations on new entrants
- Oversight of the property asset base
- Oversight of the investment mandate
- Assessment of new investment opportunities and models
- Decisions on investment in the NSRI Endowment Trust
- Evaluation of the organisation's capital requirements
- Recommendations on investment fees

OPERATIONAL SUPPORT COMMITTEE		
Key Responsibilities	Chairman	Meetings
Reviews the last quarter of operations and discusses crew safety issues, operational budgets, planning of present equipment needs for the organisation in the current financial year and future equipment needs	Brad Geyser*	2/4
	Clifford Ireland*	4/4
Investigates areas where there is a need for new rescue stations and lifeguard stations around the coast	Members	
	Bruce Sandmann	4/4
	Deon Langenhoven	4/4
	Hennie Niehaus	4/4
	Rhine Barnes	4/4
	Ian Gray	4/4
	Gerhard Potgieter	4/4
Training of volunteers is a high priority and key element of the Committee's responsibilities	Dr Cleeve Robertson	4/4
	Brett Ayres	4/4
The Awards Committee is a sub-Committee	Dr Jill Fortuin	3/4
	Mark Hughes	4/4
	Andrew Ingram	4/4

Initiatives undertaken in 2021

- Review of portfolio managers and performance with recommendations on oversight of training and development
- Advising on the expansion of the operational footprint
- Monitoring the implementation of the regional management model
- Operational statistical review
- Crew injury monitoring and remedial action oversight
- Adjudication of awards
- Oversight of operational technology
- Oversight of PPE, Covid protocols and medical responses
- Oversight of management administrative support to stations
- Oversight of emergency call taking function and communications
- Recommendations on the appointment of a wellness provider

AUDIT AND RISK COMMITTEE	
Chairperson	Meetings
Lynn Davis*	2/4
Ivor Sindler**	2/4
Members	
Dr Cleeve Robertson	4/4
Mark Maclean	4/4
Uviwe Mzilikazi	4/4
Dave Robins	4/4
Randall Titus	
Brett Ayres	4/4

* Appointed June 2021

** Passed away June 2021

Key Responsibilities

- The effectiveness of the organisation's assurance functions and services
- The integrity of the annual financial statements and other external reports issued by the organisation
- Reviews the risk environment

Initiatives undertaken in 2021

- Monitored the risk register and incorporated matters identified by the internal audit into the register
- Adjudicated the bids for internal audit and appointed internal audit partners
- Oversight of changes to the risk register
- Oversight of the risks related to the security and integrity of the donor database and ICT in general
- Oversight of risks related to emergency call taking and dispatch via 112 and other avenues
- Oversight of drowning prevention initiatives and risks related to the new Survival Swimming programme
- Oversight of risks related to crew injuries and the insurance, cost and cover for injury, death and disability
- Oversight of external audit and the achievement of an unqualified audit
- Approval of the 2022 budget and 2021 AFS
- Monitoring of base audits and inspects, and oversight of remedial measures
- Oversight of governance and management functions
- Review of procurement policy
- Oversight of potential litigation
- Generation of a compliance register and oversight of POPIA compliance

CORPORATE GOVERNANCE

continued

The Board is satisfied that all the Committees are meeting mandates and overseeing the activities of the Company.

Audit and Risk Committee

The Committee performs an oversight role in respect of both internal and external audits, engaging management on audit findings and ensuring that audit matters are addressed comprehensively.

External auditors are appointed at the AGM by resolution of the members, therefore maintaining their independence. The external auditors do not deliver non-audit services for the NSRI. Internal auditors are appointed by resolution of the Governance Board and are independent of the NSRI and the External auditors.

There has been no change in executive management personnel during the reporting period, but independence is monitored by both the Audit Committee and Board ensuring that oversight keeps management on their toes and responds to audit matters as required. The internal audit function was awarded to BDO in 2021 and new auditors have begun engagements with the Company. The external auditor has had partner rotation and a new partner from Cecil Kilpin is responsible for the external audit for the 2021 Financial Year.

The Audit and Risk Committee is satisfied with the performance of the external audit team. In addition, the Audit and Risk Committee is satisfied with the performance of the new chief audit executive and the depth and quality of the external audits. The Audit and Risk Committee is satisfied with the performance of the new chief financial officer. It is satisfied that internal controls show continuous improvement and sophistication and that these prevent any financial losses, fraud or theft from the institute. Nothing has come to the attention of the Audit and Risk Committee which would indicate a material breakdown in internal financial

controls. There has been no material financial loss, fraud, corruption or error. There has been audit partner rotation in the performance of the 2021 external audit.

The Audit and Risk Committee also ensures that the NSRI is SARS compliant.

The Audit Committee is confident that the broad range of structures involved in combined assurance creates the foundation for ensuring that donor funds are correctly and appropriately dispersed according to strategy and plan.

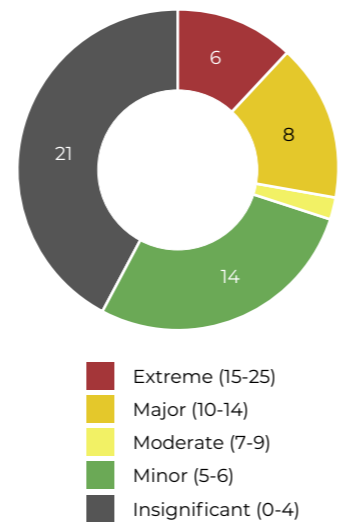
The Board is satisfied that the Audit and Risk Committee is maintaining adequate oversight over the accounts of the institute and providing the necessary assurance concerning financial matters.

Risk

Risk within the NSRI is managed by the executive with oversight by the Audit and Risk Committee. Risk and Audit processes are closely aligned so that a comprehensive risk register is maintained. A heat map of key risks is continuously updated through an internal audit process, which involves active identification of matters and resolution by the executive within set time frames. The Audit and Risk Committee reports quarterly to the Board and the updated risk register is shared electronically with all Board members. All meetings are formally minuted and minutes are shared with the Board.

The NSRI's detailed risk register has been consolidated electronically and now lists 50 risks that are individually scored. The more likely and the bigger the consequence, the higher the risk score. Risks that score more than nine are categorised as key risks and are discussed at a governance and management level. Management is responsible for mitigation measures to reduce the likelihood and consequence. In 2015, 13 key risks existed, 11 in 2016, 8 in 2017, 8 in 2018, 12 in 2019, 5 in 2020 and 6 in 2021.

RISKS BY RESIDUAL RISK SCORE



In 2021 the top identified risks included:

RISK	RATING
Vessels or critical equipment not sufficiently prepared for operation	No incident in the last 6 months – 5 Consequences of injury – 4, which is in the high-risk category
We do not prevent drowning by educating the correct target audience and numbers	Fatal drowning has increased in the last 6 months – 5 Consequence is death – 5, which is in the high-risk category
Diminishing take-up on debit orders negatively influences the NSRI's income	The probability score for this risk remains 5 because although donors' take up of debit orders has remained stable, it hasn't increased. The consequence has been minor because there hasn't been a loss of income, making the score 10, which is in the major/orange category.
We do not recover all corporate, member, bequest and other direct donations	The probability of this risk remains high at 5, however, in the last year, these donations have been substantial and therefore the income losses occurred score is 10. It remains in the major orange category.
Health and safety related to volunteers and staff	There have been incidents in the last 6 months, making the probability score a 5. There have been injuries admitted to the hospital, making the consequence score a 3. The overall score is 15, which is in the extreme red category.
Investments suffer market loss	The probability score for investing remains a 5. The market regained slightly in the last year, so the consequence score has not been significant. However, market volatility makes this risk a 5 for consequences or a total risk score of 25, which falls in the red category.
Security of data on NSRI servers in data security	There have been no incidents of a data breach in 5 years, making the probability score a 1, but the potential losses should a breach occur remain extreme. The total risk score is 5, which is the green or minor risk category.

Remuneration

The NSRI has a comprehensive remuneration policy based on principles of both internal and external equity to ensure that remuneration is fair. Remuneration is benchmarked against both the PWC REM Survey and the Averile Ryder NPO Survey. Every job is evaluated using a Job Evaluation Tool called Engage.

Covid resulted in conservative inflation remuneration increases, no notch progression was implemented horizontally within each band and no executive bonuses were paid.

The future focus will be on creating a performance/motivation management system that allows horizontal progression within a Paterson Grade. The NSRI has management objectives per department that form the basis of the NSRI Workplan which is divided up across management for delivery. A regular monitoring and evaluation process ensures consistent achievement against management objectives. Historically, the NSRI always performs and achieves more objectives than planned purely because of its nature as an emergency service.

Liabilities related to long-term post-retirement benefits are all declared in the company's Annual Financial Statements.

The total cost to company for executives in 2021 was R7 185 321 and no bonuses were paid. Payment for 2022 bonuses, for the 2021 performance, is under discussion. The total cost to company of the CEO in 2021 was R2 938 110. Remuneration is published in the Annual Financial Statements of the company.

OUR FINANCIAL REVIEW

10



OUR FINANCIAL REVIEW

Sustainable Funding

Covid-19 influenced the conservative approach of the NSRI towards revenue in 2021 having experienced a significant reduction in performance in 2020.

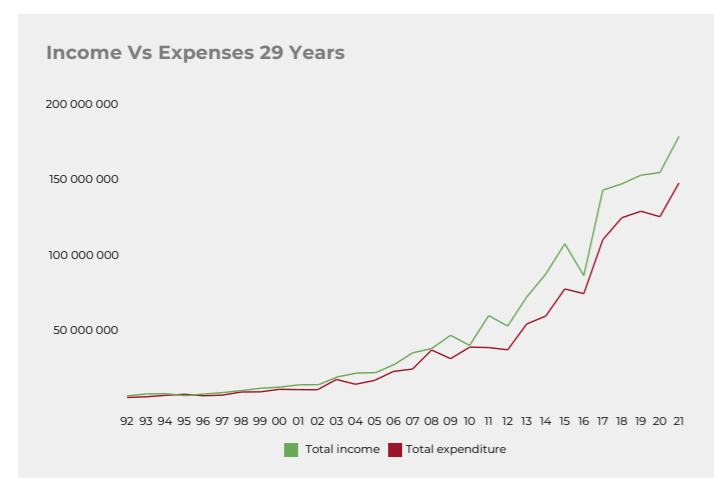
Our fundraising structures have however always remained bullish, buoyed by donor support and volunteer passion, and it is no surprise that revenue topped R174 million for the year.

The Fundraising Centre operation through the Face-to-Face, Debit Order and Car Competition schemes continues to be a significant contributor delivering R128 million or 73% of total revenue. Monthly giving via debit order is the dominant donation stream (including donations solicited by Face-to-Face interactions) delivering R102 million or 59% of total revenue. The Car Competition makes up R26 million or 15% of total revenue. It has been encouraging to note the recovery of other streams and contributions made through legacies and bequests, individuals, corporates, trusts and government, all showing consistent donor support, which in the context of Covid is incredible.

The NSRI remains humbled and extremely grateful for these contributions from so many diverse and loyal supporters. A demonstration of true ownership of our purpose.

Employee costs have increased year on year but accelerated in 2021 as we aligned personnel from the Fundraising Centre in terms of pension and medical aid, understanding that these are the people that help fund our critical operations. Personnel expenditure was 37% of total revenue. This includes all operational personnel providing direct services in drowning prevention and rescue.

The executive remuneration increased by R1 million year on year, 2020/2021, with the appointment of new directors but individual earnings decreased during Covid-19, understandably. Executives are acknowledged and commended for their commitment under austere operating conditions.



The above graph illustrates the progression in revenue and expenditure since 1992, and the gap between revenue and expenditure illustrates an increasing surplus that is deployed into capital assets and investment savings.

For more information, please refer to the AFS on page 104.

R86 million was spent on providing rescue operations, this includes operational costs and the capital costs of buildings, boats and vehicles.

We continue to invest in new vessels, property and buildings. Our ORC Vessel programme is almost 50% complete, we are building rescue stations that will endure for 50 years and we now own 12 properties. The infrastructure and assets of the institute are in outstanding condition.

Our operational surplus for the year was significant but immediately deployed into capital infrastructure where annual escalations in cost are in the region of 15-20%. Despite the increasing capital expenditure demands, we were able to transfer almost R6 million of excess surplus to our Endowment Trust. We have been extremely fortunate to continue to fund all operations and capital expenditure from the operating working capital and therefore remain debt-free.

Donations in kind totalled over R6 million in 2021 providing extra, much-needed, support.

The External Audit of the NSRI remains unqualified and the management report issued by the auditor detail relatively minor qualitative issues that require attention. The management, personnel and volunteers deserve credit for maintaining the accounting and financial integrity of the institute, it matters to donors.

We have appointed new Internal Audit partners, BDO, and they have programmed internal audit work for the next three years starting with a review of our Risk Register. We thank Moore Stephens Risk for their service over the last three years and commend them for the value they added through their interventions.

Long-term data demonstrates the evolution of NSRI revenue and expenditure over more than twenty years, a very positive story.



ANNUAL FINANCIAL STATEMENTS

11



INDEPENDENT AUDITOR'S REPORT

To the Members of National Sea Rescue Institute of South Africa NPC

Opinion

We have audited the annual financial statements of National Sea Rescue Institute of South Africa NPC (the company) set out on pages 8 to 27, which comprise the statement of financial position as at 31 December 2021, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of National Sea Rescue Institute of South Africa NPC as at 31 December 2021, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Annual Financial Statements section of our report. We are independent of the company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of annual financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "National Sea Rescue Institute of South Africa NPC annual financial statements for the year ended 31 December 2021", which includes the Directors' Report as required by the Companies Act 71 of 2008 and the supplementary information as set out on pages 28 to 30. The other information does not include the annual financial statements and our auditor's report thereon.

Our opinion on the annual financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Annual Financial Statements

The directors are responsible for the preparation and fair presentation of the annual financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008, and for such internal control as the directors determine is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Cecil Kilpin & Co.
Chartered Accountants (SA)
Registered Auditors
Per Partner: Sidney Schonegevel

Century City

11 April 2022

DIRECTORS' RESPONSIBILITIES AND APPROVAL

The directors are required by the Companies Act 71 of 2008 to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

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

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

The directors have reviewed the company's cash flow forecast for the year to 31 December 2022 and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on pages 3 to 4.

The annual financial statements set out on pages 8 to 30, which have been prepared on the going concern basis, were approved by the board of directors and were signed on its behalf by

By order of the board

R Stein

C Robertson

11 April 2022

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2021

	Note(s)	2021 R	2020 R
Assets			
Non-Current Assets		237 200 837	196 358 612
Property, plant and equipment	2	209 025 683	159 751 682
Investment property at fair value	3	10 575 154	10 206 930
Goodwill	4	17 600 000	26 400 000
		51 741 992	53 744 064
Current Assets			
Inventories	7	962 568	1 196 679
Other financial assets	5	5 661 000	–
Trade and Other Receivables	6	29 819 598	35 811 831
Cash and Cash Equivalents	8	15 298 826	16 735 554
Total Assets		288 942 829	250 102 676
Equity and Liabilities			
Equity		280 900 664	244 468 385
Accumulated Funds		280 900 664	244 468 385
Liabilities			
Current liabilities		8 042 165	5 634 291
Trade and Other Payables	9	8 042 165	5 634 291
Total Equity and Liabilities		288 942 829	250 102 676

STATEMENT OF COMPREHENSIVE INCOME

AS AT 31 DECEMBER 2021

	Note(s)	2021 R	2020 R
Revenue	10	171 411 580	147 102 529
Cost of sales		(1 216 857)	(662 606)
Gross surplus		170 194 723	146 439 923
Other income	11	2 034 710	3 024 902
Operating expenses		(136 574 262)	(121 172 921)
Operating surplus	12	35 655 171	28 291 904
Investment revenue	13	410 332	619 809
Fair value adjustments	14	368 225	516 807
Finance costs	15	(1 449)	–
Surplus for the year		36 432 279	29 428 520
Other comprehensive income		–	–
Total comprehensive income for the year		36 432 279	29 428 520

DETAILED INCOME STATEMENT

AS AT 31 DECEMBER 2021

	Note(s)	2021 R	2020 R
Income			
Grants	10	7 220 754	4 510 567
South African Maritime Safety Authority		214 158	
National Department of Transport		2 884 000	2 731 000
Western Cape Department of Local Government		376 000	380 000
National Lottery Board		1 100 000	
Public Bodies		2 646 596	1 399 567
Donations and bequests	10	31 159 393	17 932 033
Companies		6 056 525	4 718 386
Individuals		7 979 422	3 440 114
Legacies and bequests		8 827 721	4 179 435
Shipping levies		666 707	792 482
Trusts		7 629 018	4 801 616
Fundraising Centre	10	128 723 565	120 846 771
Sale of goods	10	1 800 992	1 630 788
Service income	10	1 308 635	
Sundry income (insurance claims and municipal account recovery)	11	778 656	461 708
Events	10	1 198 241	1 291 994
Surplus on sale of assets	11		1 350 585
Investment revenue	13	410 332	619 809
Rental income	11	1 256 055	1 212 609
Fair value adjustment	14	368 225	516 807
Income		174 224 848	150 373 671
Distributions received	10		890 375
Total income		174 224 848	151 264 046
Expenditure		(137 792 569)	(121 835 526)
Surplus for the period		36 432 279	29 428 520

	Note(s)	2021 R	2020 R
Expenditure			
Banking costs		1 569 989	1 812 918
Boat running		7 488 666	7 002 172
Fundraising Centre			1 357 579
Cost of goods sold		1 216 857	662 606
Deficit on sale of assets		1 251 905	
Depreciation and amortisation		21 155 558	21 554 174
Employee costs		65 843 630	57 807 581
Information communication technology		3 258 363	2 630 384
Insurance		1 315 811	1 492 309
Marketing expenditure		6 453 774	6 566 264
Office expenditure		3 151 841	2 444 495
Professional fees		4 648 974	3 612 199
Property expenses		7 206 622	6 979 879
Station expenditure		7 428 067	4 928 833
Travel and accommodation		5 802 513	2 984 131
Total Expenditure		137 792 569	121 835 526

CORPORATE INFORMATION

NATIONAL SEA RESCUE INSTITUTE

4 Longclaw Drive, Milnerton, Cape Town, 7441

Tel: 021 434 4011

Fax: 021 434 1661

Email: info@searescue.org.za

Company Registration Number: 1967/013618/08

NPO Registration Number: 002-870

Company Secretary: Chris Wilson


Photo credits: Thank you to all the photographers who kindly donated the use of their images to NSRI

Cover photo: Dr Berend Maarsingh

Compilation of NSRI Integrated Annual Report – Investorsense

Design of NSRI Integrated Annual Report – Ince Communications Agency

The printing of the NSRI Integrated Annual Report was kindly sponsored by DHL




UNLOCK YOUR E-COMMERCE POTENTIAL.

WITH DHL EXPRESS, YOU CAN DELIVER TO CUSTOMERS IN 220 COUNTRIES. CALL US TODAY TO LEARN MORE.

DHL Express – Excellence. Simply delivered.

Phone: 0860 345 000
dhl.co.za





**NATIONAL
SEA RESCUE
INSTITUTE**

www.nsri.org.za