

# 2016

INTEGRATED ANNUAL REPORT





50<sup>TH</sup>

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**ANNIVERSARY**

*This year we pause to celebrate our Golden Jubilee and to acknowledge the collaborative effort that has built and shaped this wonderful organisation. We extend a warm and heartfelt thank you to each person for your contribution.*



Rescue of the 17 crew on board the I&J Trawler MFV Afrikaner which sank off Robben Island, October 1992.

Credit: The Argus

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*Saving Lives, Changing Lives, Creating Futures*

# ABOUT THIS REPORT

The National Sea Rescue Institute (NSRI) is a registered non-profit organisation that is focused on saving lives in South Africa. Our integrated annual report covers all the operations of the NSRI for the period from 1 January 2016 to 31 December 2016. Previous integrated annual reports are available on our website [www.nsri.org.za](http://www.nsri.org.za). There has been no change in the scope and boundary of this report, nor in the size, structure or ownership of the NSRI during the current reporting period.

Our integrated annual report is a sincere attempt to report and communicate activities for the year to our members and stakeholders. The report aims to provide a balanced, accurate and most of all, accessible assessment of our

strategy and operations. Materiality is core to how we choose the information for this report and it is as much informed by inputs from our donors and volunteers, as by our Board and management. 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, and above all, our vision to save lives and the values we live by. Stakeholders who would like to know more are also invited to contact the NSRI directly or visit our website for further details.

We have used the reporting principles and guidelines provided by the International Financial Reporting Standards (IFRS), the King Report

on Governance for South Africa 2009 (King III), the Global Reporting Initiative and the International Integrated Reporting Council's (IIRC) International <IR> Framework, to prepare this report. Our financial information has been audited by our independent auditors, Cecil Kilpin & Co.

The NSRI Board and its subcommittees have reviewed this report and have satisfied themselves of the materiality, accuracy and balance of the disclosures.

For any enquiries or further information, please contact Meriel Bartlett, executive director: Fundraising and Marketing, Tel: +27 21 434 4011.

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This is our journey.  
Please share it with us!

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## USABILITY FEATURES



This icon signifies that related information is available elsewhere in the report.



This icon signifies that related information is available online at: [www.nsri.org.za](http://www.nsri.org.za)

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# ORGANISATIONAL OVERVIEW

*The success of our organisation is largely determined by the generous financial support of sponsors and donors – community members with a conscience.*

## WHO WE ARE

The National Sea Rescue Institute (NSRI) is a charity staffed by almost 1 000 volunteers who respond 24/7/365 to save lives on South African waters. Our goal is to prevent drowning: be it reactive, by rescuing any person or animal in need, or proactive through advocacy and teaching water safety wherever we go.

Our rescue crew members are all unpaid volunteers and we do not charge for rescue services. Through our WaterWise programme we educate children in water safety awareness, self-rescue, resuscitation (CPR) and emergency services activation.

The success of our organisation is largely determined by the generous financial support of sponsors and donors – community members with a conscience. Most of our donors are private individuals who make an average donation of R50 a month.

## THE VALUES WE LIVE BY

### ALTRUISM

We love the sea and combine this love with our commitment to helping others

### CARING

We care about people. The medical care that we provide extends this value to the people we rescue

### ACCOUNTABILITY

We are accountable to the people whom we serve, for the service that we deliver and to each other for support

### FAMILY

We have strong family values as individuals, as stations and as an organisation

### PRIDE

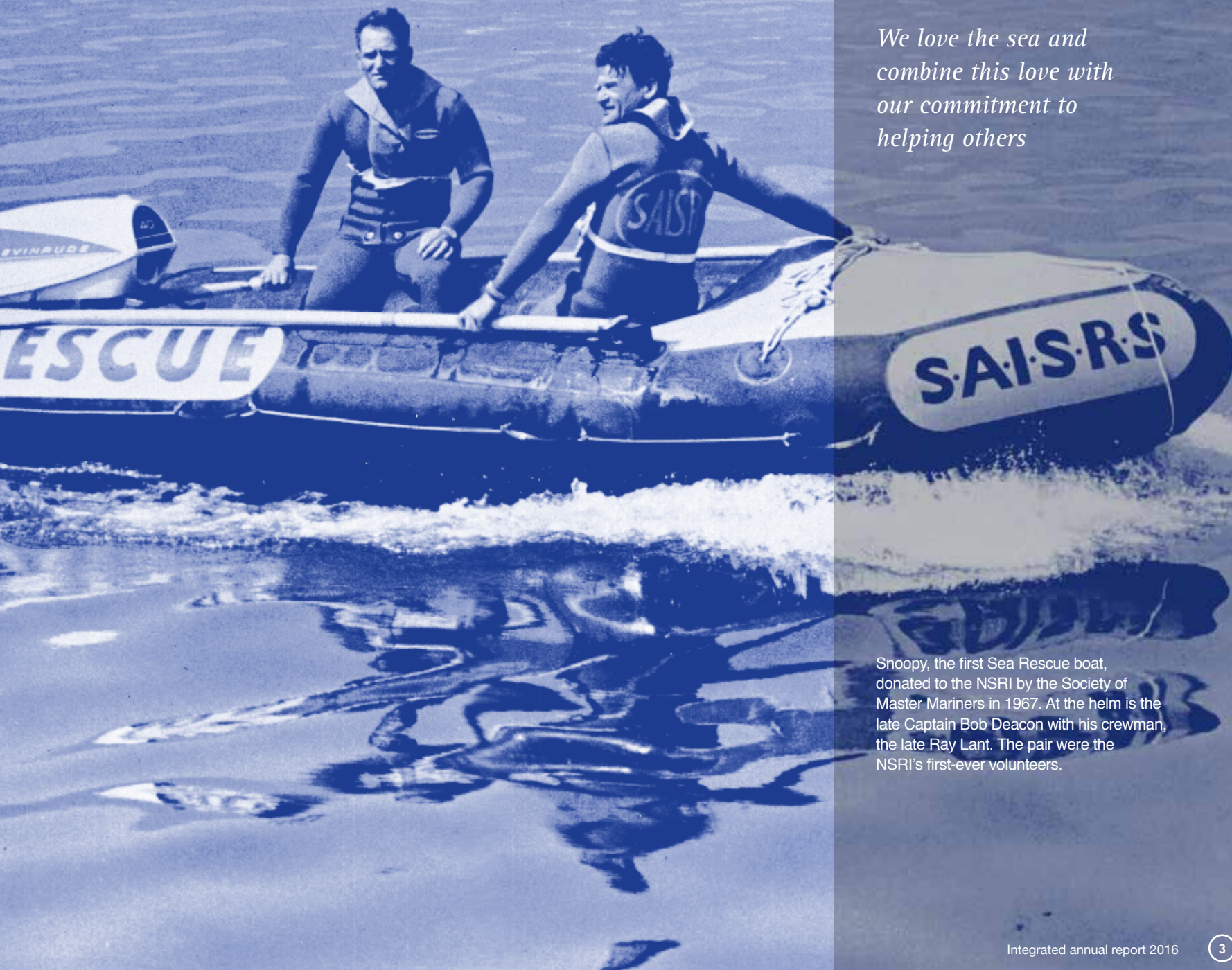
We are a proud organisation. Proud of the service we deliver, proud of each other and proud to be South African

### SAFETY

We value the safety of our crews

## VALUE #1 ALTRUISM

*We love the sea and  
combine this love with  
our commitment to  
helping others*



Snoopy, the first Sea Rescue boat, donated to the NSRI by the Society of Master Mariners in 1967. At the helm is the late Captain Bob Deacon with his crewman, the late Ray Lant. The pair were the NSRI's first-ever volunteers.

# OUR PURPOSE – SAVING LIVES

*Our volunteers do the work they do because they are inspired by you!*

## RESCUE

Every day and on some nights, Sea Rescue volunteers set aside their professional or personal lives to selflessly respond to the call to rescue people or animals they have never met and who may never know them. Collectively they directly prevented 1 306 fatal drownings this year, an extraordinary achievement reflecting an unwavering commitment to South African society. It is estimated that 2 000 people drown annually in South Africa.

While our rescue efforts are often conducted under challenging weather conditions and perilous seas, our volunteers always act in emergency

time frames on informed decisions, supported by competent leadership, rigorous training, solid equipment and continuous communication from attentive shore control colleagues.

Our volunteers conduct themselves with passion, enthusiasm, confidence and a deep sense of humanity compelled by the ocean at its worst.



More information on our rescues can be found in the People we rescue section on pages 41 to 43 and on our website, [www.nsri.org.za](http://www.nsri.org.za)



**852**

RESCUES OPERATIONS



**1 306**

PERSONS RESCUED



**47**

ANIMALS RESCUED

**2016 OPERATIONS**



## DROWNING PREVENTION

Our drowning prevention activities take two forms:

- rescue services and
- education and advocacy.

Our volunteer Sea Rescue crews often put their lives at risk to save the lives of others. Frequently under challenging weather conditions they go to sea, to assist people, and sometimes animals, in need.

Education initiatives are conducted through our WaterWise Academy. Our instructors, all proactive educational specialists, prevent drowning tragedies through teaching children basic water safety awareness. The interactive course, which is conducted within a single school period, covers subjects including: avoiding danger in or near water, what to do in an emergency, who to call for help (including promoting the emergency number 10177), how to rescue a peer, as well as hands-on CPR. The course is taught in schools, at no charge.

According to the World Health Organization's Global report, drowning is one of the 10 leading causes of death for people aged between one and 24 years.

The NSRI's high level strategy is to collate accurate data on who is drowning where and why and to target the issues on multiple levels. During the year, we appointed Andrew Ingram to focus specifically on drowning prevention and WaterWise education. He had several engagements with the Basic Education Department on the prospect of mainstreaming water safety education within the school system. We are hopeful that material will be presented as curricula evolve, particularly in the eLearning environment.

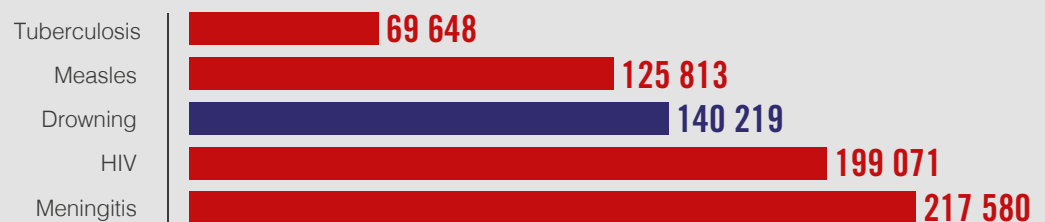
We have also expanded our own educator numbers to progressively reach more children – we are working with Lifesaving South Africa, Government departments including Agriculture and Sport and Recreation, organisations such as Scouting SA, as well as foundations such as the Princess of Monaco Foundation, to improve access to education on water safety. Local Government is a large stakeholder in this sphere and our 'pool noodle' marketing campaign at the end of 2016 made good strides in raising awareness on the coast and inland waters. Disaster Management was involved in distributing pool noodles at municipal swimming pools.

In 2017 we will incorporate 'Yazi Ngamanzi' (Know about water) into our branding of WaterWise, to appeal to a greater range of African language speakers.

The Academy's dedicated group of 11 instructors has once again broken the previous year's record for the number of children educated: in 2016 they taught an extraordinary total of 323 130 children. Since the inception of the project in 2006, we have trained a total of 1 231 765 children about water safety and basic CPR.

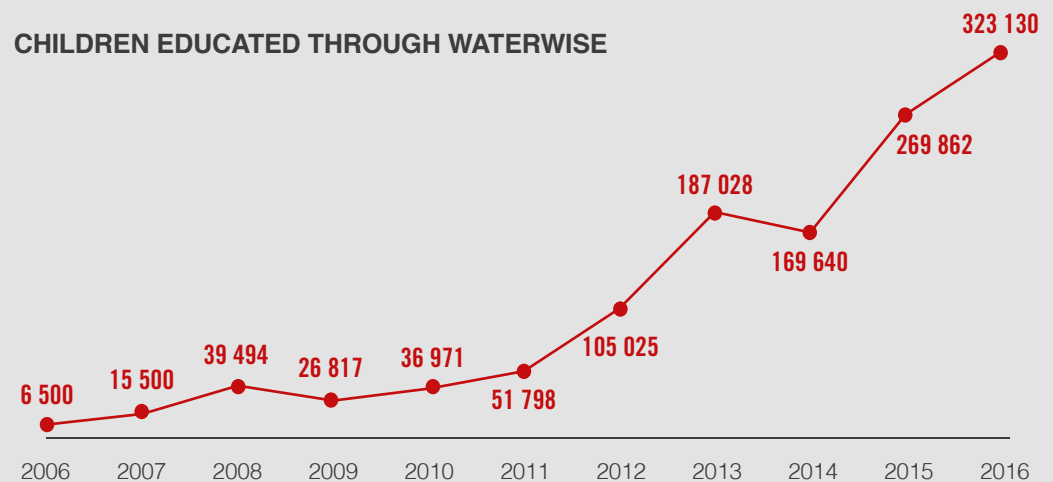
## A LEADING KILLER OF CHILDREN

Number of deaths for children under 15 years



Source: The World Health Organization Global Report on Drowning

## CHILDREN EDUCATED THROUGH WATERWISE





**ABOVE:**

Through our WaterWise programme we educate children in water safety awareness, peer-rescue, basic bystander CPR and emergency service activation.



## SUSTAINABLE FUNDING

We depend on the goodwill and support of more than 82 000 individuals and organisations to provide the financial capital required to fund our vast organisation and the crucial work we do in saving lives. Without their generous pledges our efforts to rescue and educate would be significantly constrained.

Funds raised across such a wide array of donors and a variety of sources, reduces our dependency on a narrow base, as well as the risk of being unable to raise sufficient funds to support the NSRI's operations.

Fundraising at the NSRI comprises two elements:

- **outsourced** fundraising, conducted through a call centre which has a strong annuity debit order component and a competition (unique in South Africa), in which donors can win two vehicles; and
- an **internal** fundraising component that focuses on members, corporates, trusts, bequests and Government.

The proportion of nett revenue which is generated through outsourced fundraising and internal fundraising is 56% and 44% respectively.

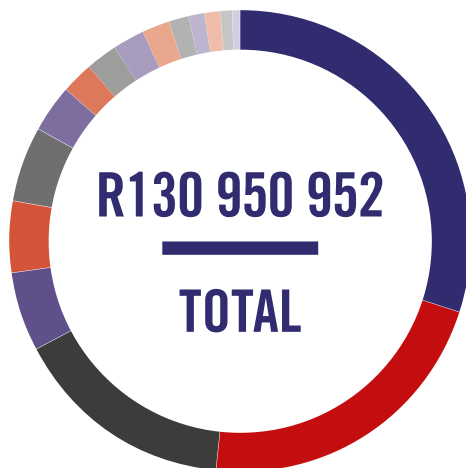
We indicated in our previous annual report that we need to boost revenues and diversify our income

streams further, to support the growing need for the services we offer. In this regard, the NSRI has contracted a service provider to establish retail outlets countrywide to sell NSRI-branded products. At the end of 2016, the Cape Town Waterfront store opened, with two further outlets planned for 2017. The range of merchandise will continue to evolve as the stores are rolled out, affording NSRI supporters greater choice. Plans are also in place to introduce online sales which will provide access to international clients.

An additional fundraiser will be appointed in 2017 to increase capacity to expand our international fundraising initiative. We successfully implemented the GIVENGAIN platform in 2016 to raise funds in the United Kingdom.

## IN 2016, WE RAISED R131 MILLION FROM A RANGE OF SOURCES

### SOURCES OF FUNDING



**R39 288 329**

Debit Orders

**R28 448 834**

Face-2-Face Promotions

**R20 416 304**

Mitsubishi Car Promotion

**R9 531 137**

Grants

**R7 276 160**

Legacies

**R6 761 582**

Trusts

**R4 284 300**

Companies (excl. membership)

**R3 185 990**

Individual (excl. direct mail)

**R2 899 972**

Sale of Assets

**R2 380 447**

Investment Income

**R1 781 911**

Events

**R1 640 300**

Direct Mail

**R1 372 540**

Members Contributions

**R1 025 750**

Shipping Levies

**R657 396**

Sundry Income

## OUR PROUD HISTORY: 1967 – 2017

In 1966 at Stilbaai on the East coast, 17 fishermen drowned after three local fishing boats sank in a treacherous storm. Of the four boats at sea that day only one returned. Skipper Gerhard Dreyer, now in his late eighties, recalls how the men on board threw everything, including the fish that they had caught, off the 'skuit' to make it as light as they could. He then turned the bow into the storm and headed back out to sea to search for survivors. After an unsuccessful mission, and as the storm abated in the small hours of the morning, oom Gerhard, as he is affectionately known, turned back to shore. Amongst the wreckage of the other boats he found a lone survivor, fisherman John Aries, clinging to a life ring, and speechless with shock.

Following this tragic incident, Miss Pattie Price (whose own life had been saved by a Royal National Lifeboat Institution (RNLI) lifeboat in the English Channel) began a concerted letter-writing campaign to motivate for the formation of a sea rescue organisation in South Africa. Captain Bob Deacon and Ray Lant were the first volunteers to respond to this call and in 1967 the South African Inshore Rescue Service (SAISRS) was founded; its first rescue craft – a 4.7 metre inflatable boat named *Snoopy* – was donated by the Society of Master Mariners. Not long afterwards, the SAISRS was renamed the National Sea Rescue Institute (NSRI) and today, fifty years later, this South African institution continues to uphold the proud tradition of volunteering, started in 1967.

From that first inflatable boat, manned by two volunteers, the organisation has grown to almost 1 000 highly trained volunteers at 31 bases around the South African coast and four inland dams. At an annual cost of R100 million (including capital expenditure), largely funded by generous community support and corporate sponsors, the NSRI operates 85 rescue craft, 28 rescue vehicles, 16 quad bikes and 11 tractors.

Complementing its maritime rescue services, the NSRI launched a proactive educational and advocacy initiative, the WaterWise Academy, in 2006. This Academy's mandate is the prevention of child drowning and development of awareness strategies, and targets youth in disadvantaged communities, as far afield as Soweto in Gauteng, to Ceres and Nyanga in the Western Cape.

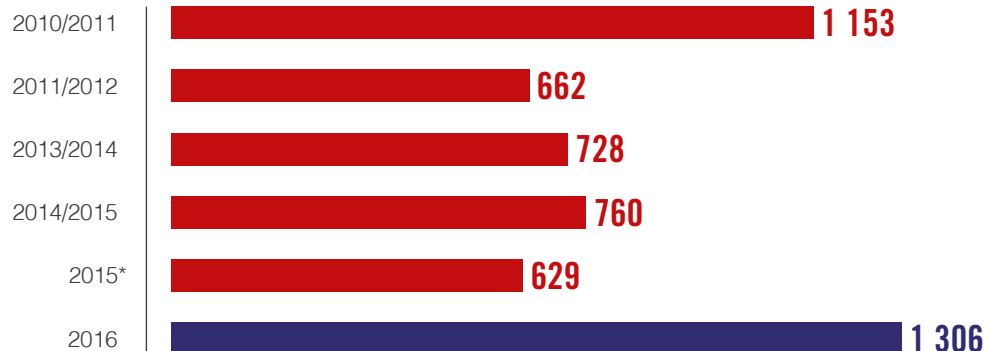
Celebrating its milestone half-century anniversary in 2017, the NSRI has provided Maritime Rescue Services to the South African public for 50 years – saving in excess of 50 000 lives – and positively impacting on millions of people, both directly and indirectly.



### ON THE LEFT:

Captain John Payne (President of the society of Master Mariners of South Africa) and Patti Price receive certificates of recognition from the then-State President Jim Fouché, and Pat O'Sullivan, First Chairman of the NSRI, on the far right. Master Mariner, Captain Bill Damerell and his wife on the far left.

### PERSONS RESCUED



\* 9 months

## TIMELINE

# 1966

- Tragedy at Stilbaai, 17 fishermen drowned after three local fishing boats sank in a heavy storm

### AUGUST

- Patti Price wrote to the press and president of Society of Master Mariners of SA, John Payne to fund a rescue service

### LATE 1966

- The South African Inshore Sea Rescue Service was launched in late 1966 as a result of Ms Price's action
- PJ O'Sullivan was elected as Chairman and remained in the chair for 20 years
- First rescue boat, a 4.7 metre inflatable arrived from England, donated by the Society of Master Mariners



# 1967

### 14 JANUARY

- First rescue – missing person, later found safely ashore

### 29 MARCH

- Second rescue, a boat caught fire and 6 lives were saved – a spectacular start to our service record

# 1991



### 1 JANUARY

- Fundraising drive with Radio 5 pledge week raises over R1 million

### 4 AUGUST

- The cruise liner *Oceanos* sank on the Wild Coast of Transkei (Eastern Cape) and NSRI volunteers were instrumental in the rescue of the 571 passengers

# 1997



- Launch of the "Win two cars" fundraising promotion

# 2001



- Launch of debit order fundraising promotion
- NSRI is registered as an NPO

# 2010



- Launch of Face2Face promotions team in shopping centres

# 2012



### 12 AUGUST

- *Eihatsu Maru*, a 50 metre Japanese fishing trawler went aground at Clifton and was freed after 6 days. NSRI volunteers safely evacuated all 19 crew members

# 2013



### 7 AUGUST

- *Kiani Satu*, carrying 19 crew and 330 tons of heavy fuel oil was drifting in bad conditions between Knysna and Sedgefield – the crew was saved and boat finally towed out to sea after 10 days. More than 330 people involved in the rescue

## > 1974

### 12 JUNE

- Name changed from SAIRS to NSRI

### SEPTEMBER

- Bakoven became South Africa's first rescue base
- NSRI received its second boat, a 16 foot Munna named *Excalibur*

## > 1982

### 1 MARCH

- First edition of NSRI magazine published

## 2003



## 2006



## 2009



### FEBRUARY

- NSRI purchases three retired 10 metre Brede class rescue boats from RNLI to refurbish

### MARCH

- NSRI hosts International Maritime Rescue Foundation Conference in Cape Town

- WaterWise children's education programme launched

### 2 NOVEMBER

- *Acechador*, a 37 metre Spanish trawler in danger of sinking in Durban. Several boats came to the rescue and 54 helicopter hoists were performed, moving men between boats in very high seas. No lives were lost

## 2015

### MARCH

- One million children taught through the WaterWise Academy
- NSRI training centre 13 opened

*The purpose of life is not to be happy. It is to be useful, to be honourable, to be compassionate, to have it make some difference that you have lived and lived well."*

*– Ralph Waldo Emerson*

## OUR BUSINESS MODEL AND CAPITALS

### INPUTS



DONORS



VOLUNTEERS



TRAINING HOURS

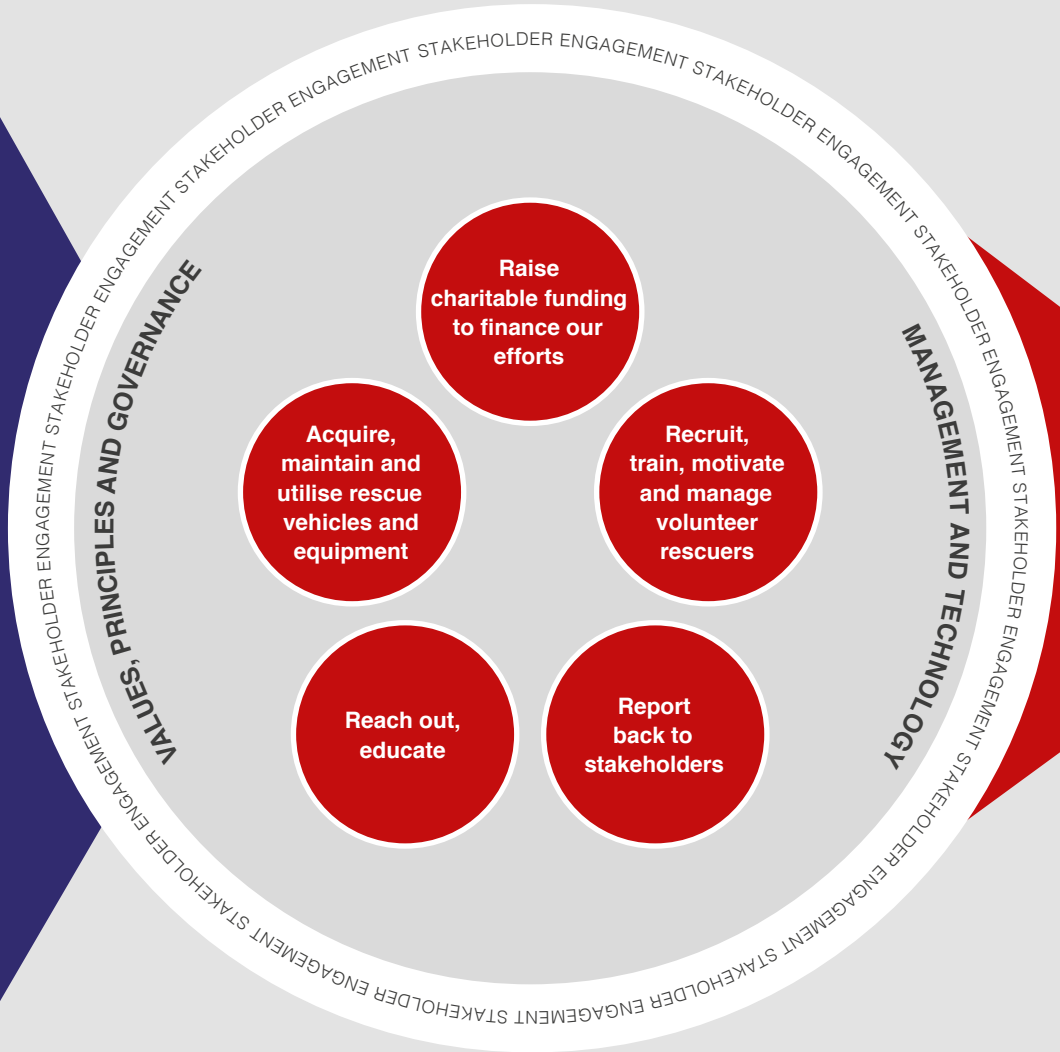


RESCUE HOURS



RESCUE CRAFT

### PROCESS



## OUTPUTS



CHILDREN TRAINED



RESCUE OPERATIONS



PEOPLE RESCUED



ANIMALS RESCUED

OUR IMPACT – SAVING LIVES

*Our business model is simple – we depend on the goodwill and support of more than 82 000 individuals and organisations to provide the financial capital to fuel the engine of our vast organisation and the crucial work we do.*

We rely on the passion and commitment of volunteers to provide the human capital for our rescue and education efforts. We have faith in the dedication and experience of our leaders to provide the intellectual capital to uphold our motto of safety above all – tirelessly training and retraining our rescuers and educators and maintaining our manufactured capital – our equipment and technology – in top condition, always ready to come to the rescue at a moment's notice.

We protect the societal capital and trust that has been placed in us – ensuring we spend the money we so generously receive prudently and frugally, while making sure that we never stint on

keeping our volunteers safe. We manage our day-to-day operations with utmost professionalism and ensure that robust structures are in place to provide independent oversight of our activities. We keep important conversations going: with our donors, our volunteers, our regulators and the communities we serve.

We provide our services where it matters – equitably, without fear or favour. Most importantly, we measure our success by the outcome of our efforts – the people and animals we save, the children we educate, the volunteers we train, the lives we change. Our impact is saving lives.

## OUR OPERATIONS

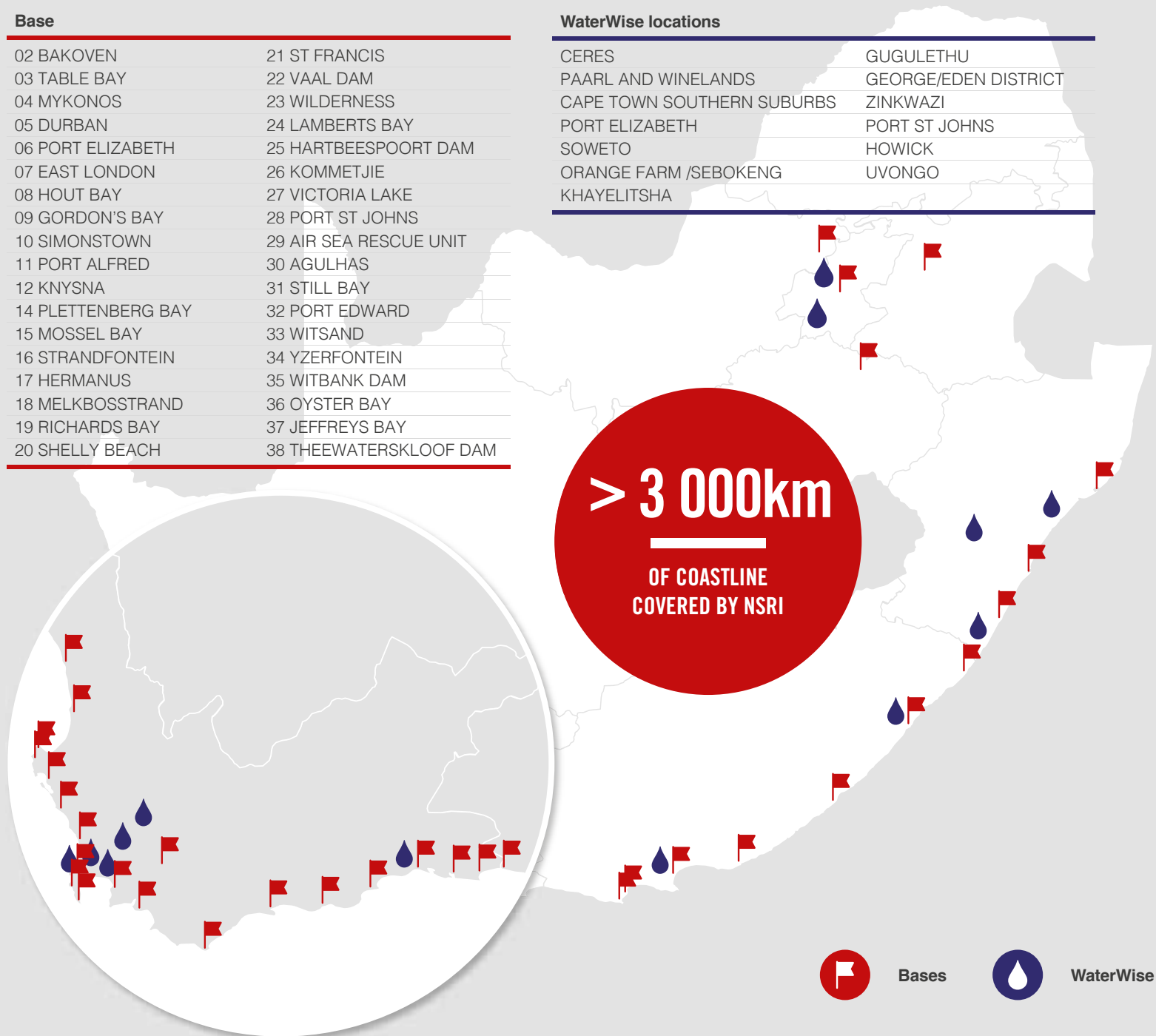
The National Sea Rescue service covers more than 3 000 kilometres of coastline from Port Nolloth to Kosi Bay (as well as some inland dams) through 36 stations.

### Base

02 BAKOVEN	21 ST FRANCIS
03 TABLE BAY	22 VAAL DAM
04 MYKONOS	23 WILDERNESS
05 DURBAN	24 LAMBERTS BAY
06 PORT ELIZABETH	25 HARTBEESPOORT DAM
07 EAST LONDON	26 KOMMETJIE
08 HOUT BAY	27 VICTORIA LAKE
09 GORDON'S BAY	28 PORT ST JOHNS
10 SIMONSTOWN	29 AIR SEA RESCUE UNIT
11 PORT ALFRED	30 AGULHAS
12 KNYSNA	31 STILL BAY
14 PLETTENBERG BAY	32 PORT EDWARD
15 MOSSEL BAY	33 WITSAND
16 STRANDFONTEIN	34 YZERFONTEIN
17 HERMANUS	35 WITBANK DAM
18 MELKBOSSTRAND	36 OYSTER BAY
19 RICHARDS BAY	37 JEFFREYS BAY
20 SHELLY BEACH	38 THEEWATERSKLOOF DAM

### WaterWise locations

CERES	GUGULETHU
PAARL AND WINELANDS	GEORGE/EDEN DISTRICT
CAPE TOWN SOUTHERN SUBURBS	ZINKWAZI
PORT ELIZABETH	PORT ST JOHNS
SOWETO	HOWICK
ORANGE FARM /SEBOKENG	UVONGO
KHAYELITSHA	



The NSRI's 2016 income was R131 million, raised through diverse fundraising activities. With those funds, the NSRI responded to 852 incidents and saved 1 306 lives in the process. The WaterWise Academy taught 323 130 children water safety, self-rescue, CPR and emergency service activation.



For more information about our fundraising activities, please refer to page 8.

The company maintains strong governance principles guided by the King III and implemented through a Board consisting of six independent non-executive directors, four executive directors and two appointed non-executive directors being representatives of Airports Company of South Africa (ACSA) and South African Maritime Safety Association (SAMSA) respectively, as well as a company secretary. All non-executive directors, as well as the company secretary, provide their services free of charge.

Both the internal and external audit functions are performed by independent service providers. The day-to-day management of the NSRI is executed by a CEO and three executive managers, each responsible for Operations, Fundraising and Marketing and Financial Management respectively. The Board approves the annual budget presented by management and provides the necessary authority for expenditure. Expenditure outside of the approved budget must be approved by the Board.



For more information about our expenditure, please refer to page 50.

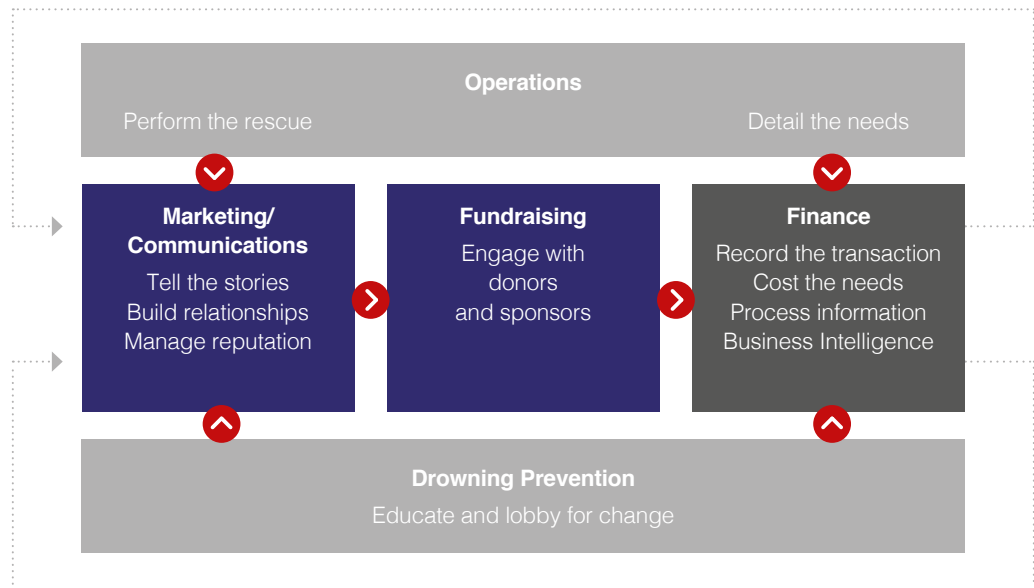


For more information about our Governance practices, please refer to page 55 and our website



[www.nsri.org.za](http://www.nsri.org.za)

## COMPANY STRUCTURE



The NSRI is a volunteer-driven organisation and governance and management structures are there principally to support the volunteers and the service they provide.

The NSRI's business model incorporates a professional management and fundraising component with 40 full and part time staff which constitutes only 4% of all the people involved in our efforts. The remainder is made up by our vast volunteer service component at the rescue stations.



For more information about our people, please refer to page 36 to 40.

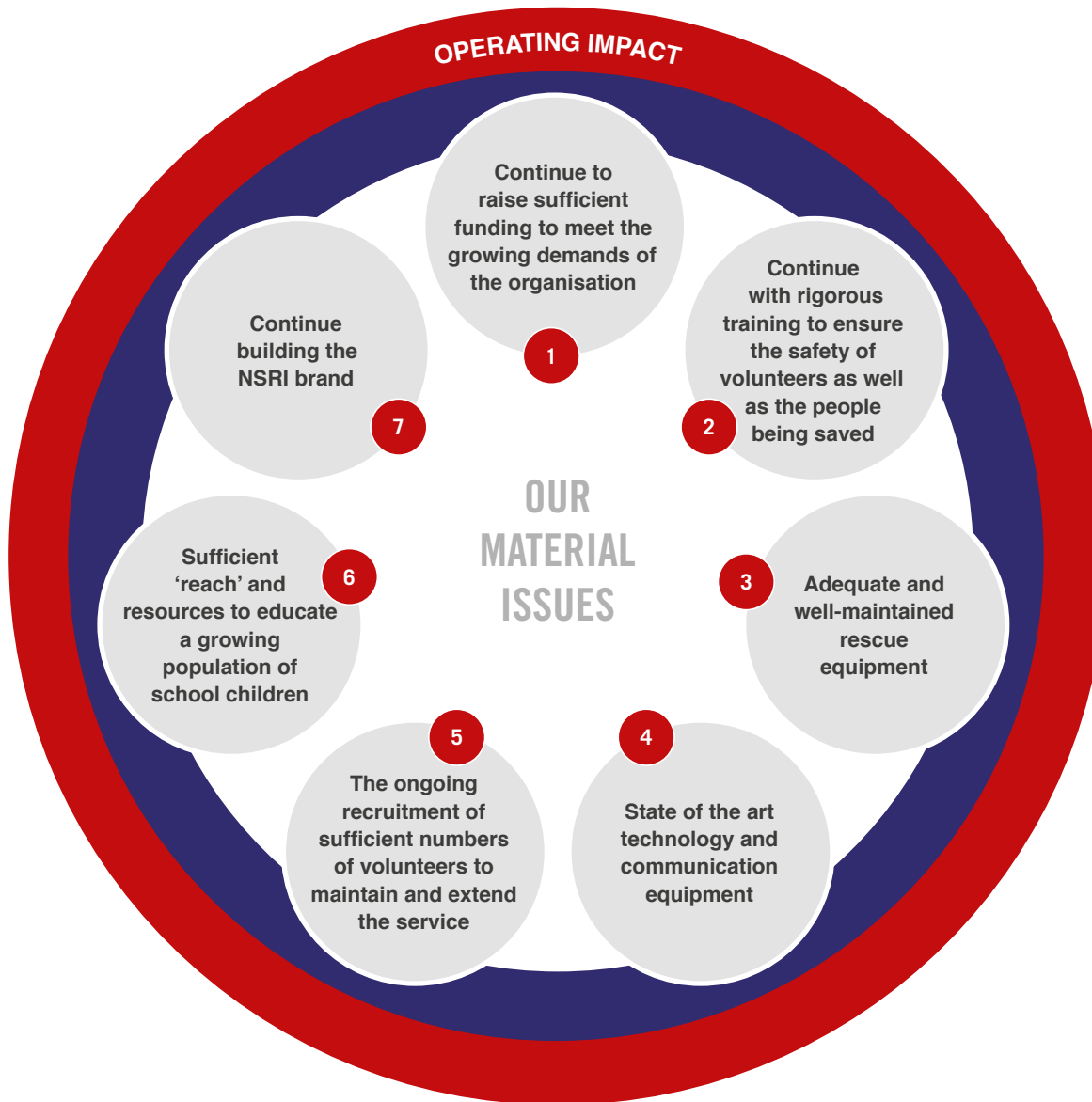
The volunteer service model is facilitated by a centralised emergency call function through the national emergency number 112 and a cellular phone application called SafeTrx which monitors a boat's journey and alerts emergency contacts nominated by the user should they fail to return to shore on time. This cascades calls to the

Maritime Rescue Coordinating Centre in Cape Town, which in turn, dispatches calls through to Station Commanders in the 36 stations. Direct calls to Station Commanders are however the most frequent route of emergency activation. Port Captains may also receive distress calls and activate stations.

Although the NSRI head office provides logistics and training support to stations, the management and operations of each station are conducted autonomously by Station Commanders who have delegated authority to make independent emergency decisions to ensure immediate response and action to save lives. Station Commanders also have the delegated authority to decide on crew safety and may elect not to respond if conditions are dangerous or will risk crew lives. Likewise, in a rescue vessel context, Vessel Commanders have the absolute decision-making discretion regarding the operations and safety of their crew and make operational decisions independent of any outside interference.

## OUR MATERIAL ISSUES

The operating context as well as our operational requirements are used in determining our material issues. These imperatives are well-defined, as they are essential to our continued ability to positively impact on the communities we serve:



For more information, refer to ...

1

Pages 30 to 34 for donor information and page 48 for income.

2

Page 18 for staff and volunteer development.

3

Pages 44 to 46 for rescue equipment.

4

Page 47 for technology.

5

Pages 36 to 40 for volunteer information.

6

Page 5 for drowning prevention.

7

Pages 26 to 28 for stakeholder information.

## VALUE #2 CARING

*We care about people.  
The medical care that we  
provide extends this value  
to the people we rescue*

Credit: Dr Berend Maarsingh

# HOW WE GO ABOUT OUR BUSINESS

## WE DELIVER A SERVICE <sup>1</sup> <sup>2</sup>

The distinction between a non-profit charitable organisation such as ours, versus a company that strives for profit, is that our bottom-line focus is **impact**, not financial return. We rely on donations of time (from our volunteers) and money (from our sponsors and donors) and these are offered, based on the success of our actions. There are many levels of service delivery in our operation: from the leadership at organisational and station level, to the behaviour and attitude of each volunteer, marketer or office bearer who interacts with a member of the public. From a fundraising phone call, or the interaction at the scene of a rescue operation, to the WaterWise Academy workshop – we are all public servants making a difference in diverse and immeasurable ways. The outcome of this incredible combined philanthropic effort has a tangible impact on the communities we serve.



For more information about our fundraising activities, please refer to page 8.

## WE MONITOR AND EVALUATE <sup>2</sup>

Each year our directors and operational members develop a detailed key objective and activity matrix to monitor, evaluate and report progress against our strategic initiatives. The matrix also informs performance monitoring and assessment which subsequently determines remuneration progression for our personnel. In 2016, the matrix included three Key Result Areas with 13 objectives and 126 activities. 75% of the activities were completed, 24% showed progress and only 1% were not initiated or made no progress.



For more information about our goals and objectives, please refer to pages 61 to 64.



## WE DO RESEARCH <sup>2</sup>

Research powers innovation, revolutionising the way we do what we do. NSRI encourages a culture of learning, seeking out new technology, new training methods or new developments in equipment that ensure that our volunteers return safely from sea.



For more information about our technology, please refer to page 47.

## WE DEVELOP OUR STAFF AND VOLUNTEERS <sup>2</sup>

We invest significant time, effort and resources in building a culture of continuous learning. Ensuring that our people, who comprise the core of our rescue bases, are trained and skilled is a critical component of our strategy in “Saving Lives, Changing Lives and Creating Futures”.

For volunteers, this includes developing the knowledge and skills through classroom-based and online theory training, together with practical scenario training sessions. Underpinning all our development efforts is the most effective learning mechanism of all – the power of mentoring and open dialogue – through building and maintaining trust, respect and constant gratitude. **5 692 hours were spent on training in 2016.**



For more information about our people, please refer to pages 36 to 40.

## WE INNOVATE <sup>1</sup> <sup>2</sup>

We are constantly alert and receptive to new and better ways of doing more with what we have – utilising our capabilities, resources and training, as well as our volunteers' time, to come up with solutions that make an impact: our WaterWise Academy; relationships with our donors and our partners in emergency services; and our recent Drowning Prevention campaign are prime examples of this. We have also embraced innovation internally: in governance (utilising BoardPads rather than printed reports), IT systems and donor relationships (CRM), call taking and dispatch (RapidDeploy), communication (Euphoria), rescue vessel tracking (Spot track, AIS, Smart find AIS MOB devices) and training (Maretek ENS simulator as well as incorporating High Angle and Swift Water techniques and equipment) into our volunteer skill set.

# THE ENVIRONMENT WE OPERATE IN

*While charitable giving is often a casualty of intensified constraints on discretionary spending, the NSRI is fortunate to report continued support from our donors.*

## ECONOMIC CONTEXT

Subdued economic conditions, reflected by weak GDP growth of 0.5% prevailed in the 2016 year, accompanied by record low levels of business and consumer confidence.

The impact of this downturn is particularly evident in small towns, which continue to experience a migration of inhabitants as their economies fail. Sustaining rescue services which are dependent on volunteer crew, is extremely difficult in these conditions, placing significant pressure on remaining crew members to deliver services and constantly replace and train new members.

Currency volatility is a feature of the local economy and in a weak Rand environment our ability to replace imported capital assets (including outboard motors and electronics) is severely constrained. While the option of manufacturing assets locally affords some savings, the 40% import-content component remains a financial challenge. Increased fuel costs are also a significant concern, but we are confident that with prudent expenditure control, currency and fuel price fluctuations can be managed within the given budget.

To continue to improve our ability to deliver maritime rescue services to a growing audience, greater efforts are being made to boost revenues and diversify our income streams.



Our new initiatives in this regard are discussed in the Sustainable funding section on page 8.

Based on consistent income streams, existing opportunities to increase revenue sources, prudent expenditure management and ensuring maximum return on investments, the organisation remains sustainable as a going concern over the mid to long term.

## GEOPOLITICAL CONTEXT

The Government's cross-sector Operation Phakisa programme is aimed at helping to implement the National Development Plan, with the ultimate goal of boosting economic growth and creating jobs. Amongst its focus areas is the Blue Economy and sustainability of our oceans. It is our expectation that, as focus on the Blue Economy intensifies and water-related activities expand, there will be increased demand for rescue services. Progress in respect of the

Blue Economy and Operation Phakisa is slow – however, the NSRI continues to engage in workshops around the country.

Ongoing discussions are also held with the marine industry associations and our many maritime industry donors, to ensure that maritime safety and drowning prevention remain on the agenda. We have a good relationship with the South African Maritime Safety Authority (SAMSA) and will continue to work with them to improve safety. NSRI CEO, Dr Cleeve Robertson, was recently appointed to the South African Search and Rescue Organisation (SASAR) executive committee and will therefore make direct contributions through that platform.

Plans for new proclaimed harbours are noted and the NSRI will participate in ensuring that services through those harbours are available.

Local Government presents an opportunity for partnership in respect of both preventative and reactive services and the challenge remains to get drowning on the agenda.

Contributions from state-owned entities and Government were consistent with the prior year. We anticipate additional funding from the National Lotteries Commission in 2017, which will further augment this stream.



For more information on Government and SOE's contributions, please refer to page 33.

## SOCIETAL DEMANDS

The NSRI recognises that our ability to positively impact on fatal drowning and injury from drowning depends on many external factors. More than 2 000 fatal drownings take place each year across 1.2 million square kilometres of South Africa and an even bigger ocean, making a prevention strategy difficult. Urbanisation is projected to increase to 50% by 2050, placing further pressure on beaches and the risk of drowning in the sea. Young black male adults comprise the majority of drowning victims and alcohol is a significant contributing factor in drowning. This finding is confirmed by the World Health Organization which has identified that over half of all drowning deaths occur among those aged under 25 and that males are twice as likely to drown as females. These factors and many others need to be considered in our efforts to provide a service to as many South Africans as possible.

South Africa's young population continues to grow robustly, particularly in less advantaged areas. According to the Medical Research Council, those most at risk of drowning are children from poor communities – predominantly in peri-urban and rural areas. Through our WaterWise Academy, the NSRI's stated goal is to teach all 15 million South African children under the age of 15 to be WaterWise. Thus our education and advocacy efforts take place not only along our coastlines, but also in inland areas such as Ceres, Soweto and Khayelitsha. Key to achieving this audacious goal will be to build on partnerships with Government, specifically the

Department of Basic Education, and other non-profit organisations and entities to work together to reduce fatal drowning on a local, provincial and national level.

## ENVIRONMENTAL CONSIDERATIONS

The NSRI as an organisation has a low environmental impact. The nature of what we do provides first-hand evidence of the impact of global warming in respect of flooding, unpredictable weather and sea patterns, marine pollution and rising sea levels in coastal towns. The latter will translate into direct costs for the NSRI, in terms of the investment required to protect base assets.

We are therefore attuned to do what we can to reduce our environmental impact and to join others in advocacy for conservation of our marine areas.

Our facilities and assets reflect the NSRI's culture of safety and the concern for the environment. Increasingly, our buildings are being 'greened' with clean energy, and rescue vessels are moving towards engineering with lower emissions. Our crew are mindful of the preservation of our scarce water resources in respect of the use of potable water as well as biodegradable cleaning materials. We are also making progress in our efforts to lower carbon emissions through alternative energy (solar, LED lighting) at stations.

## CONSUMPTION IN 2016

195 519 KWH  
ELECTRICITY



11 152 KL  
WATER



81 706 LITRES  
FUEL – PETROL



80 089 LITRES  
FUEL – DIESEL



339  
FLIGHTS



## VALUE #3 ACCOUNTABILITY

*We are accountable to  
the people whom we serve,  
for the service that we  
deliver and to each other  
for support*

Former NSRI Hermanus Station Commander, Henk Henn interviewed by Ronnie Morris of the Cape Times following a rescue while his son Dewan looks on. Both of Henk's sons, Dewan and Joshua, later both joined NSRI as sea going crew.

Credit: Independent Newspapers

# MESSAGE FROM OUR CHAIRMAN



*Every year we relate the stories of those who perish or survive the unpredictable moods of our waters with the deliberate intention of raising awareness through a very personal human context.*

Ronnie Stein  
Chairman

It is once again a huge privilege to report on the activities of the NSRI, and 2017 is a particularly significant year, marking the organisation's 50th year of service to the people of South Africa. Sea Rescue, as it is commonly known, is in fact a family of more than 82 000 individual donors, thousands of corporate sponsors, almost 1 000 dedicated volunteers and a small group of paid employees who each year rise to the enormous challenge of reducing drowning in South Africa.



For more information on our donors, please refer to pages 30 to 34.

Every year we relate the stories of those who perish or survive the unpredictable moods of our waters with the deliberate intention of raising awareness through a very personal human context. Lives matter in both a social and economic context and our vision of "Saving

Lives, Changing Lives, Creating Futures" talks to the core of our existence, which is to educate, advocate, prevent and rescue in the context of drowning, to preserve individual lives for the value they have to family and community.

Over 50 years, NSRI has saved more than 50 000 lives, prevented countless deaths and had an impact on millions of South Africans directly or indirectly. We recently published a collection of our rescues in book form called 'Into a Raging Sea', which provides some insight into how much a small group of steadfast committed volunteers can achieve. Who would have thought in 1967 that the South African Inshore Rescue Service (SAISRS) and subsequently the National Sea Rescue Institute (NSRI), would grow to become one of the largest Non-Profit Organisations in Africa and the go-to Maritime Rescue Service along the South African coastline.

It is perhaps surprising, that with a fatal drowning rate equivalent to most low income countries,

South Africa doesn't have a National Drowning Prevention Strategy. The NSRI along with its partners (Life Saving South Africa) can be commended for initiating such a strategy and for investing in education and awareness through the WaterWise programme which has educated over a million children in water safety awareness, self-rescue, CPR and emergency services activation. Who knows how many lives have been saved through this programme.



For more information on our WaterWise Academy, please refer to page 5.

The NSRI believes that education and water safety, as well as the manner in which we conduct our business and ourselves, is directly connected to making our country more resilient and prosperous for future generations.



# 324 436

## PEOPLE BENEFITED FROM OUR SERVICE IN 2016



# 323 130

## CHILDREN TRAINED



# 1 306

## RESCUED

The achievements of the rescue and preventative services over 50 years would not have been possible without good governance and competent administration and the efforts of volunteers and staff over this time are to be commended.

The NSRI strongly supports Government's National Development Plan and the Sustainable Development Goals and aligns itself with at least nine of the 17 goals in the case of the latter. These include:

- Goal 3 Good Health and Well-being
- Goal 4 Quality Education
- Goal 5 Gender Equality
- Goal 7 Affordable and clean energy
- Goal 10 Reduced inequalities
- Goal 11 Sustainable cities and communities
- Goal 13 Climate action
- Goal 14 Life below the water
- Goal 17 Partnerships for the goals

I am delighted to report that in the 2016 reporting year the NSRI has delivered the best financial results in 50 years, while delivery against service objectives continues to exceed expectation.

During the year under review, Mrs Nontsi Kunene Tshazi resigned from the Board. I would like to thank her for her contribution and wish her well for the future. Captain Karl Otto was appointed as a non-executive director. Captain Otto has extensive maritime experience and will add significant value to the NSRI.

### Our top strategic initiatives planned for 2017 are as follows:

- Employ additional fundraising capacity;
- Initiate new fundraising streams through international fundraising and recruitment of brand ambassadors;
- Implement a 50th anniversary celebration programme;
- Improve emergency access by:
  - improving the visibility of emergency numbers;
  - hosting an all hour/after-hours line;
  - training MRCC (Maritime Rescue Coordination Centre) and 112 call centre agents in respect of Sea Rescue call taking;
- Improve the Training and Junior Academy structure by recruiting a dedicated resource;
- Enhance public safety education and training through an eLearning public platform, with a potential revenue spin-off;
- Jointly investigate the implementation of a boat based Lifesaving Model through employment funded by local authorities;
- Persist with the WaterWise Academy programme and increase capacity through additional resources;
- Expand WaterWise Academy footprint through partner organisations;
- Continue to mainstream WaterWise education in the Basic Education Curriculum; and
- Initiate and drive a National Drowning Prevention Strategy.

As Chairman I am indebted to donors, volunteers and staff for the incredible achievements of the organisation and for each life saved. Thank you for your support!

**Ronnie Stein**

# REPORT FROM OUR CEO



*Our biggest investment operationally is in the training and development of volunteer rescuers, and feedback in this regard is very positive.*

**Dr Cleeve Robertson**  
Chief executive officer

While researching the formulation of a National Drowning Prevention Strategy for South Africa, I learned that 15% of fatal drowning accidents in the Western Cape happen in swimming pools; most of those fatalities are small children. So this year I installed a cover on my swimming pool because I cannot imagine the horror of losing my child!

The NSRI utilises benchmarks and target outcomes to measure our performance as an organisation. During 2016 we saved in excess of 1 300 lives, however between 1 and 19 December fatal drowning in pools, dams, rivers and the sea seemed to accelerate (in a period of only 18 days, 30 fatal drownings took place). So while we save so many lives in our rescue activities, we are perhaps less successful in preventing drowning.

In this regard, we have initiated the drafting of a National Drowning Prevention Strategy in partnership with Life Saving SA and the Western Cape Government, and our strategy of collaboration, partnerships and cooperation is ongoing. From the work we are doing in this area, it is clear that local Government must play a key role in injury and drowning prevention; it is also our conviction that once the framework is on the table, roles can be better defined and directed which will assist in advancing the progress of this initiative. Reliable data remains a cornerstone of any strategy and in light of this, we approached national Government departments in 2016 for a solution to improve access to critical information. Unfortunately our efforts were unsuccessful and our struggle for reliable data continues.

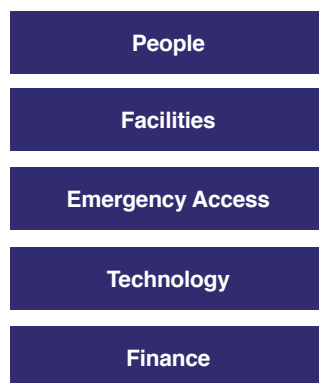
We set ourselves 126 activity targets to complete in 2016 in terms of our strategy. In only 1% of those no progress was achieved; 74% of the activities were completed and in 24% some progress was achieved. Notably, delivering on capital building projects is our greatest challenge, because of our dependence on Government agencies for various approvals.



Our goals and objectives are detailed in the goals and objectives section on pages 61 to 64.



For more information about our rescues, please refer to pages 41 to 43.

STRATEGIC  
PILLARSPRINCIPLES GUIDING  
THE STRATEGY

- Strong governance
- People-centred rescue
- Strong volunteer-based culture
- Advocacy and prevention focus
- Strong rescue station model
- Achieving diversity
- Cost efficiency and effectiveness
- Partnerships
- Environmentally sensitive operations
- Diverse funding base

On the administration front, we appointed an Information Technology (IT) expert whose responsibility it is to ensure our IT systems are current. A Customer Relations Management System was implemented, and accounting and payroll software was upgraded. Secure IT is critical to our business and we have made good progress in ensuring that we have control over the security of computers across the whole institute, including all rescue stations. Our progress in upgrading our Management Information System was slower than planned and will be a priority in the year ahead.



For more information about our technology systems, please refer to page 47.

Fundraising results breached all targets, both from call centre and fundraising efforts and it is clear that the addition of members to the fundraising teams is bearing fruit! Call centre revenue continued to grow at 16% per annum and contributions from Government, Trusts, Legacies and Corporates all increased, which in the current economy is inspiring. We exceeded most of our fundraising objectives for 2016, with the only disappointment being the slow growth of retail sales of our branded clothing and accessories. The fundraising team are to be commended on a job well done!



For more information about our funding raised, please refer to page 8.

Our biggest investment operationally was in the training and development of volunteer rescuers, and feedback in this regard is very positive. Despite being an entirely volunteer-based organisation we are a professional rescue service underpinned by high standards of training and proficiency.

We continue to strive to capture every emergency call and reduce response times through our various initiatives, SafeTrx, cooperation with 112 providers (ISOS, ER24 and EuropAssist) and more recently, a digital telephone switch at head office. Our research reveals that in after-hour emergencies, callers Google 'rescue services' and dial the first number that appears on the landing page; this directs them to our office number, which is now diverted to staff after hours, thereby contributing to our improved efficiency in this critical service.

Our capital replacement programme of vessels and vehicles continued and our fleet is in excellent condition. Small vessels are recycled into lifesaving services through our partners, which will serve to expand a boat-based lifesaving model along the coast. During the year under review, we placed an order for our first 14 metre Rescue Vessel from France, and subsequently issued a tender at the end of 2016 for a local builder to construct similar craft under licence in South Africa in future.



For more information about our rescue vessels, please refer to page 46.

Good governance is essential in this organisation. Independent internal and external audit functions continue to monitor our business processes, identify matters to be addressed and provide assurance to stakeholders that resources are utilised efficiently and effectively. In the rare instances where matters of concern were identified in the audit of stations, IT and income during the year, they were immediately reported to management for remediation and resolved appropriately.

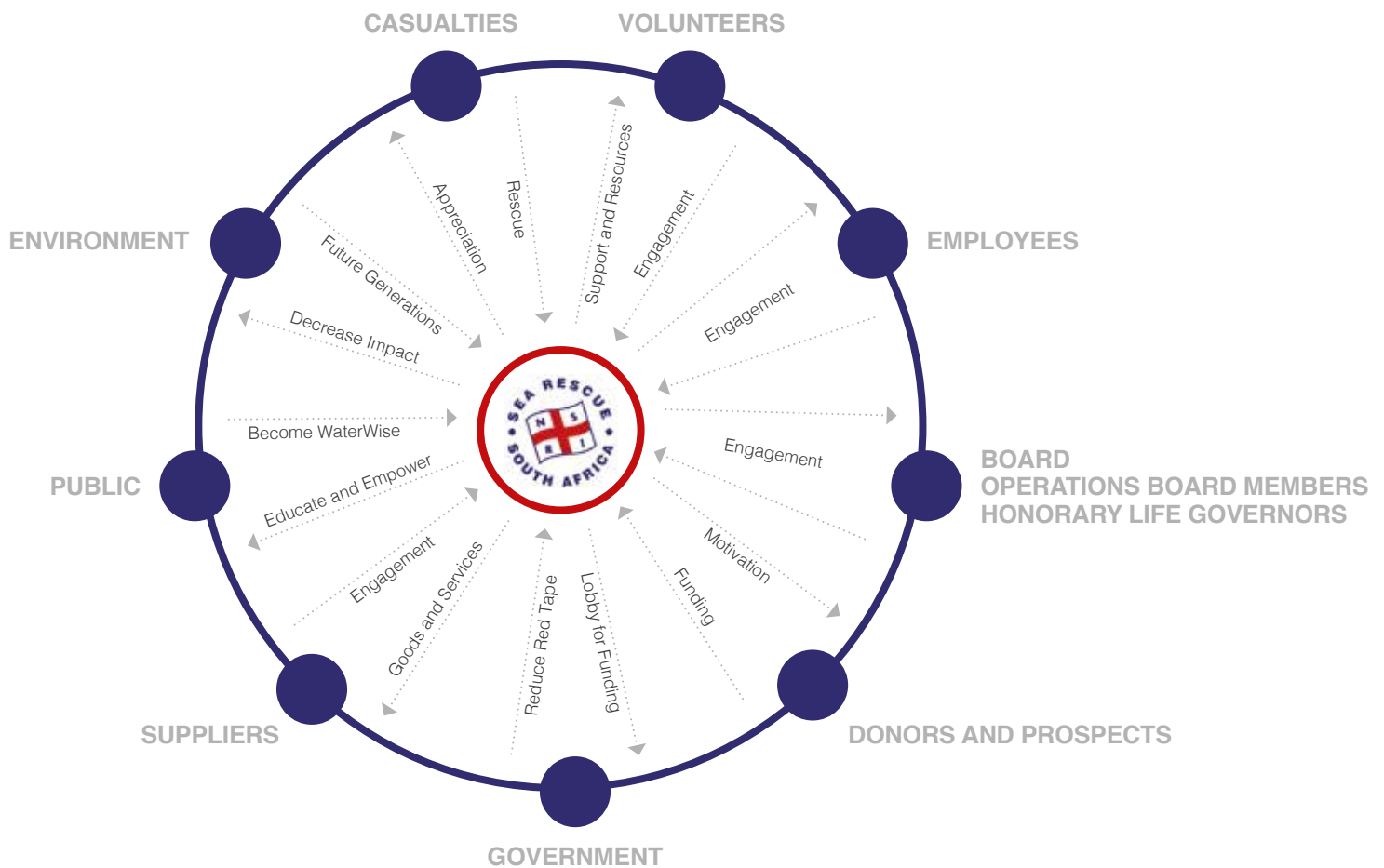
Every month I call donors to thank them for the selfless contributions they make, but I know that those people comprise only a small percentage of our donor base. As at 31 December 2016 we recorded more than 82 000 individual, as well as Corporate, Trust and other donors! The support we receive is truly inspiring to our staff and volunteers alike, and the people of South Africa owe you all a huge debt of gratitude for your generosity in sustaining an outstanding service.

**Dr Cleeve Robertson**

# ENGAGING OUR STAKEHOLDERS

## WHO OUR STAKEHOLDERS ARE

We pursue every opportunity to engage with our funders, our supporters, the media, our beneficiaries, our rescue crew, our staff, our suppliers, our sister organisations around the world and our partners in emergency services.



*We care for our animals. We provide key resources for the Whale Disentanglement Unit and the Two Oceans Aquarium Turtle rescue project. We also assist the White Shark observation industry in the event of an emergency.*

## HOW WE ENGAGE

### Shipping, tourism and fishing industries

We engage with and deliver a critical service in support of the shipping, tourism and fishing industries, providing a unique safety net for the diverse range of people and assets deployed in the ocean economy. We provide key resources to the Department of Environmental Affairs and extending services in support of a vibrant whale watching and ecotourism industry.

### Recreational stakeholders

Our recreational stakeholder segment is very broad and widely distributed and we actively and effectively engage with representatives from the sailing, paddling, diving, kiting and fishing sectors, to the extent that some of our most loyal donors originate from those sectors. The SafeTrx application deployed by the NSRI within these sectors, at no cost to the user, is an expression of our commitment to the recreational community and its safety. Feedback from users, donors and the occasional complainant provides a useful mirror to our operations and guides our engagement.

In some instances, in small coastal towns specifically, the NSRI provides, in addition to a sea rescue response service, the only immediate (nearby) emergency medical response on the landward side – serving as a useful first responder before professional Emergency Medical Services arrive. Regular engagement with other emergency services is conducted to ensure synchronous response.

Through our very active communications process we warn sea users of impending risks, for example, spring tides and rip currents, and provide active advocacy for drowning prevention across a range of media. Our communications officer continuously engages with the families of victims to support them in the anxious time around an incident. This assistance includes soliciting the support of embassy or consulate staff for foreign nationals when required, and appreciation is often expressed by such embassies for this essential service.

### Community engagement

- Life Boat Club

The Life Boat Club engagements are an ongoing initiative to share current operational stories with retired members, affording them the opportunity to remain connected with the institute and experience the exhilarating and tense operational conditions the volunteers endure. Teas and lunches are enthusiastically attended and the talks by guest speakers are received with interest.

- Public education campaigns

Campaigns in 2016 focussed primarily on promoting the SafeTrx application, wearing life jackets and educational warnings about rip currents. We also ran a media campaign about the dangers of Chinese lanterns.

### Corporate stakeholders

Corporate members are annually acknowledged with certificates, letters of recognition and personal calls to express appreciation and encourage their donations. This year Platinum Partners received framed velum certificates to display in their meeting rooms. Across boardrooms and in corporate public spaces, NSRI certificates spanning successive years are often proudly displayed. Individual donors receive an annual acknowledgement of thanks and while some donors express the view that this gesture is unnecessary, we feel that expressing gratitude in some small way is important.

### Crew engagement

- Station visits, conferences and training

Operations managers regularly visit operational bases and engage with Station Commanders and crew to identify and resolve issues and implement best practice across the institute. Annual conferences provide further opportunity to share ideas and solutions and enhance the development of our volunteers. Crews participate enthusiastically in the broad range of training facilitated by eLearning and practical courses have been very well received. Furthermore, our CEO has an 'open door' policy for communication, either in office or by e-mail, phone message or Facebook.

- Surveys

Surveys of our crew are conducted annually and are regarded as useful tools to highlight issues or improvements that can be implemented. In 2017 we intend to survey our crew's personal social security plans, including medical aid, pension fund and income protector plans.

### Public and media

Our publications consist of media releases related to NSRI rescues and include photographs of the incidents; our Sea Rescue magazine which is published three times a year; and our integrated annual report. We utilise a range of social media platforms to engage; meet face to face at shows and in shopping malls; and converse one on one via our fundraising call centre. Our rescue crew attend local meetings, participate in planning sessions, attend local events and speak to local clubs, societies and schools. Listening is important to us, as much as we seek opportunities to openly share news, so too do we seek out opportunities to listen to all feedback – good and bad. Criticism is as important as compliments and we believe that through constructive input, we grow and improve.

- Sea Rescue magazine

Our Sea Rescue magazine is well loved by our 82 000 subscribers and features heroic stories of real-life rescues. The tales are written in such a way that the reader feels as if they were on the rescue boat with the crew. It is an excellent vehicle for connecting our funders, our beneficiaries and our rescue crew – and readers' letter submissions often run to multiple pages. Published three times a year, we have twice won the coveted international PICA Award for publishing excellence. Our publishing house, The Publishing Partnership, provides a full editorial staff, layout and design team and coordinates the publishing, printing and postage – all at no charge in lieu of their charitable contribution.






### Social media

Social media reinforces the way that we do business, enabling us to interact in time frames appropriate to an emergency service and, as with our rescue crew, we now have a team available day and night to share news, to answer questions and to engage in discussions. Strong views are sometimes shared and we choose not to over-moderate unless contributors risk exposing patient confidentiality or engage in hate speech. Social media also provides a wonderful platform to share special moments and touching images. We are active on our website, Facebook, Twitter, YouTube and Instagram. In the statistics below, it is interesting to note the immense growth of followers on Facebook and Twitter over the last year.

### Marine creatures

The only group we have difficulty engaging with outside of the actual rescues are the whales, dolphins, turtles and other marine animals that we support. Plastic and sewage pollution are issues that we passionately campaign against in support of our marine friends. We wish they could talk!

## SOCIAL MEDIA INTERACTION TRENDS

			2013–2014	2014–2015	2015	2016
	<b>Website</b>	Page views – monthly average	–	36 864	31 702	30 283
		Minutes per visit	–	02:29	02:19	01:37
	<b>Facebook</b>	Likes	5 979	9 350	11 259	18 997
		Reach	–	16 526	30 399	65 004
	<b>Twitter</b>	Followers	1 786	4 225	5 302	6 038
	<b>YouTube</b>	Views	1 273	2 426	10 569	89 626
	<b>Instagram</b>	Followers	–	149	423	756

## CASE STUDY:

### CHILDREN SWEEPED OUT TO SEA

NSRI Mykonos duty crew were activated at 16h57 on Saturday, 3 September, following reports of a Kreefte Bakkie (small open crayfish boat) being swept out to sea at Laingville, St Helena Bay, with three children on board.

It was reported that a group of people were playing with an old unused boat (that normally lies on the beach) in the shallow water. Children were climbing into the boat and the boat was allowed to drift out to sea and then pulled back to shore using a rope by people on the shoreline.

It appears that the rope was let go at some point, causing three local children, an eight-year old boy, a 12-year-old boy and a 12-year-old girl, to be swept out to sea by wind and by rip currents.

A 40-year-old local man swam after them and climbed into the boat, to help paddle to shore, but the boat had a hole and was being swamped by water intake. With the wind and the rip currents, they were unable to paddle the boat to shore and were being swept out to sea.

Fearing that all four may drown, concerned bystanders, family and friends raised an urgent alarm and kept a vigil on the boat from the shoreline. They kept the responding sea rescue team updated on the casualty boat's position. The sea rescue craft *Gemini Rescuer II* was launched at St Helena Bay harbour.

The casualty boat was found 500m off Laingville and, with the boat semi submerged, all four persons were rescued and brought safely to shore. The casualties were extremely relieved and emotional from their ordeal. They were treated for shock and mild hypothermia on the scene and did not require hospitalisation.

One child was reunited with relieved family on the beach and the others taken into the care of the SA Police Services and reunited with family later. Pictures attached: The sea rescue craft arriving on the scene – photos taken by Cedric Brown, NSRI Mykonos.



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*Saving Lives, Changing Lives, Creating Futures*

# OUR DONORS

*We make it our duty to regularly communicate with our donors, to give them detailed information on our needs and feedback on how we have spent their contribution.*

Our donors are an integral part of our business and without them we could not save lives. The bulk of the donor base, are private individuals with an average donation of R50 a month. We make it our duty to regularly communicate with our donors, to give them detailed information on our needs and then feedback on how we have spent their contribution. We share details of our training

programmes, our rescue missions and our education programmes. We are committed to full accountability to our donors and to giving them every opportunity to scrutinise our books.

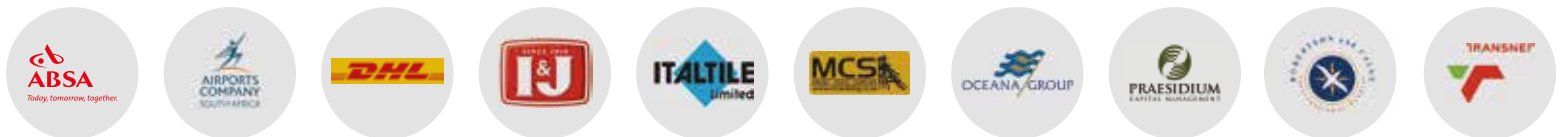
## **CORPORATE GIVING**

Over 2 000 companies actively support our work through their corporate social investment

funds, their marketing budget or through their Chairman's fund. We rely on these companies to help us fund our asset replacement programme. We are one of a few charities which have SARS 18A status, giving us the ability to offer both tax and BBBEE certificates to companies who make charitable contributions. The income from these companies totalled R4 284 300 in 2016.

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## **PLATINUM PARTNERS**



## PARTNERS

### PLATINUM SPONSORSHIP

contributed R935 010

Platinum partnership is an exclusive opportunity for a maximum of ten partners at any one time. It is viewed as a long-term partnership and brand investment. Our Platinum Partners recognise the need to invest in the management of our business and their contribution is set aside to fund operating overheads.

Our sponsors were Absa, Airports Company South Africa (ACSA), DHL Express (Pty) Ltd, I&J, Italtile Ltd, MCS Mining, Oceana Group Limited, Praesidium Capital Management (Pty) Ltd, Robertson and Caine and Transnet National Ports Authority.

### GOLD SPONSORSHIP

contributed R275 000

Anglo American Thermal Coal – New Vaal Colliery, Brand Engineering SA (Pty) Ltd, Cohesive Capital (Pty) Ltd, De Beers Marine (Pty) Ltd, Freddy Hirsch Group, King Solomon Foods (Pty) Ltd, Lusitania Marketing Services, MACS Maritime Carrier Shipping (Pty) Ltd, Mix Telematics International (Pty) Ltd, Numan Investments (Pty) Ltd, Peregrine Equities, Pioneer Fishing (Pty) Ltd, Premier Fishing SA (Pty) Ltd, Press Spinning & Stamping Co, Ruwekus Fishing, Smit Amandla Marine, Sterling Private Wealth, Store Maintenance and Installation Specialists (Pty) Ltd, Two Oceans Marine Manufacturing and Viking Fishing Company (Pty) Ltd.

### SILVER SPONSORSHIP

contributed R123 330

Admiral Powercats, Amoil (Pty) Ltd, Bagtech International cc, Boardman Bros (Pty) Ltd, Bureau Veritas, Calafrica (Pty) Ltd, Cape Concrete, Caylash Fishing cc, Checkpoint Development, Conrite Walls (Pty) Ltd, Denys Edwards, Digi-Litho, Fairhills Caravan Park, First National Battery, Insulpro, Jorika Fishing cc, Kelp Products (Pty) Ltd, Macsteel Service Centres SA (Pty) Ltd, Mainport Africa Shipping, Mainstream Refrigeration cc, Mufasa Fishing cc, NCP Alcohols, Odfjell Mazibuko SA (Pty) Ltd, Precast Cement Products, Rafiki Fishing Company (Pty) Ltd, Redheads Engineering Solutions (Pty) Ltd, SA Ocean Racing Trust, Serina Trading, South African Association for Marine Biological Research, South African Bulk Terminals (Pty) Ltd, Southern Power Products, Squid Packers (Pty) Ltd, Talking Buildings (Pty) Ltd, South African Jewish Maritime League, Trados Fishing Company (Pty) Ltd, Tresso Trading 282 (Pty) Ltd, Triangle Transmissions (Pty) Ltd and Umgibe Fishing Company (Pty) Ltd.

### BRONZE SPONSORSHIP

contributed R9 750

Checa Ceramics, Factoria Engineering Works, Humewood Hotel, Industrial Logistic Systems (Pty) Ltd, Meyers Motors, Ozone Marine Communications (Pty) Ltd, Panargo Shipping and Rieses Food Imports.

## CORPORATE GIVING

**R2 622 666**

2012/2013

**R3 961 721**

2013/2014

**R3 924 154**

2014/2015

**R2 705 822**

2015 (9 MONTHS)

**R4 284 300**

2016

## INDIVIDUAL GIVING

**R2 412 420**

2012/2013

**R3 778 461**

2013/2014

**R4 081 987**

2014/2015

**R2 187 560**

2015 (9 MONTHS)

**R3 185 990**

2016

## INDIVIDUAL GIVING

We have in excess of 82 000 donors, most of whom are private individuals who give on average R50 a month. This not only illustrates the power of the collective but also highlights that the NSRI is indeed one of South Africa's most loved charities.

Engaging with our donors is important to us and we use the channels of our Sea Rescue magazine, email campaigns, mainstream media, social media and social gatherings to keep our supporters informed about the rescue we respond to, our capital project, our finances and the challenges we face. It is humbling, in turn, to frequently receive hand written notes from our donors with kind words of encouragement or, at times, challenging and pertinent questions. Whether an individual has been personally rescued, is a keen water enthusiast or merely admires the brave men and women who volunteer, we are humbled by and indebted to the private individuals who keep us afloat.

## BEQUESTS

Our Life Boat Club for retired crew and retired supporters is a social club where we keep in touch through social gatherings and visits to the rescue bases for what we term a "tea and tour". Our meetings are held around the country and are well attended with interesting talks by guest speakers and the occasional festive sing-a-long.

Many of our members have chosen to leave a legacy in their will. If each of our thousands of donors felt moved to leave us R1 000 – we could secure a future funding stream for years to come.

In terms of bequests, donors are encouraged to identify a favourite base or a favourite project and to inform us of their legacy wishes, so that we can correctly allocate their gift. As a special service to these donors we also undertake the scattering of ashes from our rescue boats, we note the exact point on a chart, and present this to the family as a keepsake.

## BEQUESTS

**R2 618 961**

2012/2013

**R5 801 590**

2013/2014

**R4 692 830**

2014/2015

**R6 363 206**

2015 (9 MONTHS)

**R7 276 160**

2016

## GOVERNMENT AND STATE OWNED ENTERPRISES (SOEs)

Contributions from Government and State Owned Entities increased in 2016. The Department of Transport increased its contribution to sustain the NSRI as a strategic national rescue service. The Airports Company South Africa (ACSA) continues to support the NSRI as a contribution towards ensuring the maritime component of

mass rescue plans for the coastal airports. Transnet National Ports Authority (TNPA) increased its support for WaterWise education and prevented fatal drownings by growing water safety awareness and capacity in rural schools. The Provincial Government of the Western Cape made a significant donation to improving Swift Water Rescue capacity in the Western Cape and improving beach life saving capacity through the

provision of inshore rescue craft. Nelson Mandela Bay, Swartland, and Hibiscus municipalities were a few of the local Government entities that provided financial support to the NSRI.

Given what the NSRI does for drowning prevention, lifesaving, sea rescue and tourism, the contribution from local authorities shown below is an appropriate proportion of funding.

Division	Funds used for	Amount
Western Cape Department of Local Government Disaster Management	Vehicle for Mossel Bay	R422 000
	4.2m vessel for Yzerfontein	R195 000
	4.2m vessel for Mykonos	R195 000
	4.2m vessel for Wilderness	R195 000
Nelson Mandela Bay Municipality	New slipway for Port Elizabeth	R700 000
Transnet National Ports Authority	Fund six WaterWise Academy Instructors for two years	R2 708 622
Hibiscus Coast Municipality	Personal Protective Equipment for Shelly Beach	R3 800
	Personal Protective Equipment for Port Edward	R3 800
Swartland Municipality	Yzerfontein running costs	R60 000

## COLLECTION BOATS AND STREET COLLECTIONS

We have a whole fleet of boats moored at till points in shopping centres, pubs and cafés around the country. These little plastic collection boats bring in close to a quarter of a million Rand in small change.

We aim to frequently visit these outlets to engage with the shop owner, check that the boats have not been tampered with and to empty them. The money is then counted and banked, and a report is sent to the outlet to advise them of the amount raised for the period. This may seem a laborious task, but the money raised annually make a significant contribution, and our willing

team of volunteers perform this duty as a labour of love. Good governance is key, so despite being volunteers, each collector is reference checked before being issued with a key and ID card. They meticulously empty, count and record the takings.

*A total of R220 707 was raised by collection boats in 2016 and R252 634 by street collections.*

## MONEY RAISED THROUGH APPEAL LETTERS

# R443 068

SHARK BITE KIT

# R338 328

AUTOMATED EXTERNAL  
DEFIBRILLATORS

# R322 859

SWIFT WATER TRAINING  
AND EQUIPMENT

# R387 752

WHALE HUG FOR  
PERSONAL PROTECTIVE  
EQUIPMENT

## EVENTS

We raised R1 781 911 through special events held during the year. Among these events, wine auctions held in Cape Town raised R320 000, which was used towards acquiring a vehicle for the Gordon's Bay station, and R150 750 raised in auctions held in Johannesburg was used towards a boatshed at Hartbeespoort Dam.

## APPEAL LETTERS

Direct mail appeal letters give us an opportunity to fundraise for an immediate and specific need. We are proud to say that we write each letter in-house and use our own photographs. As with all our projects, we honour our donors' wishes and use their funds for the project of their choice.

## TESTIMONIAL

*On behalf of Fish Hoek Probus Club, I would like to thank Elaine Aquadro for the informative presentation on the NSRI at our recent lunch. Thank you for one of the most balanced presentations we have had. The mix of detail, activity and information on the multiple rescues you so ably described kept our members most enthralled. It was a real pleasure to host you, and we trust that you and the organisation you represent will continue the good work for many years to come.*

*Keith Hayward,  
Acting president: FHPC*

## CASE STUDY:

### FRENCH YACHT ASSISTED

On Saturday, 12 November, a French sailing yacht *Papa Djo*, with three French crew on-board sailing from Madagascar to Richards Bay, called for assistance. The yacht sustained structural damage (a broken stanchion – mast support) during strong winds.

NSRI Richards Bay duty crew had monitored their progress from around 10h00 the morning from their position 19 nautical miles off-shore of Sodwana Bay, where they first called for assistance but reporting to be making some headway towards Richards Bay. NSRI Richards Bay launched sea rescue craft *Spirit of Richards Bay* at 14h30 to meet up with them after communications with the yacht had been lost and a storm with heavy sea conditions was moving in.

The NSRI was assisted by MRCC (Maritime Rescue Coordination Centre), TNPA (Transnet National Ports Authority) and Telkom Maritime Radio Services (assisting with search patterns, sea drift patterns and communications). They met up with the yacht and towed them through heavy sea conditions, storms and strong gusting winds. The operation took all night because of the heavy weather.

The crew of *Papa Djo*, skipper Herve Boussard and crew Jacque Sarfaty and Marion Hoarau and the NSRI Richards Bay duty crew arrived, tired but safe, in the Richards Bay Port by 09:50 the following morning.

#### COXSWAIN: MIKE PATTERSON

#### TRAINEE COXSWAINS: RYAN CHASE (AT THE HELM) AND JACQUES KRUGER

##### Jacques takes up the story here

“We launched at 14h00 into a 30 knot North Easterly wind and a good 4m–5m sea with a full boat of crew.

“The run North was very eventful in that we were taking on growing seas, with a big frontal system and an electrical storm building up behind us.

“At around 7pm the weather caught up to us, accompanied with hail, a 40 knot buster and electrical strikes all around us, we ran into a very confused 6–8 metre sea. During the run up, we tried a number of times to make contact with the casualty vessel, via Sat Phone, VHF marine radio channel 16, as well as asking Durban Radio & MRCC to assist us in trying to contact the vessel, but all attempts failed.

“Telkom Maritime Radio Services then put out a VHF all ships radio alert ‘Securite’ to all ships to be on the lookout for the yacht, which resulted in a Russian vessel reporting a sighting of the casualty vessel, allowing NSRI to locate the vessel.

“We got alongside the vessel at 21h17, set up the tow and began the long tow home, now into a building South Westerly wind with big confused sea state, around 6 to 8 metres at times. We arrived back at the Port of Richards Bay at 09h15

and proceeded to shorten tow, rafted up and placed the vessel alongside at Tuzi Gazi just before 10h00. No further assistance was required.”



#### ABOVE:

Papa Djo safely in Port with NSRI Richards Bay.

# OUR PEOPLE

*People are our most important assets. Without their loyalty, dedication and commitment we will not be able to achieve our vision of “Saving Lives, Changing Lives and Creating Futures”.*

Our people comprise 22 full time employees, 18 part time staff and 979 crew members who are all passionate and enthusiastic unpaid volunteers.

## EXECUTIVES



0 Black | 4 White

## FULL TIME STAFF



8 Black | 14 White

## NON-EXECUTIVES



6 Black | 5 White

## PART TIME STAFF



11 Black | 7 White

## STATION LEADERSHIP

Our Station Commanders are similar to a branch manager in the business world. They are charged with responsibility for assets, maintenance, budgeting, financial control, human resource management, training and of course operations. They are also responsible for brand building and liaison in the community, managing the morale of the crew and the reputation of the organisation. Their role is no small task and particularly remarkable when one considers that it is performed without remuneration – by men and women who frequently also have both day jobs and families.

In order to make this possible, delegation to a management team is vital. While we pride ourselves on rapid response in a high risk environment, we balance that efficiency with sincere compassion for our casualties, their families, as well as our rescuers and their families. Sea Rescue crew and their leaders are a special kind of people. They are everyday people who have a heartfelt desire to serve. Aside from the sense of purpose and the words of gratitude, our leaders and rescuers most value the training and personal development that comes with the role; they feel empowered through the investment we make in a wide range of training courses and learning experiences in their Sea Rescue careers. It is reassuring to note our low attrition levels and we boast a solid record of long service. In fact, this year we celebrate a 50-year service award to Allan Cramb, who joined as a 16 year old youth and moved up the ranks of crew, coxswain, Station Commander, director and honorary life governor. He has served the organisation with distinction since its inception half a century ago. Congratulations Allan and thank you for your life-long contribution!

STATION COMMANDERS



DEPUTY COMMANDERS



COXSWAIN



TRAINEE COXSWAIN



CREW



TOTAL



**36**

STATION COMMANDERS

**38**

DEPUTY COMMANDERS

**169**

COXSWAIN

**89**

TRAINEE COXSWAIN

**647**

CREW



**ABOVE:**

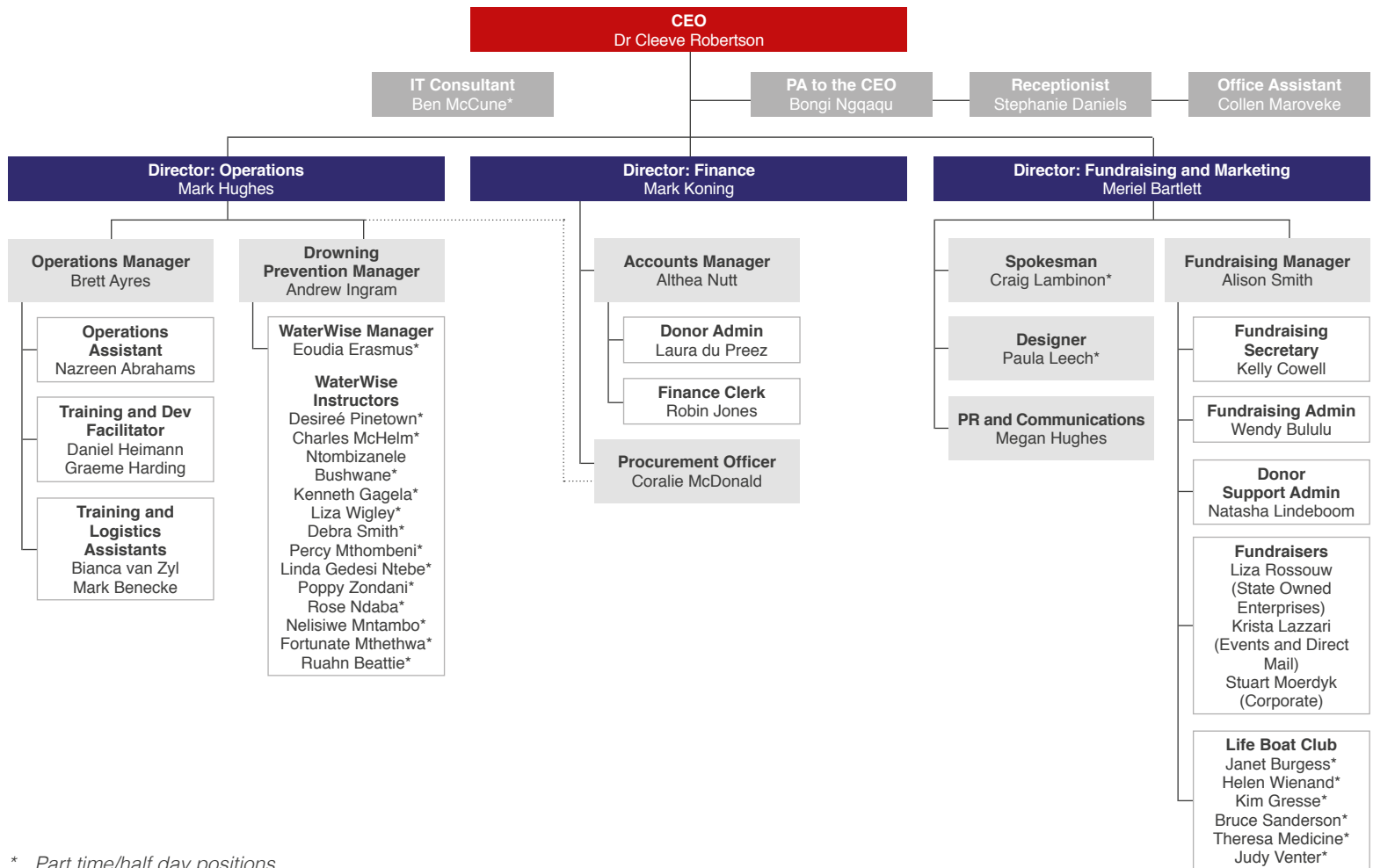
Allan Cramb receiving his 25 year service award from FW de Klerk at the 25 year anniversary dinner. In 2017 Allan will be presented with his 50 year service award – a first in our institute.

Credit: Independent Newspapers

## MANAGEMENT TEAM

Role	Name	NQF	Age	Service	Gender	Race
CEO	Dr Cleeve Robertson	10	57	3	Male	White
Director: Operations	Mark Hughes	6	57	5	Male	White
Director: Finance	Mark Koning	7	60	16	Male	White
Director: Fundraising and Marketing	Meriel Bartlett	7	47	12	Female	White
Marketing Manager	Andrew Ingram	6	51	6	Male	White
Operations Manager	Brett Ayres	8	34	2	Male	White
Finance Manager	Althea Nutt	6	41	2	Female	Black
Fundraising Manager	Alison Smith	4	51	6	Female	White

## 2017 SUPPORT TEAM



\* Part time/half day positions

## DIVERSITY

The NSRI recognises that the presence of a diverse range of experiences, perspectives, cultures, religions and languages balances the organisation, improving understanding, tolerance, communication, reasoning and empathy towards internal and external clients.

The NSRI acknowledges past inequity and seeks to ensure inclusivity, participation and contribution by all people and strives to be part of a non-racial, non-discriminatory society. Fair and transparent procedures are adopted in our recruitment, development and management of, and service to people.

We are committed to creating a people-friendly environment that is receptive to a diversity of views which results in robust debate.

The NSRI is an inclusive organisation that is 'owned' by its donors, volunteers, staff and the community.

We recognise that transformation is a journey and that time is a necessary dimension to facilitate change, but we are committed to a NSRI where there are no stereotypical views of others based on race, gender or disability.

## TESTIMONIAL

*Waar begin ek om my dank uit te spreek oor hoe ongelooflik julle vertoon het tydens die Curro-skooluitstappie? Ons as ouers, en ook die onderwysers, het duisend keer meer gerus gevoel oor julle teenwoordigheid. Die dag was 'n reusesukses en, al het daar slegs ongeveer 40 dapper kinders die koue water aangedurf, was dit lekker om te weet julle is daar. Dankie ook dat julle visueel vir ons kon wys julle is paraat met julle optrede in elke opsig!*

*Hou ons asseblief op hoogte – ons sal julle span graag wil ondersteun met ons donasies in die toekoms.*

*Liefdegroete  
Mariette Kirsten,  
Langebaan*



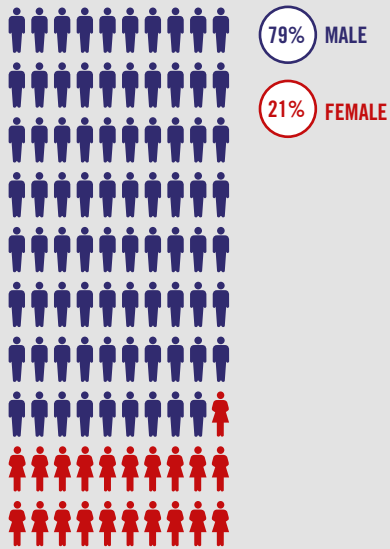
### ON THE LEFT:

Sea Rescue volunteers after capsizet training.

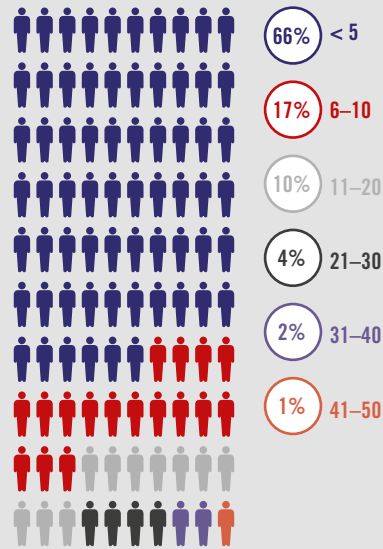
Credit: Chris Mc Carthy

# NSRI VOLUNTEERS

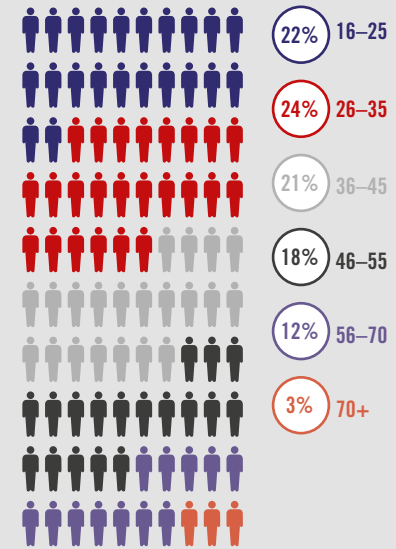
## GENDER



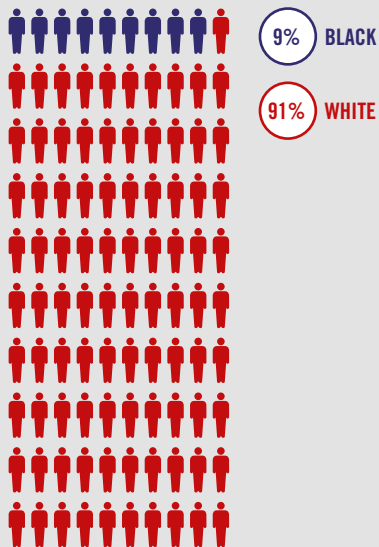
## SERVICE YEARS



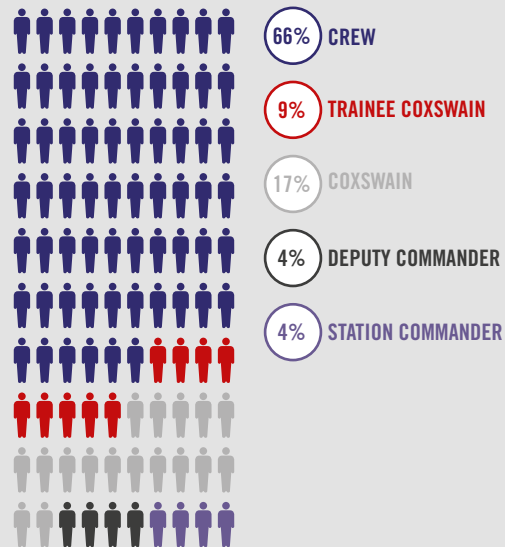
## AGE



## RACE



## POSITION



# THE PEOPLE WE RESCUE

*Our goal is to prevent drowning by rescuing any person or animal in need.*

At 07h13 on Monday, 19 December 2016, the NSRI Plettenberg Bay received a request for assistance from three paddlers, who reported that one of them had been bumped off his surf ski by a shark. The men were paddling behind the breaker line offshore of Keurbooms Lagoon, Plettenberg Bay.

The duty crew launched the Sea Rescue craft *Ray Farnham* and *Airlink Rescuer*, and also despatched a tender boat through the river mouth to assist. On arrival at the scene we found the three surf skis rafted together, with the three paddlers carefully paddling towards the shoreline; one of the craft was found to be damaged from a shark bite.

The three men and their surf skis were taken aboard the two sea rescue craft. The paddlers were brought to shore **without incident and uninjured**, requiring no further assistance.

Ben Swart, 55, from Pretoria, told the NSRI that he and his two friends, Nick Bester and Ronald Pronk, regular paddlers when on holiday in Plettenberg Bay, were paddling from Central Beach to Keurbooms about 400 metres offshore, when, without warning, he felt a hard bump from underneath his surf ski (behind the seat of the craft).

The shark, believed to be a White Shark, and estimated at about 4 metres in length, breached from underneath Ben's surf ski, and knocked the craft into the air taking a sizeable bite out of it. Ben, who had been thrown in the water, was able to swim back to his damaged surf ski, which was still reasonably buoyant, and lie down on the craft while his two friends rafted their surf skis alongside him. As the trio paddled cautiously towards the shore they managed to raise the alarm and request assistance from NSRI Plettenberg Bay.

Nick confirmed that he saw the shark in the water nearby about 30 seconds after the incident, but no further sightings were subsequently made.



**ABOVE:**

Plettenberg Bay-paddlers in a shark encounter

## TESTIMONIAL

*I just want to say thank you for what you did on 2 April 2016 when two of my crew members were evacuated from our vessel – one with dental problems and the second one with an open fracture. Thank you for your professionalism.*

*It's amazing to know there are people out there ready to risk their lives so that others may live.*

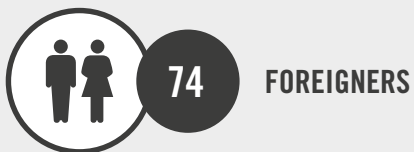
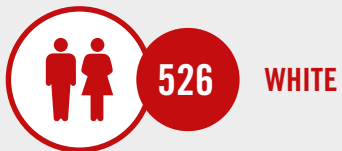
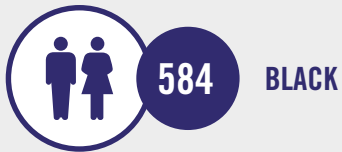
*Please give my regards to all involved during that day.*

*Captain Benjamin Name,  
MV TEMPANOS*

## WE RESCUED



## DEMOGRAPHIC BREAKDOWN OF RESCUED PERSONS



## RATIO OF HOURS



## BUSIEST RESCUE BASES\*

SIMONSTOWN	<b>75</b> OPERATIONS
STILL BAY	<b>73</b> OPERATIONS
KOMMETJIE	<b>45</b> OPERATIONS
MELKBOSSTRAND	<b>44</b> OPERATIONS
PORT ELIZABETH	<b>44</b> OPERATIONS
DURBAN	<b>41</b> OPERATIONS
PLETTENBERG BAY	<b>40</b> OPERATIONS
HERMANUS	<b>40</b> OPERATIONS
SHELLY BEACH	<b>33</b> OPERATIONS
MYKONOS	<b>32</b> OPERATIONS
PORT EDWARD	<b>31</b> OPERATIONS

\* Rescue operations often involve more than one rescue base so individual numbers might not add to the total

## IN THE PERIOD WE RESPONDED TO



## OF THOSE RESCUES

**139**  
DROWNING IN PROGRESS

**85**  
CAPSIZED BOATS

**26**  
ROAD ACCIDENTS

**17**  
LAND BASED FLOODS

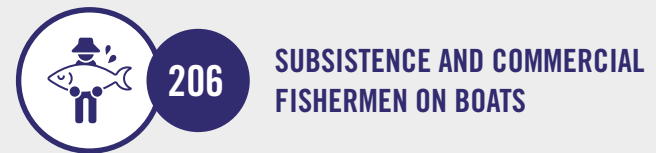
**12**  
ASSISTANCE AT LAND  
BASED FIRES

**8**  
SEARCH FOR MISSING  
PERSONS

**4**  
AIRCRAFT DITCHING/  
EMERGENCY LANDING

**4**  
SHARK INCIDENTS

## CASUALTY TYPE



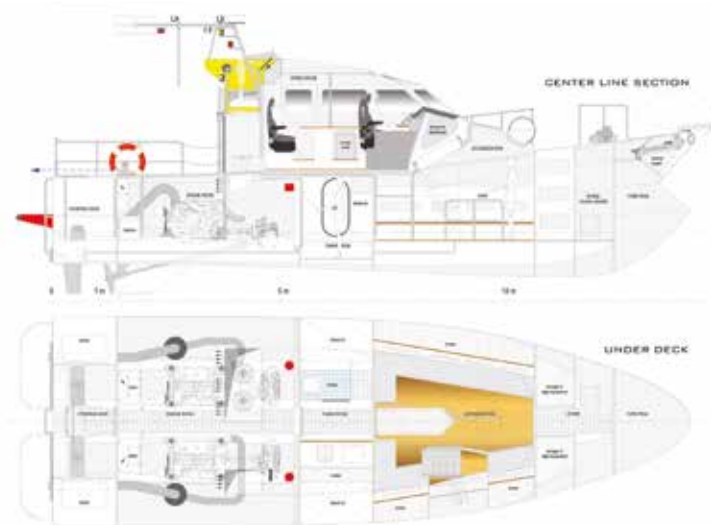
# OUR INFRASTRUCTURE

*The environment remains an important consideration in the design and deployment of assets and we continue to move to more energy efficient facilities and vessels.*

NSRI rescue stations serve not only as storage areas for assets, boats and equipment and a control station for operations, but they are also family spaces where we encourage the involvement of spouses and children outside of operations to ensure that volunteer time is sustained and that families are not denied time with their loved ones. We believe this is an important element of volunteer sustainability.

Our challenge in terms of infrastructure in the immediate future is to secure leases for stations in proclaimed harbours so that we can implement projects planned for Hout Bay, Simonstown, Gordon's Bay and Hermanus. We are actively engaging the assistance of the Department of Public Works to ensure these projects proceed as quickly as possible to reduce future costs.

We can report an exciting development on the technology front this year, with the order of a 14m ORC rescue vessel which will be built in France and deployed in Durban at the end of 2017. Successive boats will be locally built, of the same design and be rolled out over the next 20 years to complement an aging fleet of big boats. A partnership established with Radio Holland has ensured that we receive quality on-



**ILLUSTRATION:**

14 metre ORC rescue vessel which will be built in France and deployed in Durban at the end of 2017 .

board electronic communication and navigation systems to ensure the safety of both crew and victims. All our craft are tracked by satellite trackers, meaning that we know their exact location at any time.

The environment remains an important consideration in the design and deployment of assets and we continue to move to more energy efficient facilities and vessels. Two Stroke Outboard Motors will soon be decommissioned,

which will present a new challenge for our 4.2 metre inflatable range, but we are actively working to find an alternative power solution.

A small but interesting technological change has been the introduction of propeller guards for inshore outboards. The design is based on an Australian prototype and we have discovered that, instead of hindering performance, the guard operates as a foil and improves handling characteristics.

Our Rigid Inflatable boat (RIB) remains the envy of other services and in 2017 we will introduce the first Sealegs craft to the fleet, in an attempt to solve safety and launching challenges at slipways with no road access. Sealegs is a hydraulically self-propelled craft on water and can drive up onto land (beach, slipway). This innovation could provide a welcome solution to difficult access areas.

We look forward to the introduction of our first 10 metre RIB in 2017, which will be deployed at Mykonos on the West Coast. This huge RIB features remarkable seakeeping characteristics and speed, which will improve the responsiveness on the West Coast and provide great support in the West Coast National Park.



# 36

RESCUE BASES



# 16

QUAD BIKES



# 85

RESCUE CRAFT



# 11

TRACTORS



# 28

RESCUE VEHICLES

*We can report an exciting development on the technology front this year, with the order of a 14m ORC rescue vessel which will be built in France and deployed in Durban at the end of 2017. Subsequent vessels will be built locally, based on this design.*

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**Rescue base**

---

02 BAKOVEN  
03 TABLE BAY  
04 MYKONOS  
05 DURBAN  
06 PORT ELIZABETH  
07 EAST LONDON  
08 HOUT BAY  
09 GORDON'S BAY  
10 SIMONSTOWN  
11 PORT ALFRED  
12 KNYSNA  
14 PLETTENBERG BAY  
15 MOSSEL BAY  
16 STRANDFONTEIN  
17 HERMANUS  
18 MELKBOSSTRAND  
19 RICHARDS BAY  
20 SHELLY BEACH  
21 ST FRANCIS  
22 VAAL DAM  
23 WILDERNESS  
24 LAMBERTS BAY  
25 HARTBEESPOORT DAM  
26 KOMMETJIE  
27 VICTORIA LAKE  
28 PORT ST JOHNS  
30 AGULHAS  
31 STILL BAY  
32 PORT EDWARD  
33 WITSAND  
34 YZERFONTEIN  
35 WITBANK DAM  
36 OYSTER BAY  
37 JEFFREYS BAY  
38 THEEWATERSKLOOF DAM

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**Rescue vessels**

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Rotarian Schipper (6.5m)  
Spirit of Vodacom (13m), Spirit of Day (6.5m)  
Spirit of Freemasonry (9m), Gemini Rescuer II (5.5m), TNPA Rescue Runner 1  
Eikos Rescuer II (10m), Megan II (7.3m), Spirit of Surfski 3 (4.7m), Discovery Rescue Runner 9  
Spirit of Toft (10m), Eikos Rescuer IV (7.3m), Spirit of Surfski 4 (4.7m)  
Spirit of Lotto (13m), Spirit of Rotary East London II (5.5m), Lotto Rescue Runner  
Nadine Gordimer (10m), Albie Matthews (7.3m), Tintswalo Phoenix (4.2m)  
Jack & Irene (8.5m), Spirit of Surfski (5.5m), Serendipity (4.2m), Discovery Rescue Runner 7  
Spirit of Safmarine III (10m), Spirit of Surfski II (6.5m)  
Lotto Challenger (8.5m), Rescue 11A (5.5m)  
Colorpress Rescuer (8.5m), Jaytee IV (6.5m), Jolen (4.2m)  
Leonard Smith (7.3m), Ray Farnham (5.5m), Airlink Rescuer (4.2m), Discovery Rescue Runner 2  
Rescue 15 (10m), Vodacom Rescuer II (5.5m), Vodacom Rescuer IV (4.2m)  
Spirit of Grandwest CSI (5.5m), I&J Rescuer III (4.7m), Discovery Rescue Runner 3  
South Star (10m), Jaytee III (5.5m), Maritmus (4.2m)  
Rotary's Gift (6.5m), Spirit of Brenda (4.2m), Discovery Rescue Runner 4  
Spirit of Richards Bay (12m), Spirit of Round Table II (8.5m), Grindrod Rescuer (4.7m)  
Spirit of Dawn (7.3m), Caltex Challenger 2 (5.5m), Discovery Rescue Runner 8  
Spirit of St Francis II (8.5m), Discovery Rescue Runner 5  
Harvey's Fibreglass (5.5m), Discovery Rescue Runner 11  
Spirit of Rotary 100 (5.5m), Die Swart Tobie (4.2m), Clemengold Rescuer (4.2m), Oscars Rescue (4.2m), Discovery Rescue Runner 1  
Douglas Murray (5.5m)  
Rotary Endeavour (5.5m)  
Spirit of the Vines (6.5m), IL Battello (4.7m)  
I&J Rescuer II (4.7m), Rescue Runner 10  
Freemasons Way (5.5m)  
Agulhas Rescuer (8.5m), I&J Rescuer IV (4.7m)  
Spirit of St Francis (7.3m), Colorpress Too (4.2m)  
Wild Coast Sun Rescuer (7.3m), Discovery Rescue Runner 6  
Breede Rescuer (8.5m), Falcon Rescuer (4.5m)  
Rotary Onwards (7.3m), Spirit of Ifley (4.2m)  
FNB Wavescapes (4.7m)  
Pierre (4.7m), Oyster Bay 1 jetski  
Eddie Beaumont (5.5m), Project Group Rescuer (4.2m), Discovery Rescue Runner 12  
Hunter's Gold Rescuer (5.5m)

---

# OUR TECHNOLOGY

*Operationally we maintain pace with technology by continuous soft- and hardware upgrades and our rescue fleet is well equipped and supported.*

We are in an age of digital 'agitation' (the industry calls it 'disruption') as information and digitisation play an increasingly dominant role in business and in the activities of NPCs such as the NSRI.

Operationally we maintain pace with technology by continuous soft- and hardware upgrades and our rescue fleet is well equipped and supported.

Emergency access and operational activation are a primary priority to ensure that we capture emergency calls timeously and respond as quickly as possible. In addition to cooperation with the Maritime Rescue Coordinating Centre, deployment of SafeTrx, an up-to-date landing page on our website and interaction with cellular 112 service providers, we are investigating a cellular based call-taking and dispatch application to facilitate operational dispatch,

records and information. Solutions need to be flexible, scalable and mobile so that we can adapt as technology advances, ensuring that we don't fall behind the technology curve. People's tendency to 'Google' in emergency situations and call the first number they find on the landing page, makes our website design and search credentials particularly critical.

Our donor information is a key component of our business and we implemented MS Dynamics CRM this year, to ensure that donor data is up-to-date and secure, improves POPI compliance and ensures that donor interactions are recorded and current.

Our servers will be refreshed in 2017. We have moved over to fibre communications at head office, and we have remote control over station computers. Our virus protection and firewall

measures are up-to-date and our desktop software is in the cloud (Office 365). In 2017, we will investigate migrating our Financial Software to MS NAV and ensure it integrates with CRM. A challenge is drawing in data from our banking partners.

Progress in IT is steady but slow in an NPC due to limited resources (people, process and technology) but we are making excellent progress having employed an in-house IT technician.

# FINANCIAL REVIEW

*The NSRI had a very satisfactory year from a financial point of view. Income as a result of fundraising efforts breached all targets from a diverse range of streams.*

Call centre revenue continued to grow at 16% (Net) per annum and contributions from Government, Trusts, Legacies and Corporates all show increases which in the current economy is inspiring. We exceeded our income budget by almost R10 million.

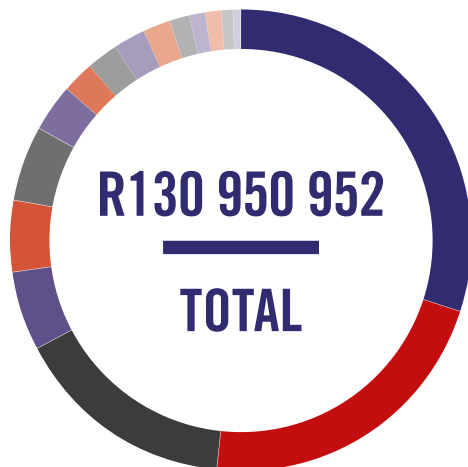
Expenditure remained well within budget. Despite utilising a robust budget tool, the

calculation of budget is not as accurate as we would like it to be. Cost control is diligently monitored across the institute and a dedicated Supply Chain Manager's role is to extract as much efficiency out of the budget as possible.

Capital expenditure is far less than intended and despite spreading the budget over multi-year periods, expenditure has been slow due

to externally influenced delays in establishing secure leases and municipal and environmental approvals. We persist however and are making slow but steady progress, conscious of the fact that a capital project delayed is an expense deferred at greater future cost.

## INCOME



**R39 288 329**

Debit orders

**R28 448 834**

Face-2-Face promotions

**R20 416 304**

Mitsubishi car promotion

**R9 531 137**

Grants

**R7 276 160**

Legacies

**R6 761 582**

Trusts

**R4 284 300**

Companies (excl. membership)

**R3 185 990**

Individual (excl. direct mail)

**R2 899 972**

Sale of assets

**R2 380 447**

Investment income

**R1 781 911**

Events

**R1 640 300**

Direct mail

**R1 372 540**

Members contributions

**R1 025 750**

Shipping levies

**R657 396**

Sundry income

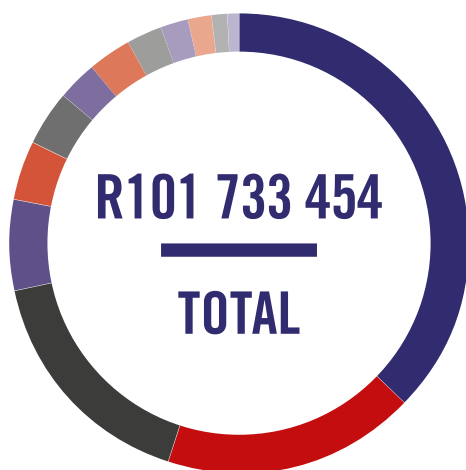
## VALUE #4 FAMILY

*We have strong family values as individuals, as stations and as an organisation*



Credit: Dr Berend Maarsingh

## EXPENDITURE



<b>R37 992 430</b>	Call centre
<b>R18 118 911</b>	Employee costs
<b>R16 820 617</b>	Depreciation
<b>R6 650 575</b>	Boat running
<b>R4 194 695</b>	Marketing expenditure
<b>R3 925 549</b>	Station expenditure
<b>R3 005 938</b>	Property expenses
<b>R3 001 680</b>	Travel and accommodation
<b>R2 618 187</b>	Office expenditure
<b>R2 011 480</b>	Information communication technology
<b>R1 541 563</b>	Banking costs
<b>R1 069 510</b>	Insurance
<b>R782 319</b>	Professional fees

## 2017 Capex

	Rands
<b>Land and Buildings</b>	
5 Durban base modifications	1 000 000
9 Gordon's Bay boathouse phase 1	1 000 000
10 Simonstown base modifications	2 500 000
15 Mossel Bay slipway repairs	2 000 000
17 Hermanus boathouse phase 1	1 000 000
21 St Francis boathouse veranda	200 000
25 Hartbeespoort Dam boathouse	200 000
28 Port St Johns boathouse	500 000
37 Jeffreys Bay boathouse additions	50 000
38 Theewaterskloof Dam boathouse	35 000
Training Centre helicopter platform	80 000
<b>4 x 4 D/Cab Vehicles</b>	
5 Durban	450 000
9 Gordon's Bay	450 000
12 Knysna	450 000
15 Mossel Bay	450 000
17 Hermanus	450 000
18 Melkbosstrand	450 000
30 Agulhas	450 000
34 Yzerfontein	450 000
37 Jeffreys Bay	450 000
<b>Rescue Boats</b>	
5 Durban deep sea vessel	19 000 000
10 Simonstown deep sea vessel	7 000 000
4 Mykonos (10.6m)	3 600 000
12 Knysna (8.5m)	2 075 000
2 Bakoven Sealegs	1 200 000
15 Mossel Bay (6.5m)	1 350 000
14 Plettenberg Bay jet ski	350 000
4 Mykonos (4.2m)	235 000
9 Gordon's Bay (4.2m)	235 000
23 Wilderness (4.2m)	235 000
34 Yzerfontein (4.2m)	235 000
<b>TOTAL</b>	<b>48 130 000</b>

The NSRI currently posts significant operating surpluses before capital expenditure (R46.8 million) with the latter increasing by 5% from 2015. Capex expenditure has been slow due to our inability to unlock bureaucracy in Government in respect of facility construction (leases, plan approval and construction).

The budgeted revenue for 2017 is in excess of R133 million and we are confident that we will exceed this target with growth in annuity income through the call centre, contributions from the National Lotteries Commission, improved corporate donations, growth in retail income

and greater contributions from trusts and individuals. We have a loyal and consistent donor base which we are working consistently to expand every day.

**ABOVE:**

NSRI Station 6 Port Elizabeth rescue vehicle.

Credit: Independent Newspapers

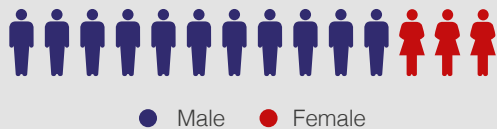
# BEING ACCOUNTABLE

## BOARD COMPOSITION

### BOARD STRUCTURE



### GENDER SPLIT



### LENGTH OF SERVICE



### RACIAL PROFILE



*Note: Robert Stirrat and David Robins have been providing a valuable contribution to the NSRI for a period in excess of nine years and are receiving no financial compensation for their service. Their reappointment was ratified by the Annual General Meeting (AGM).*

## MEMBERS OF THE BOARD

### Ronnie Stein (67)

Chairman of the Governance Board

Appointed: 2013

Ronnie holds a BCom CA(SA) degree and served as the Chief Financial Officer for the Foschini Group Ltd until he resigned in June 2015, although he has remained on the board in a non-executive capacity. Prior to joining the group, he was an accountant and auditor in public practice. He was also a partner in Kessel Feinstein for 15 years.

### Dr Cleeve Robertson (57)

Chief Executive Officer

Appointed: 2013

Cleeve has spent his entire career caring for the sick or injured and has spent much of his free time out on the water or underwater. After graduating from UCT in 1983, he worked at Groote Schuur Hospital, the Red Cross Children's Hospital, the Somerset Hospital and the South African Military Health Services. In 1990 he began a 23-year journey in the Emergency Medical Services, except for the year he spent in the private healthcare sector when he and Dr Pete Malan established the Emergency Centre at Constantiaberg Mediclinic. During his time at EMS he was Principal of the Ambulance Training College and held leadership positions on several National Committees. Before joining NSRI in 2013, he served for 12 years as the Head of the Emergency Medical Services for the Western Cape Provincial Government. During this time he established a comprehensive EMS System in the Western Cape that has quantitative and qualitative performance metrics that match many First World services.

He has served as Chairman of the Atlantic Underwater Club, National Ocean Watch, Underwater Africa and the Western Province Underwater Union, and as Medical Officer for the South African Underwater Union and CMAS Instructor Training body. He led the Medical Team in the 1995 World Cup and was Medical Co-ordinator for South Africa's 2004 Olympic Bid. He has served as the Honorary National Medical Advisor for the NSRI since 2003, and successfully raised funding for R1.7 million worth of medical equipment for the rescue bases.

**Meriel Barlett (47)****Executive director: Fundraising and Marketing**

Appointed: 2005

Meriel holds a Bachelor of Social Science (Industrial Sociology) through UCT. She has 20 years' experience in marketing and communications. She began her career working at the Natal Sharks Board and at a number of technology companies thereafter. She spent four years with the Heart Foundation before joining Sea Rescue in 2004, and was appointed to the board in 2005. Meriel is determined not to be just a pen pusher, and so donned a wetsuit and put in time as a rescue volunteer at Station 9 (Gordon's Bay).

**Deon Cloete (51)****Independent non-executive director**

Appointed: 2013

Deon has been the General Manager (GM) of the Cape Town International Airport since 2008. Before taking up this position, Deon spent one year at South African Airways (SAA). He was also the GM for Durban International and other national airports including East London, Port Elizabeth, George, Bloemfontein, Kimberley, Upington and Pilanesberg. Deon holds a BCom and an MBL from Unisa. He has 26 years' experience in the airport and aviation industry. Deon has been a member of the ACSA executive for the last 12 years. Deon is the former Chairperson of Cape Town Routes Unlimited (CTRU) and the Destination Marketing Organisation for the Western Cape. Deon has also served on the boards of Wesgro and the Cape Town Festival.

**Mark Hughes (57)****Executive director: Operations**

Appointed: 2011

Mark has been an active member of the NSRI since joining Station 19 (Richards Bay) in 1978. Mark was Station 19's Deputy Station Commander for seven years. He was awarded the Paul Harris Fellowship award from Richards Bay Rotary Club in 2010 in recognition of this service to the community, and holds a National Technical Diploma in Industrial Automation and Electronics. He was appointed to the Board of directors in November 2011. Prior to joining the NSRI Head Office, Mark worked for Tongaat Hulett Sugar.

**Mark Koning (60)****Executive director: Finance**

Appointed: 2003

Mark joined the NSRI in 2000 and was appointed as director in 2003. He holds a BCompt from Unisa with majors in accounting and economics. Prior to joining the NSRI, he was the financial manager of the Cape Town Philharmonic Orchestra.

**Viola Manuel (45)****Independent non-executive director**

Appointed: 2013

Viola started her career at SAA and worked her way up to Head of Department for Training in In-flight Services. After leaving SAA to study for an MBA, she started a human resources company that focused on learnerships, training and organisational development, before returning to Cape Town to head up the Cape IT Initiative. Viola was appointed as an executive director at the Cape Town Chamber of Commerce in 2011.

**Dr Dineo Moilola (37)****Independent non-executive director**

Appointed: 2015

Dineo has been a Specialist Emergency Physician at MDInc, a private company of Emergency physicians from March 2015 to present. Previously she worked as a locum emergency medicine consultant at the Kerry General Hospital in Ireland from March to June 2015 and as an emergency physician at Michells Plain hospital from October 2014 to January 2015 and also from August 2013 to September 2014. Dineo has also worked as a Specialist Registrar at the Tygerberg and Groote Schuur hospitals.

**Chris Nissen (58)****Independent non-executive director**

Appointed: 2013

Chris was born in Goodwood in Cape Town and grew up in Bishop Lavis on the Cape Flats. Chris has been involved extensively in the development and upliftment of communities as a minister in the Presbyterian Church, and has been politically active, formally as well as informally. He has managerial experience in a number of businesses, and, as a non-executive director, has led empowerment and transformation proactively at a number of listed companies. He is a former MEC for Economic Affairs for the Western Cape Legislature and former president of the Chamber of Commerce. He is the chairman of Ascension Properties and serves on the boards of Standard Bank and Woolworths.

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**Eddie Noyons (64)****Chairman of the Operational Board**

Appointed: 2003

Eddie serves as a Regional Operational Board Member for the KwaZulu-Natal (KZN) and East London areas. His dream had always been to join the Merchant Navy, but due to colour blindness he was not accepted. An underground tour at Gold Fields set his heart on a different course and afterwards studied Mining Engineering. He was soon seconded to the Chamber of Mines Research Organisation in Johannesburg, before moving into sales and marketing positions in the mining industry. Towards the end of 1986, Eddie decided on a radical change of scenery and acquired a holiday resort at Uvongo on the KZN South Coast. He and his wife, Naomi, signed up as NSRI volunteers at Station 20 (Shelly Beach), where he was subsequently elected as Station Commander.

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**Karl Otto (61)****Independent non-executive director**

Appointment from SAMSA

Appointed: 2016

Karl has 42 years' experience in the maritime environment. He has been with the South African Maritime Safety Authority (SAMSA) as the Executive Head for the Centre for Sea Watch and Response where he oversees the Maritime Rescue Coordination Centre, Maritime Security, Pollution Response, Maritime Domain Awareness, Maritime Assistance Service as well as Aids to Navigation for the past eight years. He spent 12 years with the Transnet National Ports Authority (TNPA), based in the Port of Cape Town, as Deputy Harbour Master and National VTS Manager.

Karl was involved in Maritime Training for 12 years at the Training Centre for Seamen in Cape Town as a Lecturer, and as the Head of the division that specialises in Electronic Navigation Systems and Simulator training. He spent 10 years with Unicorn Shipping Lines in Durban, where he started as Navigation Cadet and advanced to Chief Navigating Officer on a number of cargo vessels. He started his sea-going career as a General Purpose Rating with Safmarine for four months. His primary qualifications are as a Master Mariner and he holds an NHD in Post School Education.

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**Dave Robins (62)****Independent non-executive director**

Appointed: 2008

Dave was born in Ndola, Zambia, and studied Business Science at the University of Cape Town (UCT). He spent years in business, both in large multinationals and in small business ventures. David has spent many years as an active crewman at Station 3 (Table Bay). He serves on the boards of Pick n Pay and JML, as well as other community organisations.

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**Rob Stirrat (65)****Independent non-executive director**

Appointed: 1991

Rob grew up in Sea Point and sailed in Table Bay as a youngster. After completing his national service as a Radar Operator in the Navy, he joined Unilever and moved to Durban, where he joined the Point Yacht Club rescue crew. Upon his return to Cape Town, he joined Sea Rescue as a volunteer in 1975, advanced to coxswain, and later served alternately as Station Commander and Deputy for many years. Rob was elected to the board in 1991 and was Chairman of NOTC (NSRI's National Operational and Technical Committee) from 1992 to 2013 when the NOTC became the Operational Board.

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**Randall Titus (50)****Independent non-executive director**

Appointed: 2015

Randall is a senior attorney who was admitted to practise in 1993. He obtained his BA LLB and LLM degrees from UCT. Randall is a member of the High Court committee and the Library Committee of the Cape Law Society. He is also the past Chairman of the Cape Town Attorneys' Association. Since 2009, Randall has attended a number of judicial skills training courses, the most recent of which was in 2015. Randall is a Trustee, and the Deputy Chairman, of the Children's Hospital Trust (the fundraising arm of the Red Cross War Memorial Children's Hospital). Randall also sits as a Commissioner for Small Claims at Goodwood Court. He further chairs the disciplinary tribunal of the Western Province Rugby Football Union (WPRFU) and is a member of its Strategic Monitoring and Advisory Committee.

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## CORPORATE GOVERNANCE

The NSRI is constituted through a Memorandum of Incorporation (MOI) which details the structure of the company and its governance mechanisms. The Board of Directors continue to take guidance from the principles advocated in the King Report on Corporate Governance (King III) and will be undertaking a gap analysis in 2017 to assess the extent of its compliance with King IV™ in order to update the governance principles applied, appropriate to the scale and nature of the company.



More information about our Governance practices can be found on our website, [www.nsri.org.za](http://www.nsri.org.za)

## GOVERNANCE STRUCTURE

Governance is provided through a Board consisting of eight independent non-executive directors, four 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. The Board maintains close oversight over the activities of the company through scheduled meetings of the Board and its committees.

Formal Board committees are maintained for the following functions: Risk, Human Capital, Investment, Operations and Audit. 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 three executive managers, responsible for Operations, Fundraising

and Marketing and Financial Management respectively. The executive managers are responsible for employing and managing the staff required to competently execute the business of each department.

The Operational Board consists of the four executive directors and five regional representatives who are elected by their respective Station Commanders and is chaired by a non-executive Chairman. The Operational Board debates and considers strategic operational issues in relation to infrastructure, rescue vessels, training, safety, emergency communication and volunteers. The Operational Board meets bi-monthly.

The Board approves the annual budget presented by management and provides the necessary authority for expenditure. 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 managed independently and that control of the company is vested primarily through the members in AGM, the Board and the executive. This 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.

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 but also provide practical guidance to the executive regarding 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.

## ASSURANCE

Internal Audit is performed independently by Moore Stephens Risk Management and the External Audit is currently performed by Cecil Kilpin and Company.



For more information about our Internal Audit, please refer to page 57.

## IT GOVERNANCE

The NSRI has an Information Communication Technology Policy which outlines the governance, oversight and operation of ICT within the company.

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 most sensitive data within the ICT stable is the Donor Data Base and the NSRI will assure personal data security and compliance with the Protection of Personal Information Act (POPI) through the implementation of Microsoft CRM and NAV, up to date threat protection software and diligent attention to security access, through limited system users and passwords.

iSquared, Vodacom, Cognate, AW Cape, BoardPad, Qinisa, Euphoria, RSAWeb, WebAfrica and others all provide valuable support to the NSRI ICT Strategy as partners in our 'digital disruption' journey.

The focus currently is on the foundation systems (hard and soft) that create the platform from which secure administration and operations launch.

## INDUCTION

The CEO, with the assistance of company secretarial services, assumes responsibility for an informal but comprehensive induction programme which provides new appointees with a comprehensive briefing on company strategy, financial budgets and accounts, and operational activity. Induction documents distributed to the directors include the integrated annual report, Memorandum of Incorporation, Board Charter, Board Committee Terms of Reference, declaration of interest forms, the rights and duties of directors, the risk report and the strategic plan.

## 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.

## 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.

## BOARD COMMITTEES AND ATTENDANCE

### The Board

#### Operational Board Committee

**Number of Meetings:** 4

**Chairman:** Eddie Noyons **Attendance:** 4/4

<b>Members:</b>	<b>Attendance:</b>
Dr Cleeve Robertson	4/4
Mark Koning	4/4
Mark Hughes	4/4
Meriel Bartlett	3/4
Brad Geysler	4/4
Dave Roberts	3/4
Justin Erasmus	4/4
Dick Manten	2/3
Hennie Niehaus	1/1
Mike Elliot	1/3

#### **Key Responsibilities:**

Considers and advises on all operational matters including capital expenditure, training and development, station and volunteer management, operational procedures and emergency medical care.

#### Awards Committee

**Number of Meetings:** 4

**Chairman:** Howard Godfrey **Attendance:** 4/4

<b>Members:</b>	<b>Attendance:</b>
Chris Hudson	1/4
Rob Stirrat	3/4
Eddie Noyons	4/4
Mark Hughes	4/4
Andrew Ingram	4/4
Rhine Barnes	3/4
Darren Zimmerman	1/4

#### **Initiatives undertaken in 2016:**

- Established terms of reference
- Reviewed criteria for awards
- Proposed new award to honour WaterWise interventions

#### **Key Responsibilities:**

Considers, on an ad hoc basis, any nominations for awards within the NSRI. The committee meets as necessary in response to exceptional incidents to ensure that awards are current and appropriate to the acknowledgement of rescue activities.

#### Human Capital Committee

**Number of Meetings:** 3

**Chairman:** Viola Manual **Attendance:** 3/3

<b>Members:</b>	<b>Attendance:</b>
Dr Cleeve Robertson	3/3
David Robins	3/3
Chris Nissen	3/3

#### **Initiatives undertaken in 2016:**

- NPO salary survey to ensure internal and external equity
- Transformation was incorporated as a standing agenda item

#### **Key Responsibilities:**

Assists the Governance Board to consider nominations received from members and short-listing them for the Board and ensures that the remuneration of the Ex-Officio Directors is fair and reasonable.

#### Investment Committee

**Number of Meetings:** 4

**Chairman:** Bernard Osrin **Attendance:** 3/4

<b>Members:</b>	<b>Attendance:</b>
Dr Cleeve Robertson	3/4
Mark Koning	4/4
David Robins	4/4
Howard Godfrey	3/4
Ronnie Stein	4/4

#### **Initiatives undertaken in 2016:**

- Conducted continuous review of investments to deliver long-term returns
- Expanded portfolio manager group to four with novel model
- Implemented ring-fencing of investments for the future
- Will continue to ensure that funds for capital investment are derived from the operating budget

#### **Key Responsibilities:**

Assists the Governance Board on how the surplus funds and non-surplus funds of the Institute should be utilised to ensure that the return on the Institute's funds is optimised within the constraints of the Institute's risk profile and investment mandate.

### Audit Committee

**Number of Meetings:** 2

**Chairman:** Ivor Sindler      **Attendance:** 2/2

**Members:**

Dr Cleeve Robertson	2/2
Mark Koning	2/2
David Robins	1/2
Randall Titus	2/2
Nils Nyback	2/2

**Initiatives undertaken in 2016:**

- An investigation was conducted into insourcing call centre business which is currently outsourced – recommendation to bring in-house, either purchase the business or conclude contract and start our own internal call centre from scratch
- A comprehensive internal audit programme was implemented to improve internal business processes
- Greater focus was applied to Information Communication Technology as an enabler to the company
- Increased contributions were made to volunteer social security through improved injury, disability and death cover

**Key Responsibilities:**

Considers matters pertaining to good corporate governance arising from the Institute's business, covering areas such as cash flow, expenditure, internal controls and external audit.

### Risk Committee

**Number of Meetings:** 2

**Chairman:** Deon Cloete      **Attendance:** 2/2

**Members:**

Dr Cleeve Robertson	2/2
Mark Koning	2/2
Mark Hughes	2/2
Meriel Bartlett	2/2
Rob Stirrat	1/2

**Initiatives undertaken in 2016:**

- A review of the risk register and alignment with the internal audit function was conducted
- The risk map was updated, including incorporation of risks specific to the South African context
- Improved focus was applied to stakeholder relationships and engagement
- Management of procurement risk was achieved through taking out forward cover on large capital purchases

**Key Responsibilities:**

Responsible for identifying and addressing the management of all operational, reputational and financial risk. The Risk Committee specifically maintains an active risk register and heat map with targeted interventions to manage risk and opportunity.

All NSRI employees disclose financial interests 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 Chief Executive Officer, 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 comprises of some independent non-executive directors that serve/have served on the Boards of listed public companies and have strong awareness of Corporate Governance practices and requirements as a result.

### NOMINATIONS AND APPOINTMENTS

The members in AGM are responsible for 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 one 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

The Board, management, as well as internal and external audit provide combined assurance that risks are managed appropriately.

### INTERNAL AUDIT

In 2015, the NSRI contracted Moore Stephens Risk Management to perform an Internal Audit of NSRI systems within a three-year programme.

The audit is closely aligned with the NSRI risk register and findings identified are immediately incorporated and managed as part of the risk process.

The three-year programme focuses on the following areas:

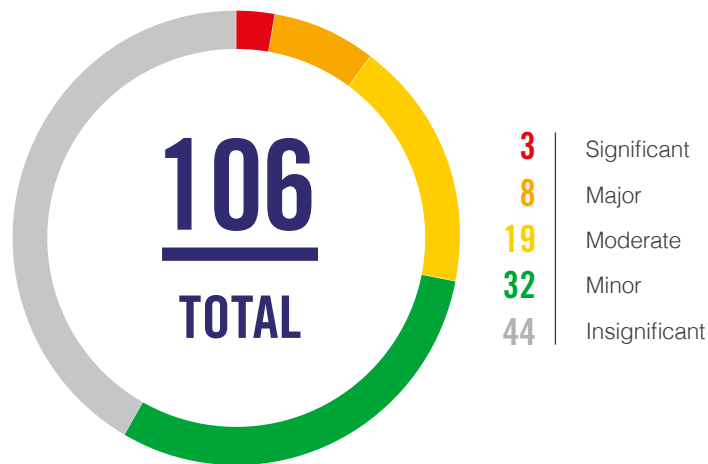
- Operational Stations
- Procurement and Supply Chain
- Income through various streams
- Payroll
- Information Communication Technology
- Project Management
- Risk Management

In the past two years, 66 findings were identified for attention across all areas of the operation and by the end of January 2017, 83% of the findings had been resolved. Outstanding findings relate to the Management Information System where resources available for remediation are severely limited (outsourced part-time programming). All findings are discussed formally with auditors, mitigation agreed and implemented, and residual risk confirmed.

Inputs from Internal Audit have augmented the risk register which now lists 106 risks in three risk levels across five risk areas (Operations, Finance, Human Resources, Compliance and Information Communication Technology). Mitigation of risk is a management responsibility and the risk register provides a tool through which to monitor progress.

Internal Audit costs are balanced by risk benefit e.g. the identification and elimination of a fire risk in a Class 1 Station saves 50% in vessel insurance premium costs (this is significant if one considers that the Gordon's Bay Fire resulted in premiums increasing from R300 000 to R700 000).

## NUMBER AND PRIORITY OF RISKS



## RISK MANAGEMENT

Risk within the NSRI is managed by the executive with oversight by the 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 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 comprises 106 risks, at three levels, 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. Mitigation measures are the responsibility of management to reduce likelihood and consequence. In 2015, 13 key risks existed and for 2016 there are 11. Three risks are considered to be in the significant range and eight in the major range.

## KEY RISKS

Priority	Risk score	Risk	Risk explanation	Risk mitigation
1	20	Not adhering to the National Lottery Act	All promotions require Lotto approval. Failure to secure permissions would put these funding streams at risk.	A specialist attorney has been contracted to negotiate with Lotto to ensure ongoing approvals for the car and debit order promotions.
2	16	We do not prevent drowning through educating our target audience	Drowning prevention is a core mission and as such it is imperative that our education programme has a direct and measurable impact on the incidence of fatal drownings. Failure to do so would be detrimental.	We are reaching schools and teaching over 200 000 children per year. Attempting to mainstream through the Education department and also via the MOD centres.
3	15	Public unable to reach NSRI by telephone in emergencies	Despite ongoing attempts, the NSRI have not managed to secure a national emergency number. We have made it our business to continually engage with all emergency call centres so that all calls are immediately and successfully transferred. Failure to receive calls for help could result in deaths.	Create intermediate capacity through a central number. The NSRI has negotiated with cell phone providers to route serious emergency numbers to a central number.



For a full risk register, please refer to our website, [www.nsrri.org.za](http://www.nsrri.org.za)



For information about drowning prevention, please refer to page 5 in the report.

Priority	Risk score	Risk	Risk explanation	Risk mitigation
4	12	Income from all debit orders are not directed to us via service provider.	All debit orders and promotions entries are paid direct into the NSRI bank account.	Service Level Agreement with WinDirect in place. Monthly and annual budgeting, and monitoring and reporting against budgets. Monthly progress meetings with WinDirect. Contract manager manages the relationship with WinDirect. WinDirect income is target-based; therefore an incentive to maximise income.
5	12	We do not receive all corporate donations budgeted for in a timely manner	Donations are pledges that are honoured. Unlike sales, a donation is not an obligation. Should pledges not be honoured on time, cash flow is put at risk.	Dedicated fundraising team.
6	12	Corporate donation income decreasing year on year.	Corporate CSI contributions are not guaranteed and do not necessarily increase with inflation. This presents a risk to our budget.	Dedicated fundraising team. An income budget is set and monthly performance is assessed against this budget. Monthly Fundraising and Marketing Team meetings. Progress of projects (actual vs budgeted) are reviewed and discussed and an action list is compiled for each member of the team. Meetings are minuted. An events list is available; this is used as a guideline to plan for future events. Appeal letters are sent to donors on a regular basis.
7	12	Loss of key data	Key data would be lost if systems crashed but we have off-site backup	MIS, Sage 300 ERP and other systems hosted at Vodacom. iSquared contracted to provide IT services. Backup of Vodacom environment. iSquared performs technical monitoring of Vodacom environment. WinDirect donor database synchronised and stored at Vodacom.
8	12	Unauthorised access to key data	A breach of security may cause reputation damage and lack of trust, therefore lack of support	MIS, Sage 300 ERP and other systems hosted at Vodacom. Very limited network and user access granted to Vodacom environment. Internet access is firewalled. Anti-virus and patch management enabled for head office machines. Extensive role-based access control established over MIS. Access to Sage 300 ERP restricted through passwords. Contracts in place with MIS and Sage 300 ERP developers. There is a five-year contract with Vodacom in place.
9	12	Interrupted access to key data	Can't recall/recover 82 000 donor data.	IT specialists, threat protection, CRM, access control, off site backups.
10	10	Diminishing take-up on debit orders negatively influence income	Budgeting income will fail to materialise	Service Level Agreement with WinDirect in place. Monthly and annual budgeting, and monitoring and reporting against budgets. Monthly progress meetings with WinDirect. Contract manager manages the relationship with WinDirect. WinDirect income is target-based; therefore an incentive to maximise income.
11	10	Diminishing take-up on competitions negatively influence income	Budgeting income will fail to materialise	Service Level Agreement with WinDirect in place. Monthly and annual budgeting, and monitoring and reporting against budgets. Monthly progress meetings with WinDirect. Contract manager manages the relationship with WinDirect. WinDirect income is target-based; therefore an incentive to maximise income.



**ABOVE:**

6.5m Spirit of Day.

Credit: NSRI Station 3

## OUR GOALS AND OBJECTIVES

The NSRI prides itself on following a formal and structured approach to building our organisation and setting ourselves tough and measurable goals every year.

During the review period, we set ourselves 126 activity targets to complete in 2016. We are pleased to be able to report that we have made substantial progress against most of them.

Strategic objective title	Strategic objective: Statement	Activity	Dashboard			
			Q1	Q2	Q3	Q4
Strategic goal statement – KRAs: Provide access to and rescue by competent sea rescue services						
<b>1. Capacitate sea rescue volunteers</b>	Progressively provide volunteer crew, coxswains and managers with the cognitive, psychomotor and affective capacity to respond to the full range of emergencies by 2020	Implement full range of courses on eLearning in three phases: trainee (6), crew (20), leadership (4)	Green	Green	Green	Green
		Implement a volunteer resilience programme	Yellow	Yellow	Red	Red
		Establish electronic navigation training facility, and offer four courses per year with eight students each (32)	Green	Green	Green	Green
		Establish a radio VHF SRC communications training facility, with 10 courses a year, with eight students each (80)	Yellow	Yellow	Yellow	Green
		Training officers course: two courses (32 students)	Green	Green	Green	Green
		Shore controller courses (40 students)	Yellow	Green	Green	Green
		Two Class 1 assessment courses (8 students)	Yellow	Green	Green	Green
		Class 3 development course four courses (32 students)	Green	Green	Green	Green
		Four Class 3 assessment courses (24 students)	Yellow	Green	Green	Green
		Visit to each rescue station at least one per year for formal engagement session	Green	Green	Green	Green
		Implement a junior academy linked to stations	Yellow	Green	Green	Green
<b>2. Expand the coastal footprint of sea rescue stations</b>	Establish stations inland and on the north east and north west coasts by 2020	Investigate new bases at Port Nolloth, Rocky Bay, Great Brak, Nature's Valley and inland dams	Yellow	Yellow	Green	Green
		Investigate inland sites	Yellow	Yellow	Green	Green
<b>3. Emergency point of contact</b>	To provide a national emergency point of contact and dispatch for the NSRI for the whole SA coastline by 2020	Consolidate the emergency point of contact and dispatch centre and market 112	Green	Green	Green	Green
		Create an internal NSRI dispatch structure	Yellow	Yellow	Green	Green
		Rename the SafeTrx application for NSRI	Yellow	Yellow	Yellow	Yellow
		Improve SafeTrx penetration and users	Green	Green	Green	Green
		New boats for Durban and Mykonos	Yellow	Yellow	Yellow	Yellow
		New 8.5m RIB for Richards Bay and Gordon's Bay	Yellow	Yellow	Green	Green
		New 6.5m RIB for Vaal Dam and Table Bay	Yellow	Yellow	Green	Green



For a full goals and objectives register, please refer to our website, [www.nsri.org.za](http://www.nsri.org.za)

Strategic objective title	Strategic objective: Statement	Activity	Dashboard			
			Q1	Q2	Q3	Q4
Strategic goal statement – KRAs: Provide access to and rescue by competent sea rescue services						
<b>4. Safe rescue facilities</b>	To rationalise the fleet and commence the Class 1 vessel replacement programme	New RIB for Knysna, Gordon's Bay, Hermanus, Shelly Beach, Kommetjie and Mykonos	Yellow	Yellow	Green	Green
		New 4.2m RIB Hout Bay	Green	Green	Green	Green
	Create safe infrastructure and facilities towards principles of green energy	Complete slipway alterations at Port Elizabeth	Yellow	Green	Green	Green
		Complete boatshed at Port St Johns, Victoria Lake and Hartbeespoort Dam	Red	Yellow	Yellow	Yellow
		Complete Mykonos slipway	Red	Yellow	Yellow	Yellow
		Modify doors at Knysna base	Red	Yellow	Green	Green
		Investigation of Strandfontein base relocation	Red	Red	Yellow	Yellow
		Complete Mossel Bay slipway	Red	Red	Yellow	Yellow
		Complete design and award contract for Gordon's Bay and Hermanus	Yellow	Yellow	Yellow	Yellow
		Implement 3 year vehicle replacement programme	Yellow	Green	Green	Green
		Two new vehicles for Head Office	Green	Green	Green	Green
		New vehicle for Port Edward, Simonstown, Witsand and Wilderness	Yellow	Yellow	Green	Green
	New vehicle for Kommetjie and Mykonos	Yellow	Green	Green	Green	
Appoint contractor for vessel and vehicle fleet	Green	Green	Green	Green		
Strategic goal statement – KRAs: Provide access to and rescue by competent sea rescue services						
<b>5. Advocacy and prevention</b>	Expand the number of WaterWise educators to 20 by 2020	Appoint three educators	Green	Green	Green	Green
	Create dedicated WaterWise/water safety structure within NSRI	Design organogram for WaterWise and appoint officers	Yellow	Green	Green	Green
	Expand WaterWise funding partnerships	Approach RNLI	Yellow	Green	Green	Green
	Create life saving structure within NSRI	Pilot in Lamberts Bay	Yellow	Yellow	Yellow	Green
	Expand advocacy and safety messages	Increase exposure of Drowning Prevention Programme	Yellow	Green	Green	Green
	Initiate boating safety through the development academy	Develop eLearning small craft manual	Red	Yellow	Yellow	Yellow

Strategic objective title	Strategic objective: Statement	Activity	Dashboard			
			Q1	Q2	Q3	Q4
Strategic goal statement – KRAs: Provide good corporate governance and competent management and administration						
<b>6. Effective fundraising</b>	Diversify the fundraising activities to ensure sustainability with no one stream > than 30% of income by 2020	Initiate national retail agreement				
		Initiate film company initiative				
	Implement project fundraising	Durban boat				
		Hermanus, Gordon's Bay, Port St Johns, Hartbeespoort and Victoria Lake building				
		New 10.6m vessel for Mykonos				
		New 8.5m RIB for Richards Bay				
		New 8.5m RIB for Gordon's Bay				
		New 6.5m RIB for Vaal Dam, Table Bay and Knysna				
		New 4.2m RIB for Gordon's Bay, Hermanus, Shelly Beach, Kommetjie, Hout Bay and Mykonos				
		New vehicles for Head Office				
		New vehicle for Port Edward and Simonstown				
		New vehicle for Witsand and Wilderness				
	New vehicle for Kommetjie and Mykonos					
	Establish a fundraising executive and structure by 2020	Appoint a fundraising director				
Appoint two fundraisers for events and corporates						
Resolve the solution for the call centre	Support board committee structure					
Increase the database to 120 000 by 2020	Increase database to 80 000					
<b>7. Effective financial management</b>	Integrate the donor database, accounting system and payroll IT systems by 2020	Implement CRM				
		Initiate MIS upgrade to improve user interface and reporting				
		Add payroll to the Sage package with leave module				
		Investigate and implement supply chain module				
	Decentralise the visibility of budgets to station level and implement electronic requisitions by 2020	Provide electronic sight of budget and expenditure at station level				
Consolidate internal audit capacity	Comply with Internal Audit matters identified					
<b>8. Develop a competent workforce</b>	Implement performance management system	Manage performance agreements				
	Implement continuous learning platform	Complete one learning opportunity for each staff member				
	Address equity and diversity to achieve diversity targets by 2020	Produce transformation policy and get it approved				
		Recruit personal assistant for CEO				
Develop technical IT capacity within the organisation by 2020	Manage iSquared contract					

Strategic objective title	Strategic objective: Statement	Activity	Dashboard			
			Q1	Q2	Q3	Q4
<b>9. Maintain governance structures</b>	Improve diversity within the organisation	Appoint new members that address diversity on the Board				
	Express governance through reporting	Produce a quality integrated annual report				
	Include social and ethics issues within the HRM committee	Report quarterly on internal and external diversity				
	Maintain Board and committee structures and function	Complete quarterly Board meeting				
		Complete quarterly committee meetings				
		Complete annual strategy session				
<b>10. Reduce bureaucracy</b>	Reduce the burden of bureaucracy by establishing NSRI as an authorised agency to SAMSA	Complete quarterly SAMSA meetings				
	Engage National Regulator for Compulsory Specification (NRCS) and Department of Trade Industry (DTI) to resolve life jacket issue	Resolve life jacket issue for offshore rescue				
<b>11. Effective marketing and media communication</b>	Maintain NSRI reputation by continuing to manage our brand in the media	Measure brand/reputation internally				
	Raising friends of NSRI as a vehicle to increasing the donor base	100 000 friends				
	Produce a quality quarterly magazine and distribute to the donor base	Rationalise print and electronic magazine distribution to conserve cost				
	Complete preparations for the 2017 NSRI anniversary	Produce a schedule of Open Day events around the country				
	Communicate the stories of NSRI to solicit the emotional support of society	Increase Twitter and Facebook exposure				
<b>Strategic goal statement – KRAs: Achieve quality services</b>						
<b>12. Ensure personal safety</b>	Ensure that NSRI vessels > 5m in length are located at any time by the installation of AIS on all NSRI vessels by 2020	Implement AIS units on all vessels.				
	Ensure that every crew member or passenger/patient on an NSRI vessel wears a life jacket by 2020	Implement life jacket regime				
	Implement a Wellness Program within NSRI by 2020	Engage health funders/wellness providers				
	Ensure that patients are evacuated and moved safely in all instances by 2020	Train the Class 1 stations on new evacuation procedure (24 students)				
		Audit evacuation system annually				
<b>13. Ensure patient safety</b>	Ensure that patients are triaged in all instances by eTriage by 2020	Audit Triage data by station				
	Implement an error reporting system with regards to all patient contacts by 2020	Implement patient error reporting				
	Implement a standard patient care report	Develop a simple Patient Care report				

## VALUE #5 PRIDE

*We are a proud organisation. Proud of the service we deliver, proud of each other and proud to be South African*

18ft Munna rescue boat named Excalibur at NSRI Bakoven.

# **ANNUAL FINANCIAL STATEMENTS**

## FOR THE YEAR ENDED 31 DECEMBER 2016

### **INDEPENDENT AUDITOR'S REPORT**

*To the members of National Sea Rescue Institute of South Africa NPC*

#### **QUALIFIED OPINION**

We have audited the annual financial statements of National Sea Rescue Institute of South Africa NPC, as set out on pages 70 to 73, which comprise the Statement of Financial Position as at 31 December 2016, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effect of the matters described in the basis for qualified opinion section of our report, 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 2016, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 71 of 2008.

#### **BASIS FOR QUALIFIED OPINION**

In common with similar associations, it is not feasible for the association to institute accounting control over cash collections from donations, fundraising, subscriptions, legacies and bequests prior to their initial entry in the accounting records. Accordingly, it was impractical for us to extend our examination beyond the receipts actually recorded.

As disclosed in notes 1 and 2 to the annual financial statements and as disclosed in the director's report, assets are depreciated in full, in the year that they are acquired amounting to R16 820 617 (2015: R10 068 814), which practice, is not in accordance with the International Financial Reporting Standard for Small and Medium sized Entities. The provision for the period ended 31 December 2016 should have been R6 817 891 (2015: R4 845 711) based on the straight line method of depreciation, using annual depreciation rates of 5% for the building and 20% for the equipment, motor vehicles and boats. Accordingly, the property, plant and equipment should be stated at 31 December 2016 at the book value that, reasonably stated, amounts to R37 493 586 (31 March 2015: R27 490 860).

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 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 International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

#### **OTHER INFORMATION**

The directors are responsible for the other information. The other information comprises the Directors' Report as required by the Companies Act 71 of 2008, which we obtained prior to the date of this report. 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 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 (S.A.)**  
**Registered Auditors**  
**Per Partner: N Nyback**  
**Century City**

**5 April 2017**

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## **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 (IFRS) 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 2017 and, in the light of this review and the current financial position, they are satisfied that the company has or had 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 66 to 67.

The annual financial statements set out on pages 70 to 73, 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**

**Ronnie Stein**  
**Sea Point**

**Cleeve Robertson**

**8 April 2017**

## VALUE #6 SAFETY

*We value the safety  
of our crews*



The Spirit of Richards Bay, a 12 metre Lochin, in the Richards Bay harbour with the coal terminal in the background.

Credit: Andrew Ingram

# STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2016

Annual financial statements for the year ended 31 December 2016

	31 December 2016 R	31 December 2015 R
<b>ASSETS</b>		
<b>Non-current Assets</b>		
Property, Plant and Equipment	48 952 865	26 971 873
Investments	5	5
	<b>48 952 860</b>	26 971 868
<b>Current Assets</b>		
Inventory	12 370 937	6 014 650
Trade and Other Receivables	40 285	47 444
Cash and Cash Equivalents	6 849 185	3 074 775
	<b>5 481 467</b>	2 892 431
<b>TOTAL ASSETS</b>	<b>61 323 802</b>	32 986 523
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and Reserves</b>		
Accumulated Funds	59 825 715	30 608 217
Special Funds	51 439 019	22 698 915
	<b>8 386 696</b>	7 909 302
<b>Current Liabilities</b>		
Trade and Other Payables	1 498 087	2 378 306
	<b>1 498 087</b>	2 378 306
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>61 323 802</b>	32 986 523

# STATEMENT OF COMPREHENSIVE INCOME

Annual financial statements for the year ended 31 December 2016

	12 months ended 31 December 2016 R	9 months ended 31 December 2015 R
<b>GROSS INCOME</b>	<b>130 950 952</b>	82 198 318
Surplus for the Period	<b>29 217 498</b>	11 927 628
Transfer of Accumulated Funds	–	(20 000 000)
Transfer (to)/from Special Funds	<b>(477 394)</b>	(50 250)
Special Project Fund	<b>(477 394)</b>	(50 250)
Retained (deficit)/surplus for the Period	<b>28 740 104</b>	(8 122 622)
Retained surplus at beginning of the Period	<b>22 698 915</b>	30 821 537
<b>RETAINED SURPLUS AT END OF THE PERIOD</b>	<b>51 439 019</b>	22 698 915

# DETAILED INCOME STATEMENT

Annual financial statements for the year ended 31 December 2016

	12 months ended 31 December 2016 R	9 months ended 31 December 2015 R
<b>INCOME</b>		
Grants	9 531 137	2 610 600
ACSA Contract Fees	2 836 715	–
National Department of Transport	2 205 000	2 095 000
National Lottery Distribution Trust Fund	–	–
Western Cape Department of Local Government	1 007 000	400 000
Fuel Companies	–	100 000
TNPA	2 708 622	–
Public Bodies	773 800	15 600
Donations and bequests	22 533 782	14 777 555
Companies	4 284 300	2 705 822
Individuals	3 185 990	2 187 560
Legacies and bequests	7 276 160	6 363 206
Shipping levies	1 025 750	754 750
Trusts	6 761 582	2 766 217
Call centre	89 793 767	60 532 927
Members Contributions	1 372 540	426 900
Events	1 781 911	1 466 214
Investment income	2 380 447	1 615 265
Sundry income (insurance claims, manuals, cards, cash discounts, etc.)	657 396	467 747
Surplus on sale of assets	2 899 972	301 110
<b>Total income</b>	<b>130 950 952</b>	<b>82 198 318</b>
<b>Total expenditure</b>	<b>(101 733 454)</b>	<b>(70 270 690)</b>
<b>SURPLUS FOR THE PERIOD</b>	<b>29 217 498</b>	<b>11 927 628</b>

## DETAILED INCOME STATEMENT

Annual financial statements for the year ended 31 December 2016

	12 months ended 31 December 2016 R	9 months ended 31 December 2015 R
<b>EXPENDITURE</b>		
Employee costs	18 118 911	13 269 785
Office expenditure	2 618 187	660 391
Information communication technology	2 011 480	1 454 221
Insurance	1 069 510	1 077 184
Property expenses	3 005 938	2 194 818
Depreciation	16 820 617	10 068 814
Travel and accommodation	3 001 680	1 771 986
Marketing expenditure	4 194 695	3 519 841
Professional fees	782 319	149 245
Banking costs	1 541 563	1 127 041
Call centre	37 992 430	26 975 262
Station expenditure	3 925 549	1 741 405
Boat running	6 650 575	6 260 697
<b>TOTAL EXPENDITURE</b>	<b>101 733 454</b>	<b>70 270 690</b>



**ABOVE:**

Aerial shot from a rescue of 3 UK citizens at Plettenberg Bay .

Credit: Stuart Brink Films



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**NATIONAL SEA RESCUE INSTITUTE**

1 Glengariff Road, Three Anchor Bay, Cape Town, 8005  
PO Box 154, Green Point, 8051  
Tel: 021 434 4011  
Fax: 021 434 1661  
E-mail: [info@searescue.org.za](mailto:info@searescue.org.za)

Company Reg. No: 1967/013618/08  
NPO Reg. No. 002-870  
Company Secretary: Chris Wilson

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

The printing of this report was kindly sponsored by DHL.

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