



The  
*heartbeat*  
of the Nation

## ANNUAL REPORT PRESENTATION

MESSAGES FROM THE ANNUAL FINANCIAL  
STATEMENTS OF 2021/22

199

Life is more than  
breath and a

*Heartbeat;*

meaning and purpose  
are the life of life.

- Archbishop Desmond Tutu

7 October 1931 - 26 December 2021

This years Annual Report pays homage to Archbishop Desmond Tutu's *Legacy.*



## Vision

To become the leading, credible voice and face of the nation and the continent.

## Mission

A high-performing, financially sustainable, digitised national public broadcaster that provides compelling informative, educational and entertaining content via all platforms.

## Values

**TRUST:** Always demonstrate honesty and consistent dependability in our interactions in and outside the organisation.

**RESPECT:** To respect the public mandate we are entrusted with and conduct ourselves respectfully in all our engagements internally and externally.

**INTEGRITY:** To always conduct ourselves ethically and in the interest of the organisation, in the decisions we make in executing our responsibilities.

**QUALITY:** To aspire to and provide the highest standard of quality in the work we produce and experiences we exchange.

## Contents

1. Mandate and Delivery
  2. Strategic outcomes
  3. Social Responsibility
  4. Predetermined Objective
  5. Turnaround Strategy Implementation
  6. Annual Financial Performance
- Financial Performance and Financial Position
  - Outlook
  - Financial Misconduct
  - Audit Outcomes



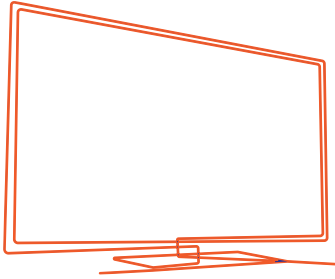


# Mandate Delivery and Executive Summary

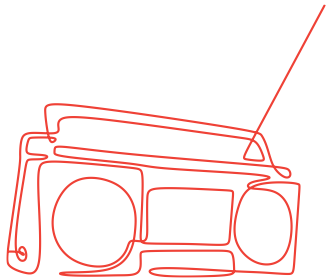




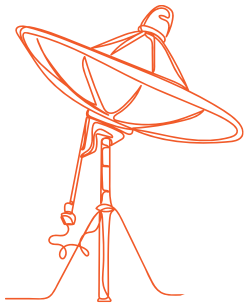
# MANDATE DELIVERY



- Free-to-air (FTA) channels SABC1, SABC2 and SABC3 attract on **average 25 million (25.8m 2021) South African viewers** in a typical month;
- During the year, the **SABC delivered content against days of National importance** including the President's State of the Nation Address and the Budget Speech.



- Commanding a **dominant 73.2% of the radio market**, SABC Radio has also fully embraced audience trends in the online space and continues to display healthy growth on digital and social media platform audiences;
- SABC's radio **portfolio scooped 20 awards for continuous excellent delivery of radio programming** at the Radio Awards 2021.



- The SABC DTT channels include the **Parliamentary Channel, SABC Education and SABC Sport**;
- SABC **News is the national market leader in the South African 24-hour news domain**. The channel continues to record **impressive growth and boasts 18 hours of live coverage daily**.



- The main highlight for the year under review was the successful broadcast of the most significant national event, the Local Government Elections;
- The international coverage of the death and then funeral of Archbishop and on New Year's Day. The funeral was transmitted to the world and on all three platforms.
- Breaking stories which made headlines were: 1) The local and global effects of Covid-19 with special focus on the roll-out of Covid-19 vaccine, 2) President Ramaphosa's addresses on Covid-19 updates and lockdown reviews; 3) The memorial service of AmaZulu Regent, Queen Mantfombi Dlamini Zulu, and the announcement of the preferred AmaZulu King.

# EXECUTIVE SUMMARY

- The reporting period includes the second full year of implementation of the Turnaround Strategy and utilisation of the R3.2 billion recapitalisation funding from National Treasury.
- The desired revenue targets were not met, largely due to a drop in audience share which impacted advertising revenue.
- Advertising revenue is the most significant revenue stream for the Corporation. However, there were, as in previous financial periods, savings and underspending of expenditure.
- Investment on Content increased by R 334m from FY21
- Audit opinion maintained at 'Qualified'. The remaining qualification area continue to be the completeness of the Irregular Expenditure Register for the period particularly pre 1 March 2018 going back to 2012.
- Instances of Financial Misconduct continue to decline year on year.

## EXECUTIVE SUMMARY

- In celebration of women, on-air programmes amplified women's voices while paying homage to the women of 1956. South African women entrepreneurs of all ages, women in unconventional business fields and ordinary women doing extraordinary things were profiled. Procurement spend from suppliers that are at least 30% black women owned with a target of 12%.
- One of the key highlights for SABC was the organisation's joint effort with The International Federation of Television Archives (IFTA) in recognition of several highly qualified designations and industry experts working in the broadcast industry.
- The SABC undertook initiatives over the period that were aimed at increasing staff morale and promoting organisational stewardship, this includes preparations for the launch of the highly anticipated inaugural SABC Staff Excellence Awards.
- To improve the organisation's employee value proposition, the SABC initiated the Short-Term Performance Incentive Scheme (STPI). This scheme was designed to encourage a high-performance culture, drive company strategy and attract and retain high-performing employees by rewarding employees who exceed performance expectations.



## EXECUTIVE SUMMARY

- The SABC has been actively addressing, shaping, and paving the way for a reimagined relationship with all its stakeholders; this includes its first ever hosted Charity Golf Day event, the aim of which was to raise funds for survivors of Gender Based Violence (GBV) and formed part of the SABC's contribution to the activities of the 16 Days of Activism Campaign.
- The SABC has a large focus on skills development. A Skills Development Plan was developed and implemented in 2021. Part of this plan is the re-introduction of internships in the SABC. In the beginning of 2022 169 interns were appointed across the organisation. The internships were implemented in collaboration with the MICT Seta. These interns were appointed against vacant positions in the SABC with the aim of appointing deserving interns on a full-time basis once their internships end, thus ensuring employment opportunities amongst the youth.
- The SABC partnered with Red Bull Wings for life World run. The partnership enabled the SABC to see social issues and business opportunities and profit from them, while also making positive social changes. Being part of the world's largest race allowed the SABC to reach wider audiences, as the race was streamed live on all SABC platforms, including TV, radio, and online.





High Level  
Achievements of  
Strategic Goals

# HIGH LEVEL ACHIEVEMENTS OF STRATEGIC OUTCOME ORIENTED GOALS

## Goal 1

### **Financial Sustainability**

- The SABC was in a position to use R201 million of the bail-out funds to invest in various infrastructure and content during the year.
- During the past year, no borrowings took place, and the SABC has a working capital facility in place should it be required
- Achieving our growth goals depends on finalising the key actions in the Turnaround Plan relating to legislative and regulatory reform.

## Goal 2

### **A Competitive and Innovative Multi-Channel Portfolio**

- While Covid-19 hampered the SABC's plans for the delivery of new productions, especially in the provinces, the Corporation was able to launch some new productions during this period including the Sports Channel launch.
- The SABC's public service announcements (PSAs) were extensive, focusing on live broadcasts of events of national importance.
- The SABC Education channel was launched on DTT and Online during the previous period and continued to provide matriculants with quality educational content and revision programmes to help them prepare for their exams.

## Goal 3

### **Content Everywhere for Everyone**

- The SABC continued to expand on its third-party digital streaming platform strategy by launching the partnership with TelkomONE.
- The SABC has worked with National Treasury and DCDT on the design of a flexible scoring mechanism for creative content.
- The SABC plans to launch its own OTT streaming platform are advancing.
- SABC content and channels on this platform will provide audiences with more choice and FTA services.

# HIGH LEVEL ACHIEVEMENTS OF STRATEGIC OUTCOME ORIENTED GOALS

## Goal 4

### **A Competent, Dynamic Workforce**

- The new TOM structure was launched and a first of its kind Performance Management System implemented with all employees having migrated their performance contracts onto the system for 2022/23.
- 671 vacancies were advertised and 414 appointments (from internal and external) were made.
- 164 employees were offered bursaries for study to ensure they meet the minimum requirements of their positions and employment opportunities have been created for interns.

## Goal 5

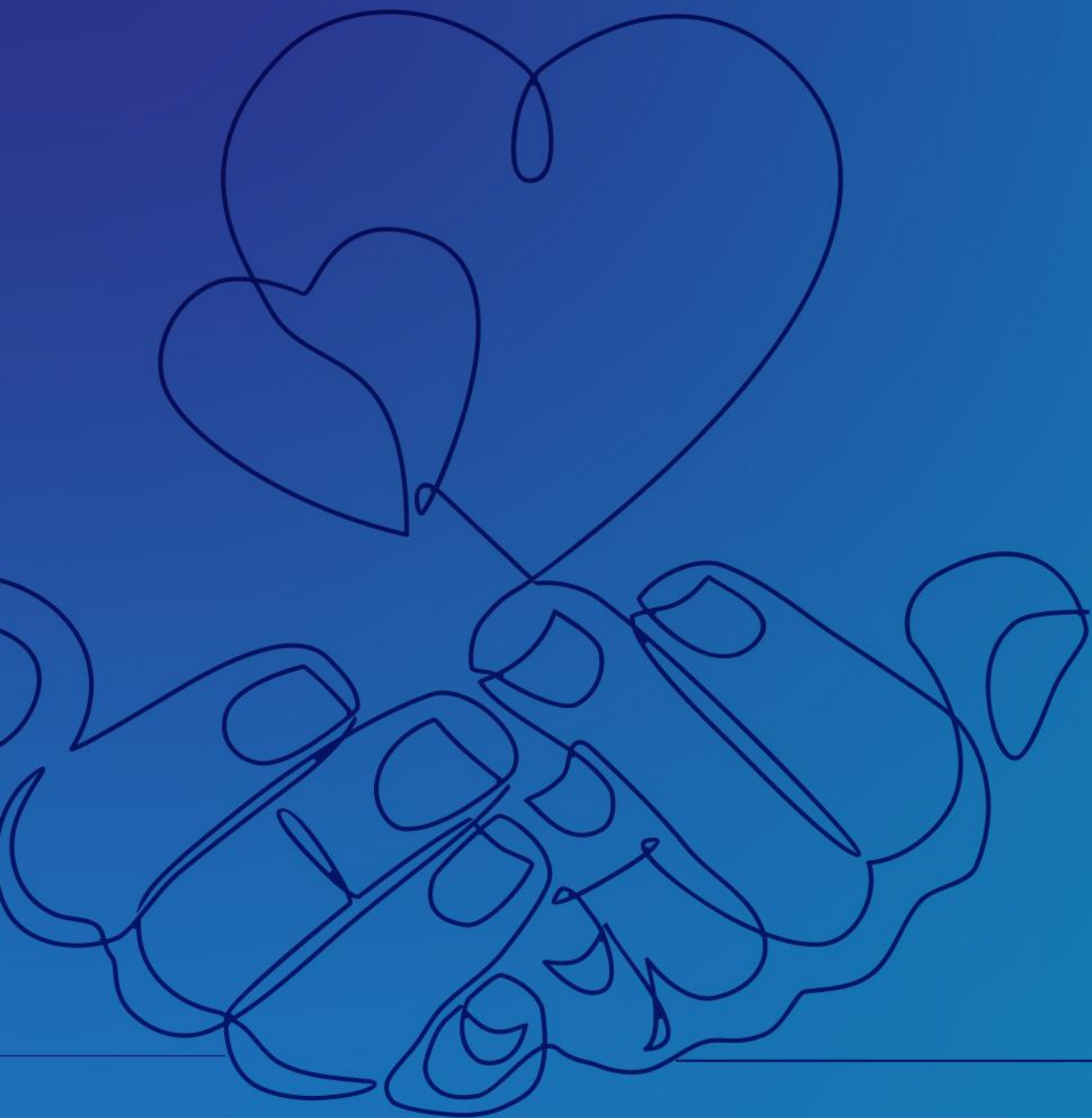
### **Compliant Governance Practices, Risk Management and sound Internal Controls**

- The SABC conforms with the Institute of Internal Auditors (IIA) Code of Ethics and Standards and Achieved 89% progress against the Internal Audit Annual Plan for the financial year 2021/22.
- The audit opinion did not raise any specific concerns around the Internal Control environment.
- As at end of March 2022, 77% (Resolved and Completed) of action plans to address Internal Audit findings were implemented which is a significant improvement compared to prior years.

## Goal 6

### **Strategic and Sustainable Partnerships**

- On 1 April 2021, SABC and Telkom launched the new TelkomONE Streaming channel.
- The mobile operator channel houses the public broadcaster's free-to-air radio and TV channels on a non-exclusive base.
- SABC will create added opportunities for talented local producers to showcase more of their work on a platform, which will enable content to live longer.



# *Social Responsibility Achievements and Awards*



# SOCIAL RESPONSIBILITY

During the year, the SABC drove several CSI initiatives aimed at addressing South Africa's triple challenge of poverty, unemployment, and inequality.

## Public service announcements

- Cancer Association
- LIFELINE SA
- TEARS Foundation
- Rare Diseases
- Reach for a Dream
- National Sea Rescue Institute

## Orphans and vulnerable children

- Partnership with Gift of the Givers
- Department of Correctional Services intervention
- SABC Charity Golf Day sponsored by Good Hope FM

## Donations to NPOs

R2 million donated to:

- Gift of the Givers
- Tears Foundation
- Smile Foundation
- Lifeline
- Girls and Boys Town

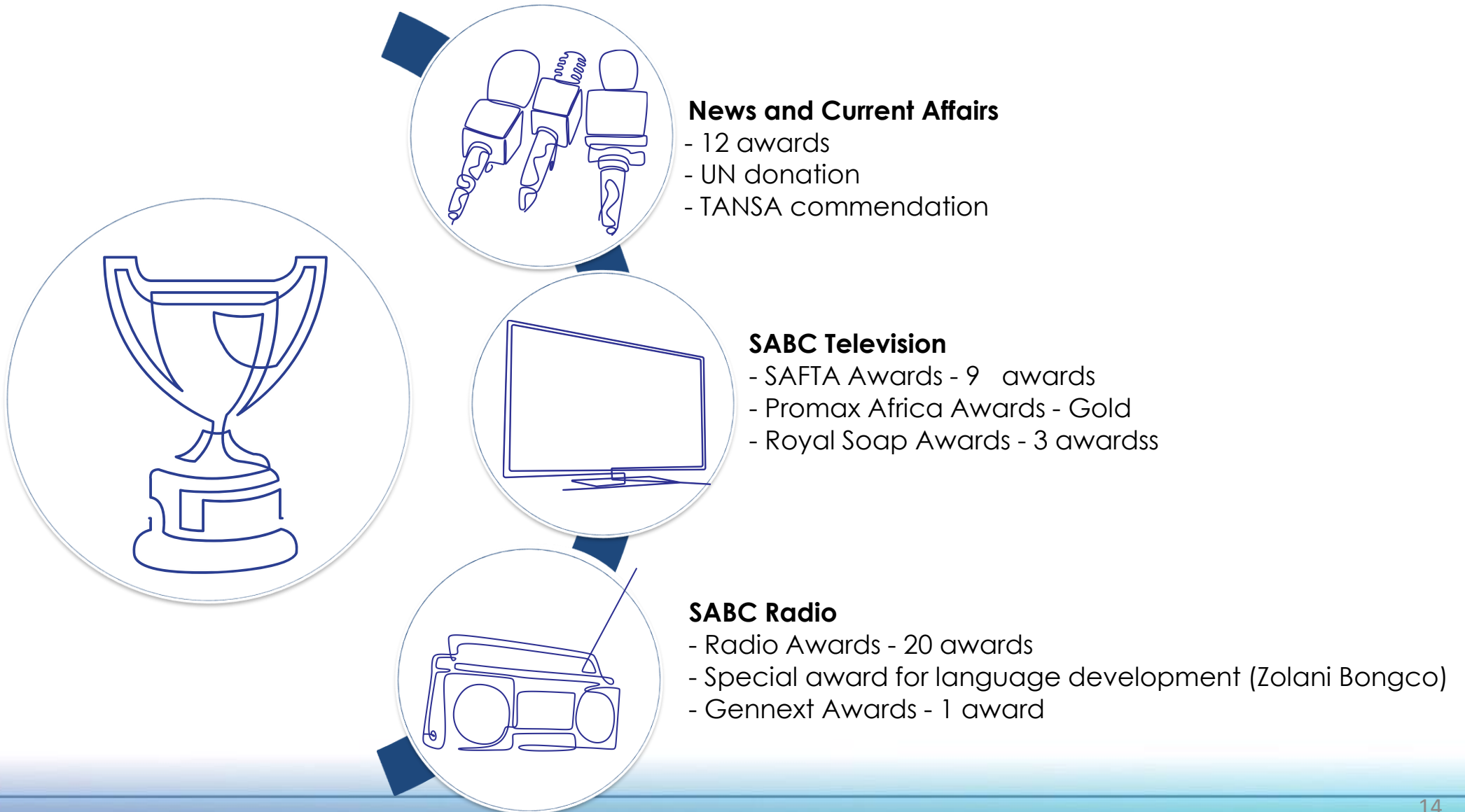
- The SABC Foundation NPC was closed and the funds that remained were donated

## Back-to-School campaigns

- SABC donated a total of 60 laptops.
- Ukhozi FM donated 4 000 sanitary distributed to needy students.
- Donated matric study guides books
- Support schools and the nation with IT and responding to the government initiative of 4IR.



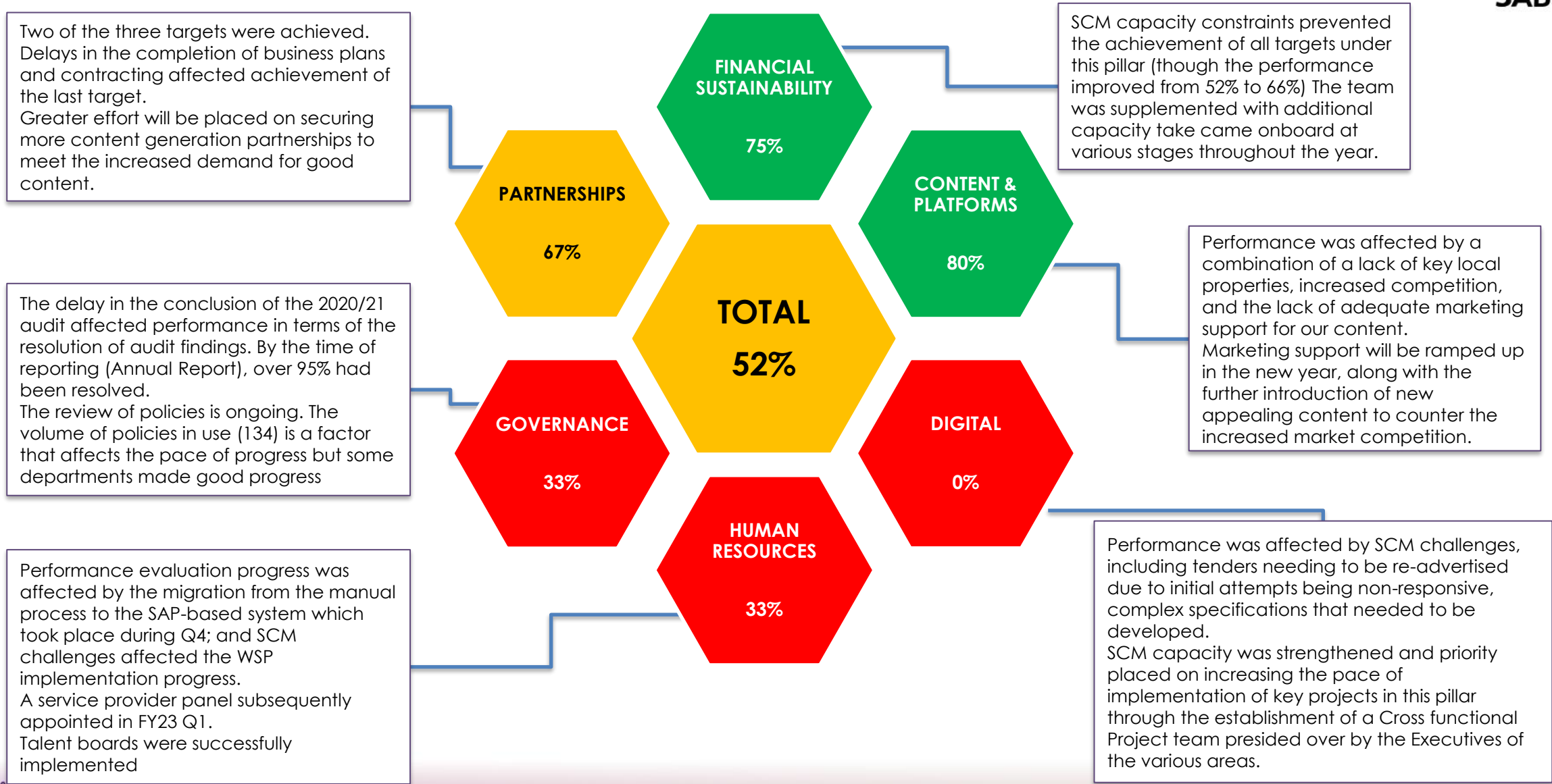
# ACHIVEMENTS AND AWARDS

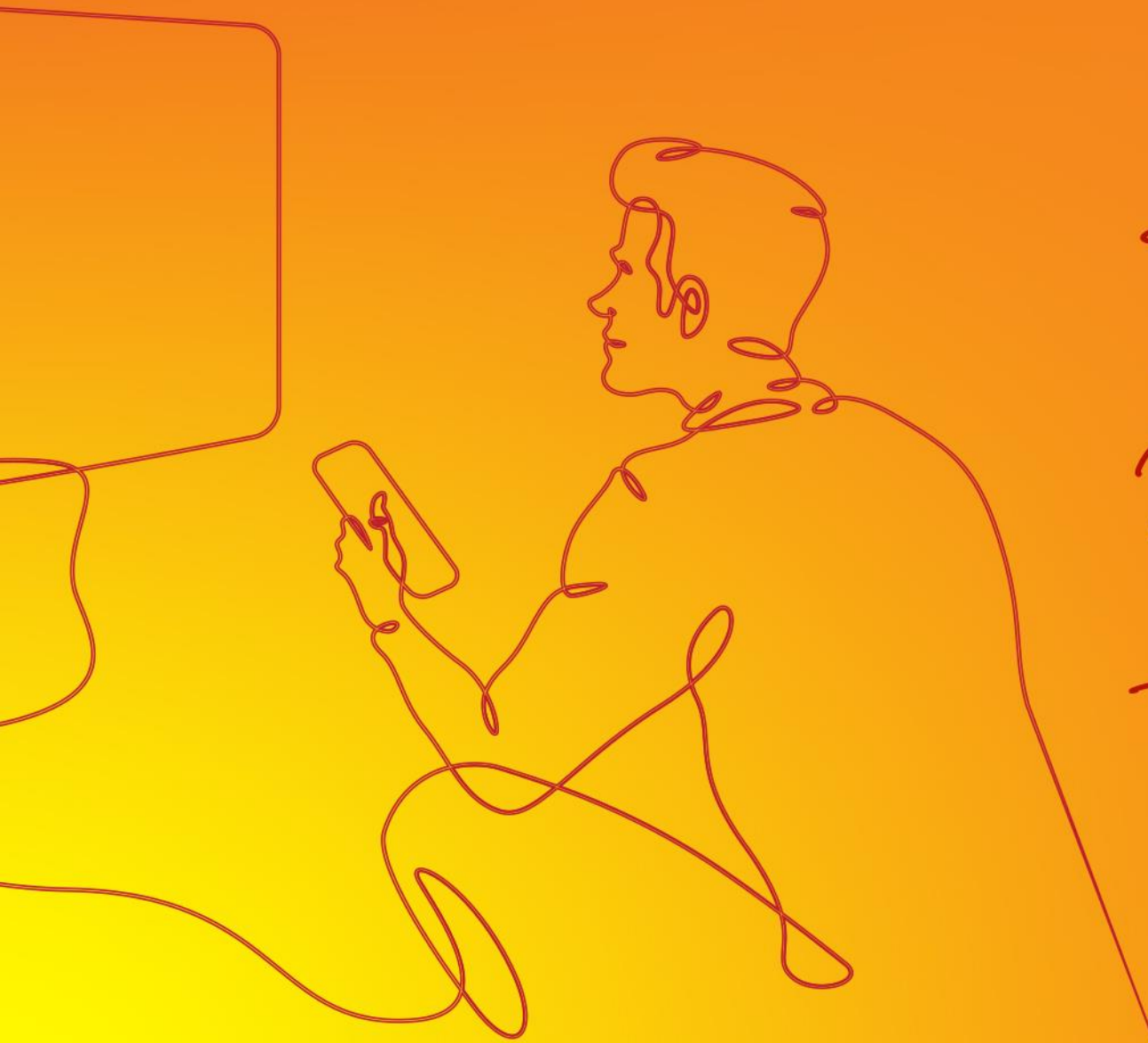




# *Delivery on Predetermined Objectives*

# DELIVERY ON PREDETERMINED OBJECTIVES

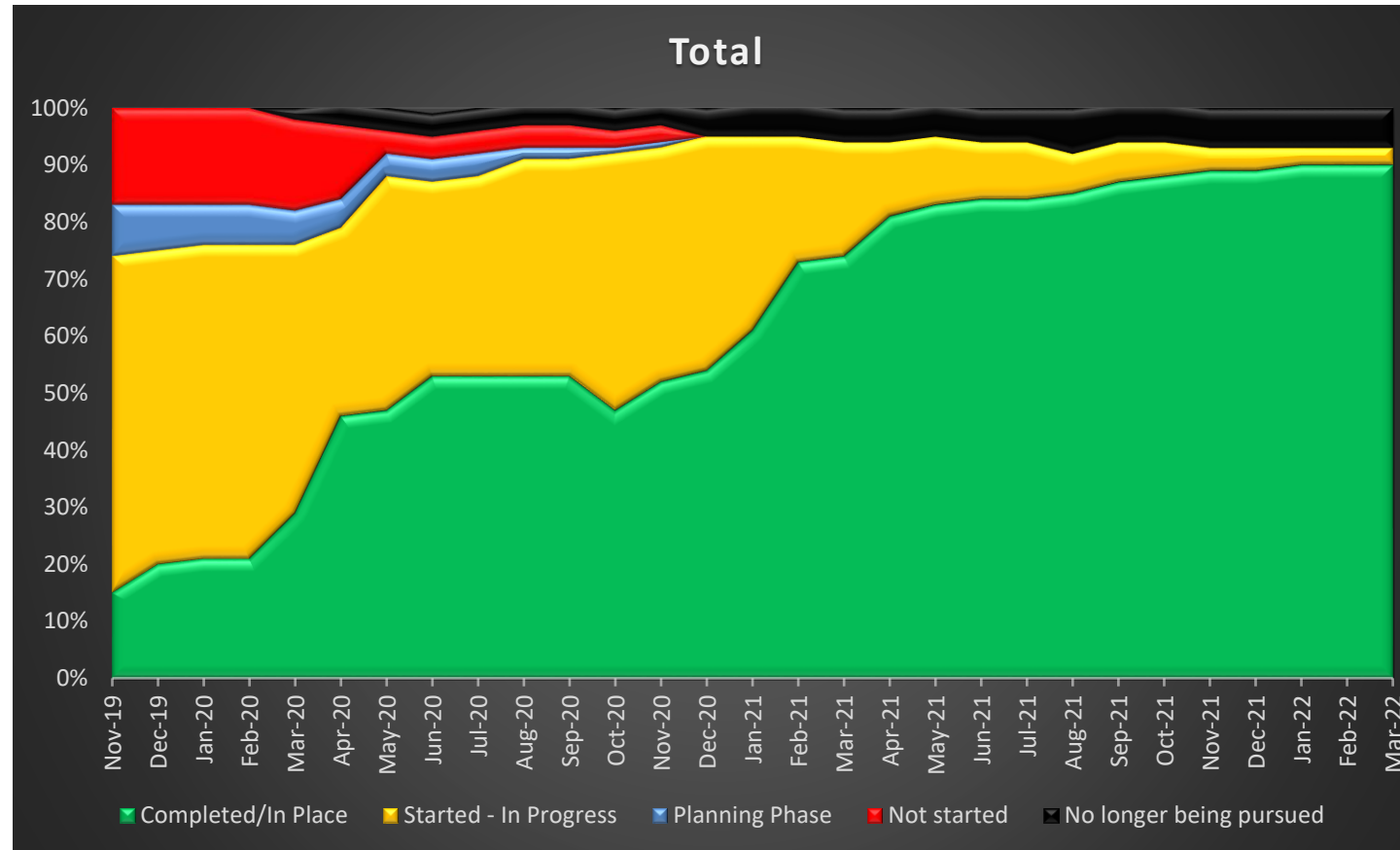




# Turnaround Plan Implementation



# TURNAROUND PLAN IMPLEMENTATION PROGRESS – MARCH 2022



\*\* - For legislative and regulatory-related key actions, these are marked as 'Complete/ In Place' in our progress reports whenever the SABC has made all required review participation submissions and awaits further engagements from DCDT and regulators. Otherwise they are captured as 'Started – In Progress'.

The SABC Turnaround Plan contains 120 key actions. Of these, 15 relate to required legislative and regulatory changes. Of the remaining 105 key actions that are within the SABC's control to fully implement, the Corporation took the decision to not pursue five (5) for various reasons, including the envisaged key actions being overtaken by related developments.

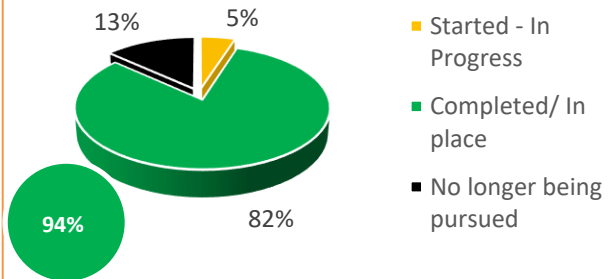
As at the end of March 2022, 96 of the original 105 key actions within the SABC's full control to implement were 'Complete/In place'. Expressed against the 100 key actions that the Corporation is pursuing, the percentage of 'Complete/In place' key actions is **96%**.

The SABC has been actively participating in Shareholder Representative-led and Regulator-led processes relating to the 15 key actions relating to policy and regulatory changes. As at the end of March 2022, there was no SABC input outstanding in any of these processes.

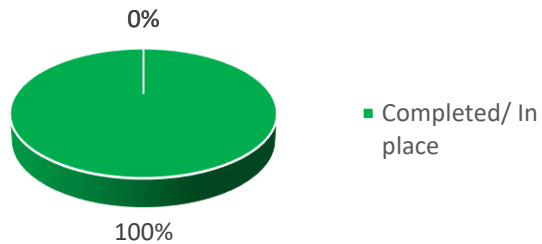


# TURNAROUND PLAN IMPLEMENTATION PROGRESS – MARCH 2022

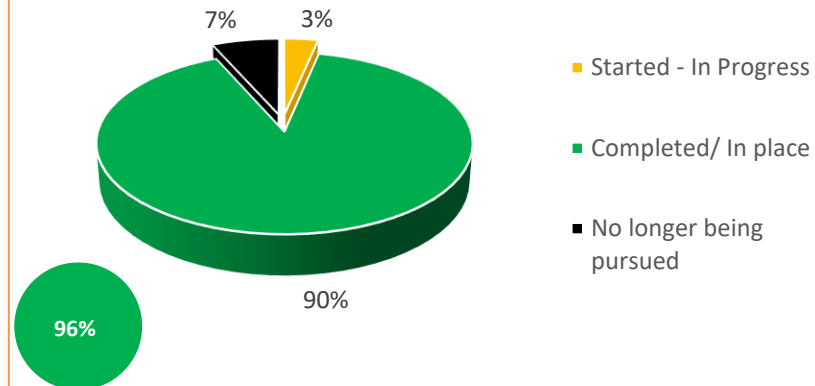
## Financial Sustainability and Governance



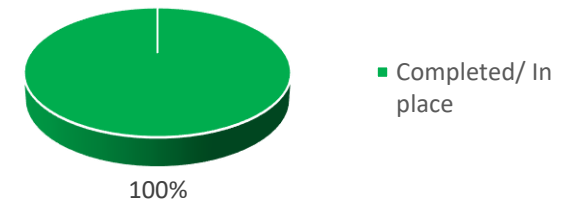
## Content and Platforms



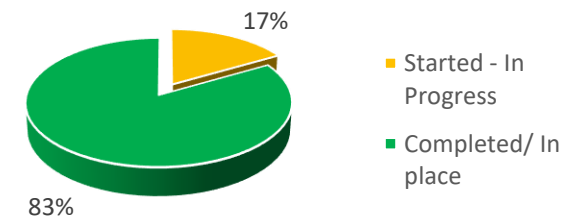
## Total



## Human Resources



## Transmission and Digital Migration



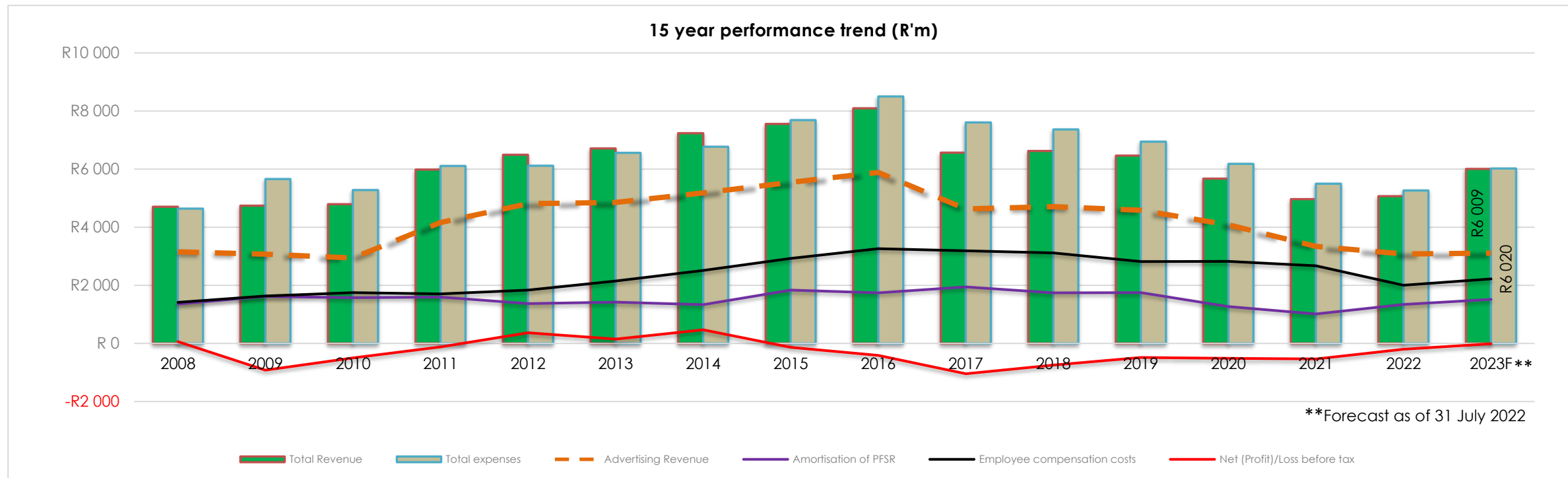


# *Financial Performance*



# SUMMARY FINANCIAL PERFORMANCE

## HIGH LEVEL PERFORMANCE OVERVIEW



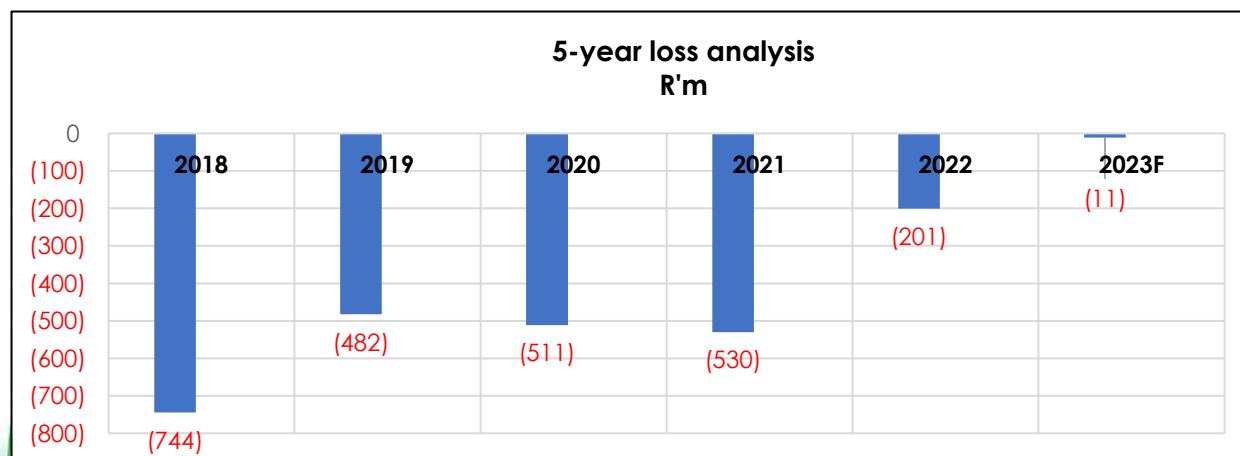
### Financial performance analysis

- Revenue slightly increased when compared to FY21. However, revenue levels previously achieved in 2020 have not yet been achieved mainly as audience share declined. Advertising revenue was significantly under budget by 23%. Underperformance by V & E, negatively contributed to advertising revenue performance. Revenue is forecasted to grow in FY2023. Mitigating plans in the form of an action plan have been established to close the revenue gap experienced in the first quarter of FY23. Management the cash implications of the underperforming quarter is also in place.
- The Net loss slightly improved when compared to FY21 to R200 million, as a result of the marginal increase in revenue performance, particularly for sponsorship revenue, and employee cost savings from vacant positions coupled with favourable actuarial valuation movements.
- The improvement in Net loss was negatively impacted by one property, the Olympics, which accounts for 58% (R122 million) of the reported net loss. If not for the Olympics investment for public mandate the operating position will have improved to a loss of R78m – an 85% improvement from prior year.**
- Investment in content slightly increased when compared to FY21 due to the broadcast of unbudgeted sports events

# SUMMARY FINANCIAL PERFORMANCE

## EXTRACT OF STATEMENT OF FINANCIAL PERFORMANCE

	Group		Company	
	2022	2021	2022	2021
<b>Revenue</b>	<b>(5 042 846)</b>	<b>(4 953 202)</b>	<b>(5 042 846)</b>	<b>(4 953 202)</b>
Advertising revenue	(3 078 475)	(3 345 721)	(3 078 475)	(3 345 721)
Sponsorship revenue	(664 432)	(354 406)	(664 432)	(354 406)
Licence fees	(815 055)	(788 426)	(815 055)	(788 426)
<b>Other income</b>	<b>(25 040)</b>	<b>(15 063)</b>	<b>(25 040)</b>	<b>(15 063)</b>
<b>Expenses</b>	<b>5 326 404</b>	<b>5 573 187</b>	<b>5 325 825</b>	<b>5 572 789</b>
Amortisation of PFSR	1 344 291	1 014 885	1 344 291	1 014 885
Amortisation and depreciation of software and PPE	134 995	161 054	134 995	161 054
Broadcast costs	314 474	267 526	314 474	267 526
Signal distribution and linking costs	725 567	718 235	725 567	718 235
Employee cost	2 009 154	2 672 217	2 009 154	2 672 217
<b>EBIT</b>	<b>258 518</b>	<b>604 922</b>	<b>257 939</b>	<b>604 524</b>
Finance income- net	(57 734)	(72 869)	(57 734)	(72 869)
<b>Loss for the year</b>	<b>200 784</b>	<b>530 175</b>	<b>200 205</b>	<b>531 538</b>



## FINANCIAL COMMENTARY

Net loss declined by R329,3 million (62%) year-on-year and this is attributable to the following-

### Revenue

- Total revenue increased by R89,6 million (2%) from prior year.
- This is due to Sponsorship revenue which exceeded prior year performance by R310 million (53%) to R664,4 million
- However, Advertising revenue under performed as result of :-
  - ✓ loss of audience share,
  - ✓ clients cutting advertising spend,
  - ✓ lockdown restrictions for the greater part of FY22
  - ✓ Power cuts

*The impact on audience from ASO for the sites switched off was not yet firmly established as at 31 March 2022. However, it is expected to negatively impact audience ratings with varying impact on revenue depending on profile changes to advertisers' target audiences.*

- TV licence collection demonstrated an improved performance of R26,6 million largely due to collection initiatives, eg brand awareness campaigns, and the strength of the TV Licence brand etc.
- Mobile revenue increased by R22,6 million (157%) to R37 million, although delays of the commercial launch of SABC's own OTT platform and revenue generation dampened full potential from this revenue stream.
- Channel carriage revenue, and programme exploitation revenue increased by R10.9 million and R16.6 million to R208 million and R48.2 million respectively.
- Business enterprise and facilities revenue remained relatively stable year on year.

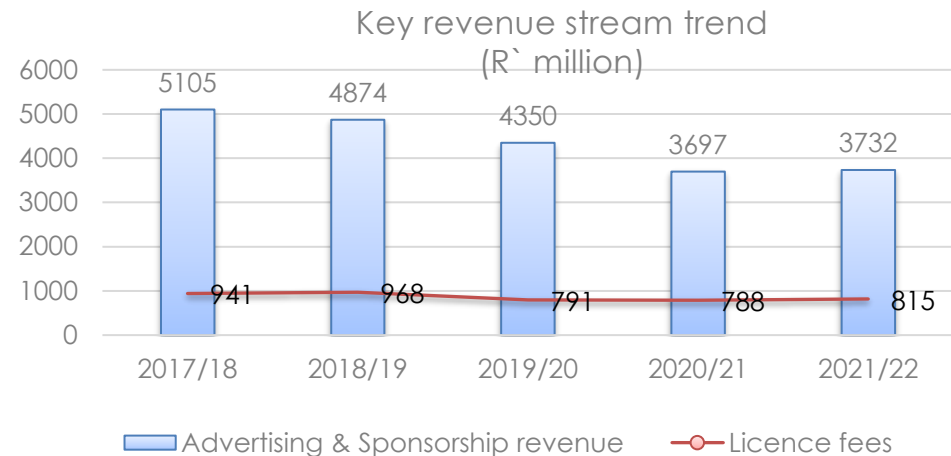
### Net loss

- Over the five (5) year period, net loss improved by R543 million (73%). Whilst year on year between FY2021 and FY2022 improved by R329 million.

# SUMMARY FINANCIAL PERFORMANCE



## REVENUE PERFORMANCE



### Revenue 5 year trend analysis

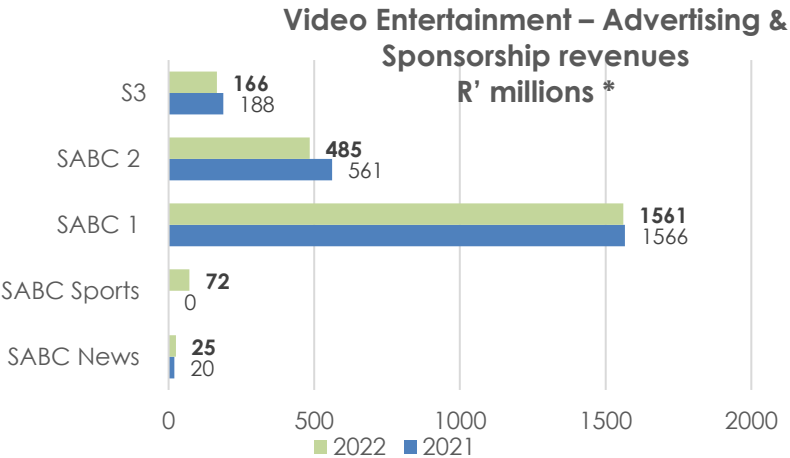
Over the five year period the following occurred:-

- Advertising & sponsorship revenue in FY22 decreased by R1.4 billion (27%) compared to FY18 . A R35m (1%) growth is reported in FY22 when compared to FY21. COVID restrictions, economic deterioration and loss of audience share were major contributors over the last three years.
- TV licence fees recognised decreased by R126 million (13%) compared to FY18 with significant decrease of R177 million (18%) reported in FY20. There was a slight increase of R27m to R815 million reported in FY22

\* Advertising revenue excludes trade exchange revenues

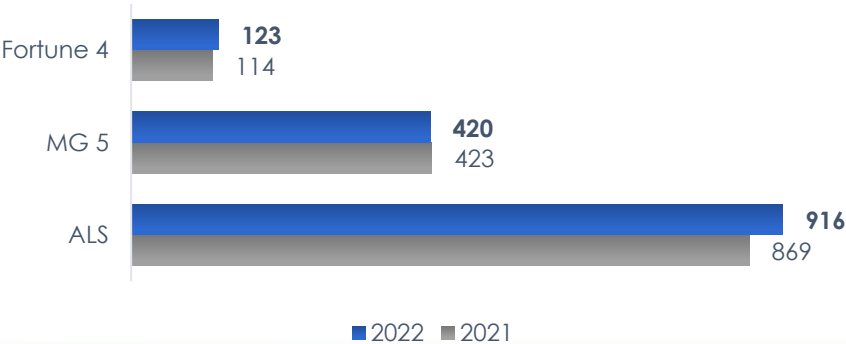
## ADVERTISING REVENUE PER PLATFORM

Advertising & sponsorship revenue remains the key revenue stream, and the graphs below depict advertising revenue generated by the different SABC platforms.

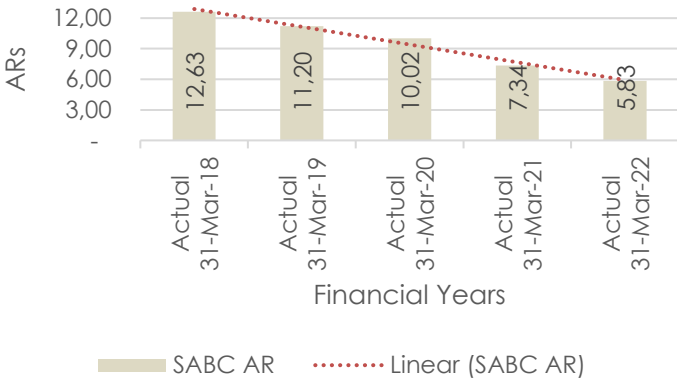


\* Some News and Sports Revenue will be reflected under VE

## Radio -Advertising & Sponsorship revenues R' millions



## SABC Audience Ratings trend Prime time channel ratings



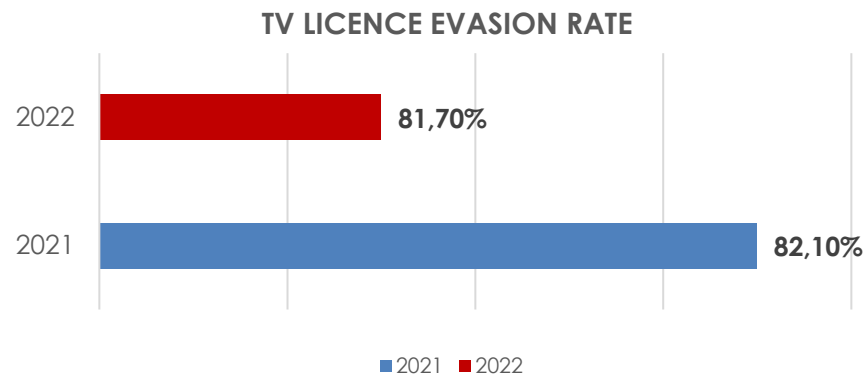
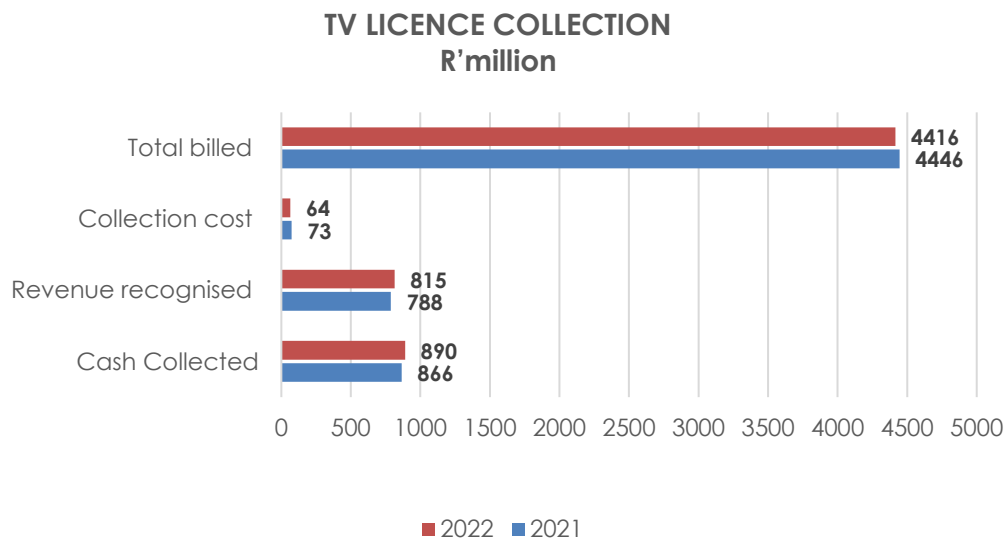
- The decline in audience share is a key factor in the regression of TV advertising revenue.
- ASO impact was not yet firmly established as of 31 March 2022.



# SUMMARY FINANCIAL PERFORMANCE

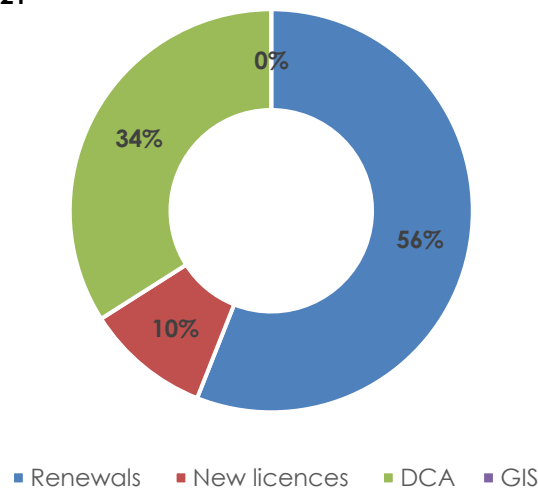


## TV LICENCE REVENUE PERFORMANCE



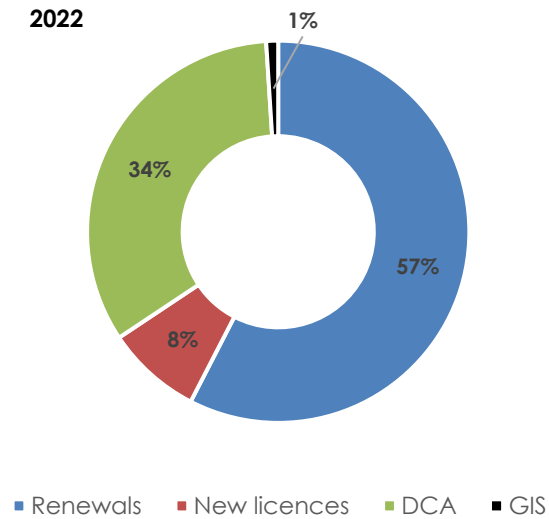
## TV LICENCE FEES COLLECTION PROFILE

2021



## TV LICENCE FEES COLLECTION PROFILE

2022



TV licence cash collection year on year improved by R24 million (3%) due to the following collection initiatives and despite the economic conditions:-

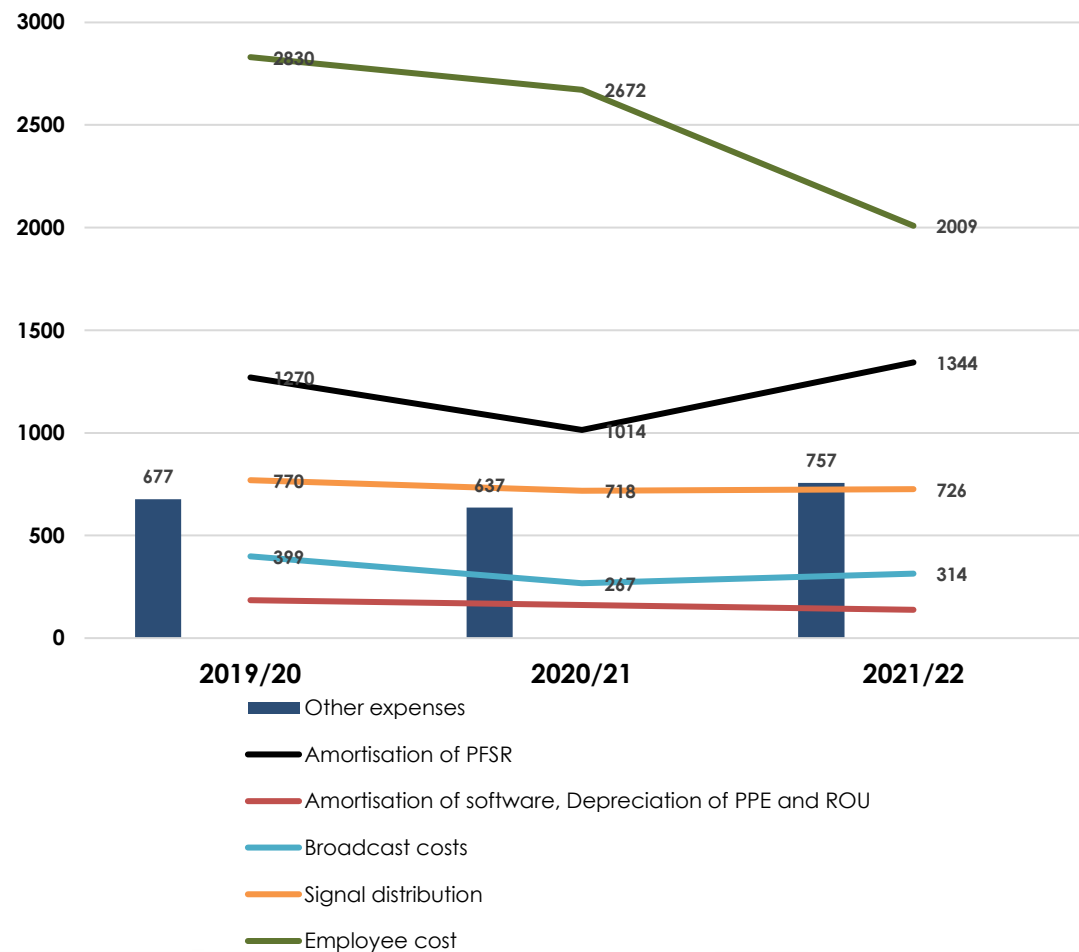
- Implementation of brand awareness campaigns
- Customer self services
- Enhanced awareness of the TV licences brand

# SUMMARY FINANCIAL PERFORMANCE



## EXPENDITURE PERFORMANCE

### TREND ANALYSIS

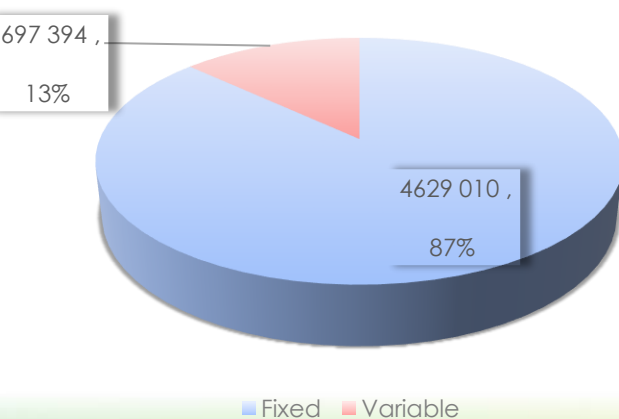


Expenditure analysis is detailed below:-

### Expenses

- Employee related cost savings against prior year were R663 million (24%). This is due to an average of 487 vacancies throughout the year, resulting in a savings of R495.3 million. There was an additional adjustment for credit actuarial valuation movements on employee costs of R167.7 million.
- Broadcast costs increased by R47 million due to the easing of lock down restrictions in the latter part of the year, and the introduction of sports and other outdoor events.
- Signal distribution and linking costs increased by R7.3 million to R725.5 million due to weaken of rand exchange rate resulting in an increase in ATV costs from December 2021. DTT costs also increased due to ASO of transmitters in some sites.
- Investment in content increased by R329 million due to unbudgeted sports events, and introduction of a S3 telenovela (i.e., The Estate replacing Isidingo).
- The cost of the public mandate continue to weigh on the entity's performance with R658m spent on the News service which carries regulatory restrictions on commercial exploitation. The cost of unfunded public mandate content including the Signal and Distribution cost there off for the FY2022 approximates R688 million.
- Overall other operating expenses increased year on year due remote working cost adjustments.

### COST BASE



Variable costs include the ff:-

- Marketing
- Direct revenue collection costs
- Professional and consulting fees
- Operational costs
- All other costs are considered to be fixed.

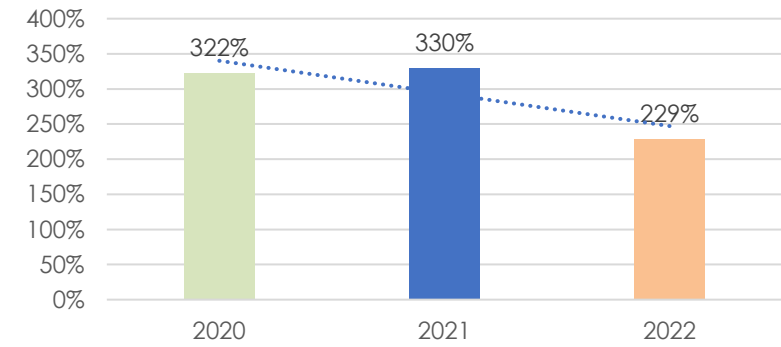
At 87% fixed costs, the SABC is heavily operationally geared and hence profitability becomes very sensitive to movements in Revenue.

# SUMMARY FINANCIAL PERFORMANCE

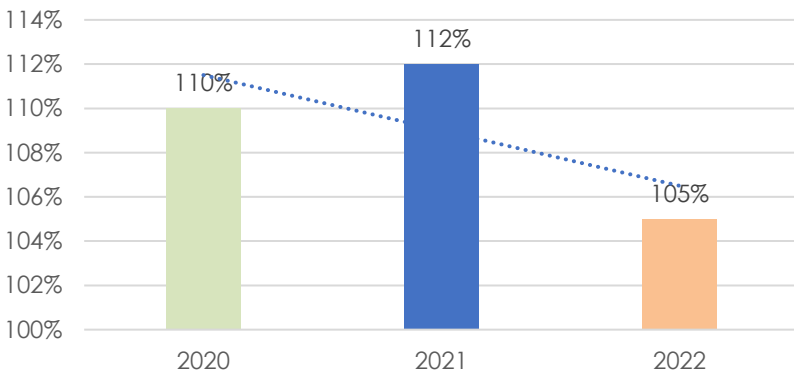


## KEY FINANCIAL RATIOS

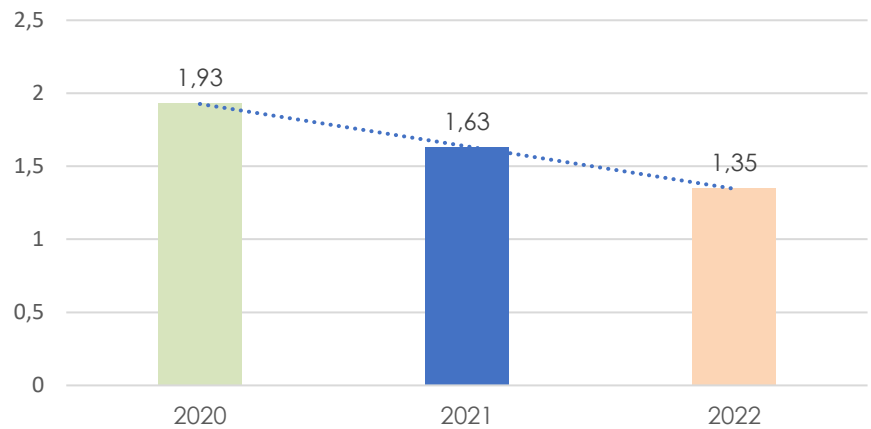
Content ROI



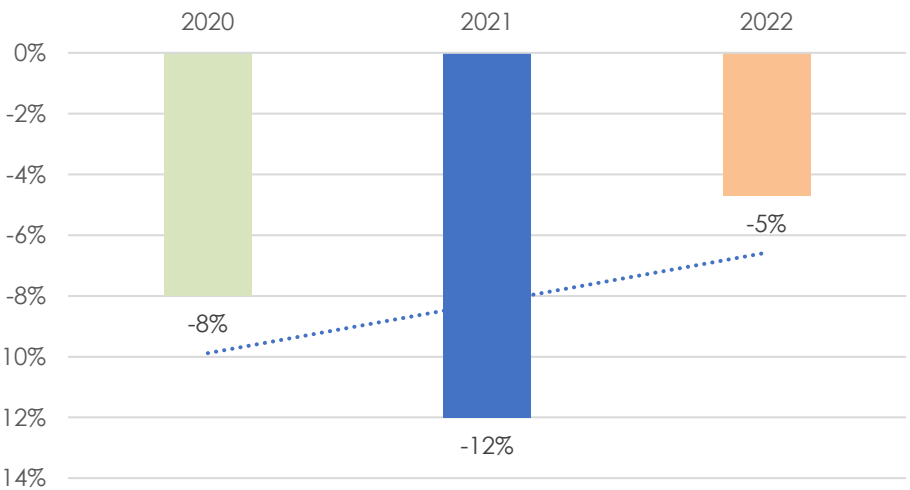
Cost to income



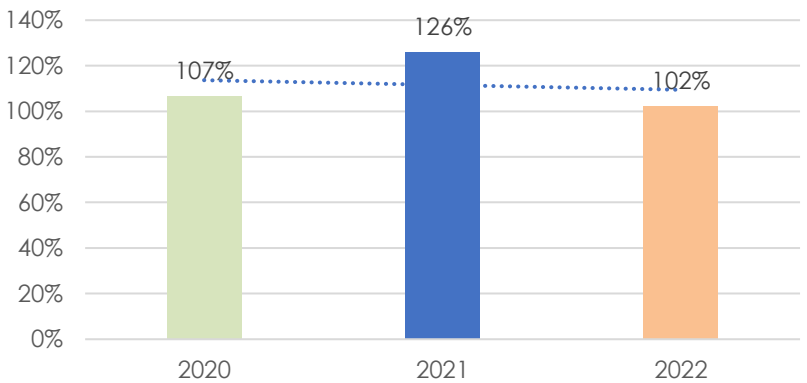
Working capital ratio



Return on assets



Gearing %



# SUMMARY OF FINANCIAL POSITION

R'000	Group		Company	
	2022	2021	2022	2021
Total non-current assets	3 198 469	3 357 648	3 198 469	3 357 648
Total current assets	2 314 872	2 719 913	2 313 132	2 717 638
<b>Total Assets</b>	<b>5 513 341</b>	<b>6 077 561</b>	<b>5 511 601</b>	<b>6 075 286</b>
Total equity	2 462 363	2 980 934	2 460 623	2 978 615
Total non-current liabilities	1 338 165	1 426 810	1 338 165	1 426 810
Total current liabilities	1 712 813	1 669 818	1 712 813	1 669 861
Total Liabilities	<b>3 050 978</b>	<b>3 096 628</b>	<b>3 050 978</b>	<b>3 096 671</b>
<b>Total Equity and liabilities</b>	<b>5 513 341</b>	<b>6 077 561</b>	<b>5 511 601</b>	<b>6 075 286</b>

## FINANCIAL COMMENTARY

- Total non-current assets regressed by R159 million (5%). This decrease in non-current assets is due to a decrease in PPE , Intangible assets, Right of use assets and net defined benefit asset as a result of disposal of assets and variables/assumptions underpinning the valuation changed , respectively.
- Cash on hand at year end is R1.18bn of which R917m relates to recapitalisation funding ring fenced for capex, content acquisition and the balance of Trade and Other payable of R447m, R414m and R56m respectively. The remaining portion of cash on hand of R196m relates to own cash generated from operations and Interest earned on the Bailout.
- The liquidity ratio declined from 1.6;1 to 1.4:1, it is still within the benchmark of 1.2:1. This reflects the ability of the SABC to meet is short term obligations .
- Although the corporation is still in a net asset position, cash generated from operations are still unfavourable and own cash reserves are low.
- Management implemented various mitigation initiatives to address liquidity and solvency risks.



*Outlook*





# OUTLOOK

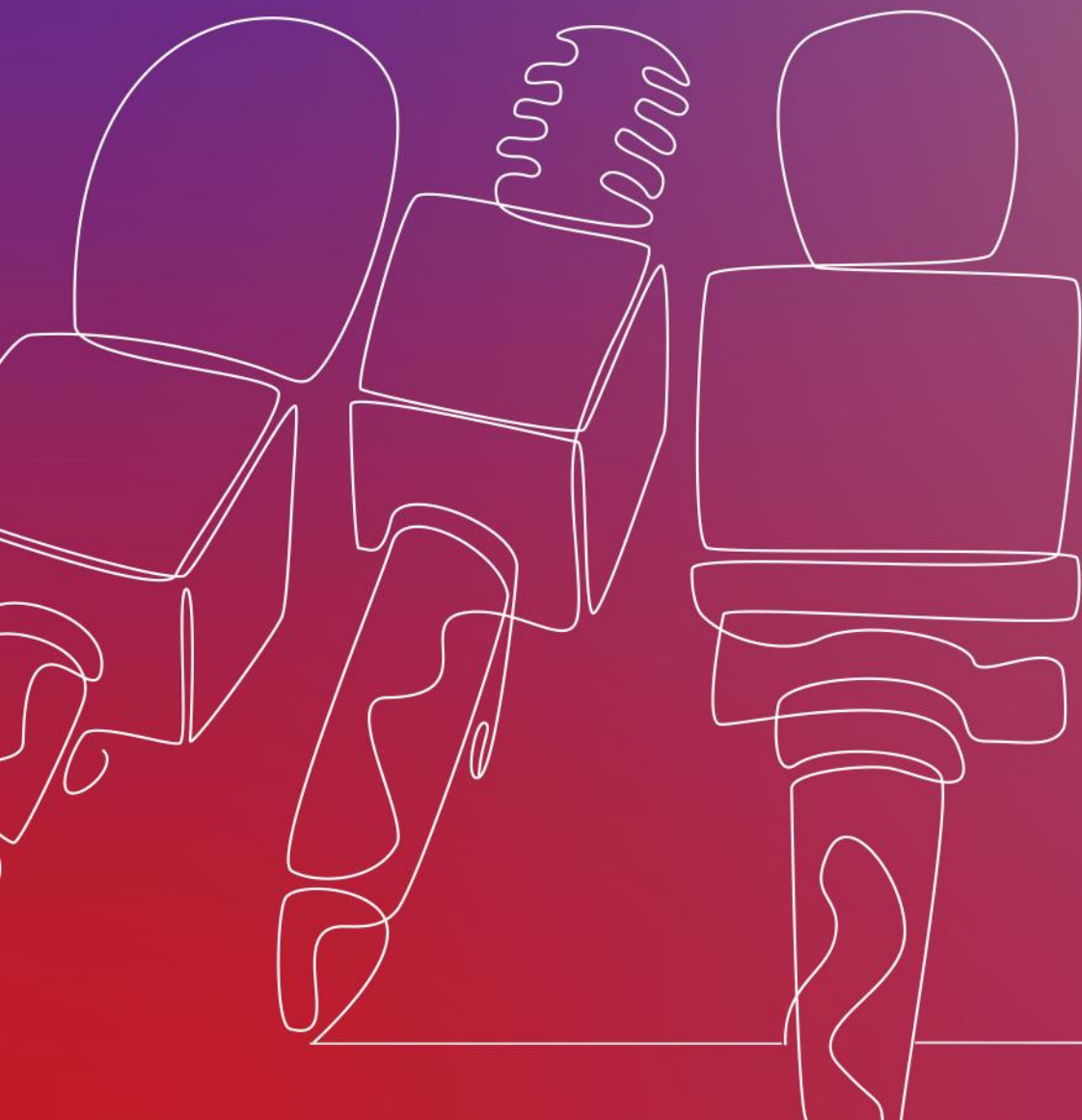
The going concern assumption for the Corporation remains appropriate:-

## KEY CHALLENGES

- TV advertising revenue decline from loss of audience share
- Strain on operating cashflows at the back of declining revenues

## MITIGATING FACTORS

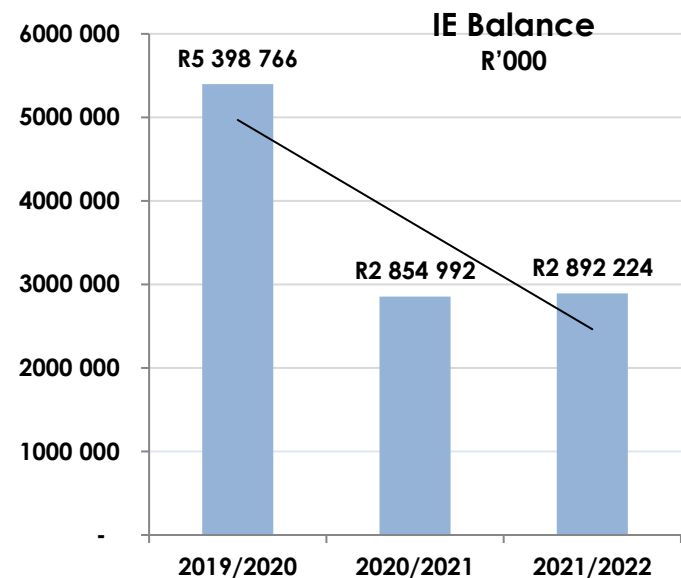
- Increased effort in Radio sales to mitigate losses on the TV side of business
- Growth of sales to previously under served SMME markets
- Grow TV audience share
- OTT and digital revenue generation
- Liquidity support from the disposal of non-core assets
- Potential upside from amendments to the Must Carry regulations
- Implementation of stringent cash and liquidity risk management practices
- Availability of Debtors Finance Facility



# *Analysis of Irregular, Fruitless and Wasteful Expenditure*

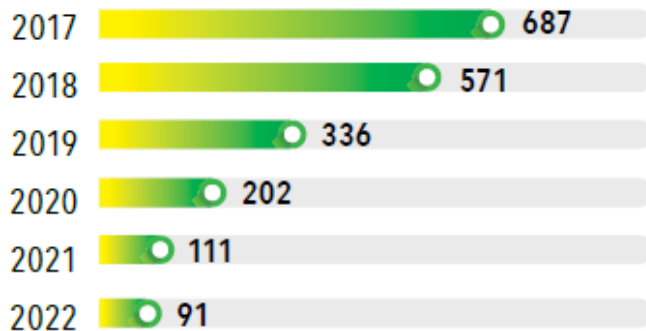
# ANALYSIS OF IRREGULAR EXPENDITURE

## IRREGULAR EXPENDITURE ANALYSIS

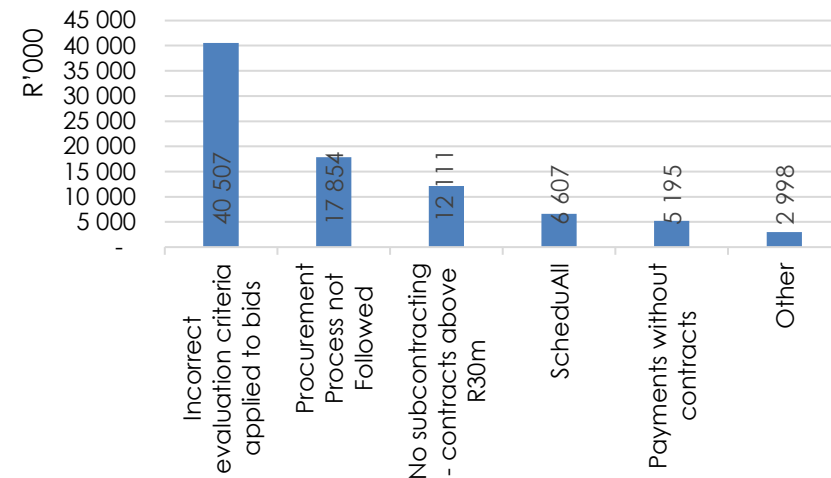


### GRAPH: Irregular Expenditure

(In-year) - 5 year analysis (R'm)



### FY2022 - In-year IE profile



In year IE movement decreased by 23%. The decrease shows the improvement in internal control in SCM. Internal control measures implemented include, but are not limited to the following:-

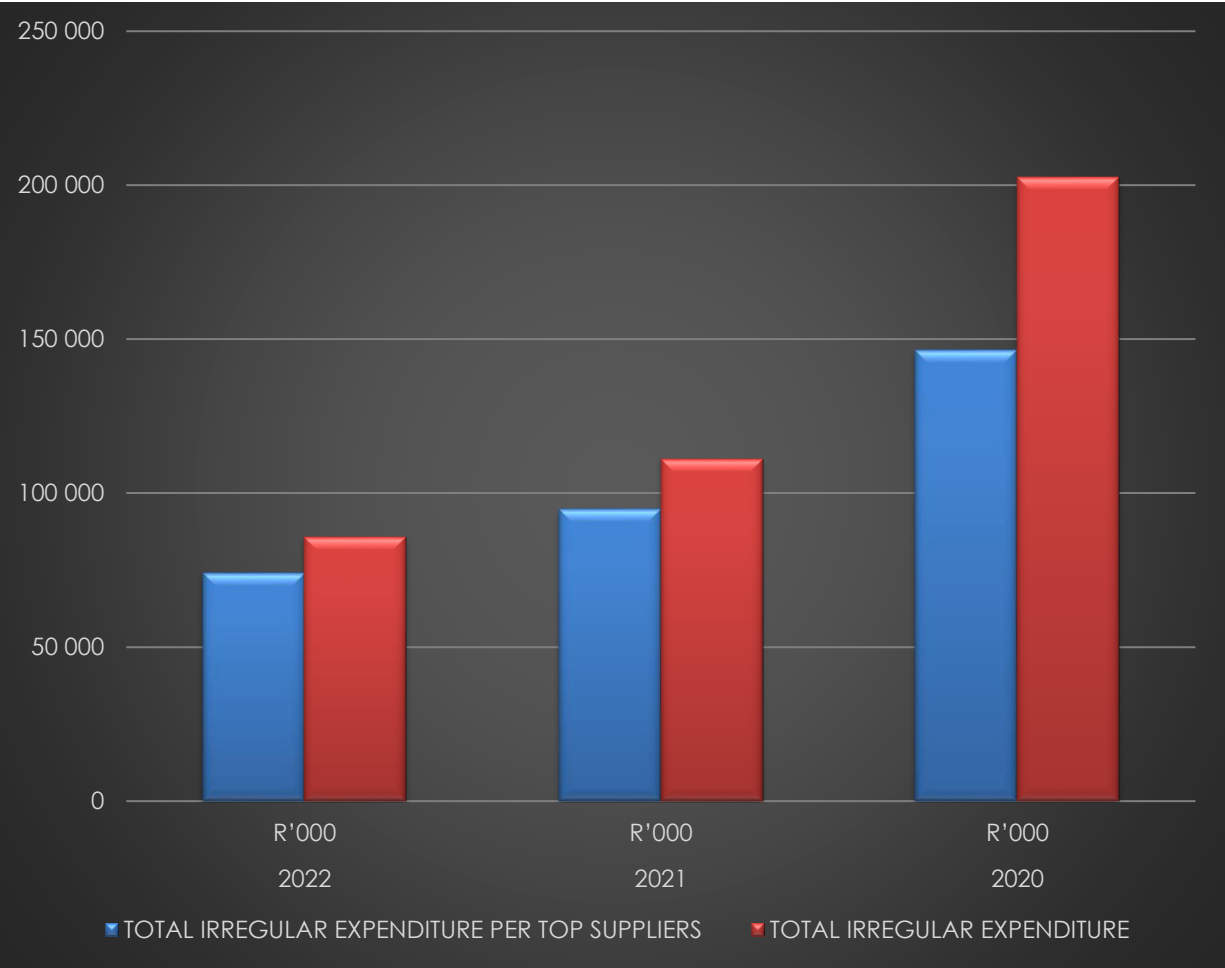
- Review and enhancement of the SCM Standard operating procedure(SOP) and Policy twice in the past 4 years.
- Implementation of an SCM IE SOP as well as a Consequence Management Framework to clarify roles and responsibilities and processes to be followed
- Developing and or enhancing internal control measures via checklists for example in the various SCM processes to ensure processes are rigorously followed.
- Firming up the appointments of BSC,BEC and BAC members clarifying duties and expectations and obligations.
- Implementing lessons learnt from various audit outcomes in the various structures and processes in the supply chain cycle
- Concluded all evergreen contracts and replaced services having followed the appropriate processes
- An SCM Governance office was established to review identified high risk tenders.
- Assurance providers and Group Internal Audit form part of the review of and assurance on identified tenders.
- Ongoing training and awareness campaigns in SCM and Business.
- Emphasis on and Improved planning cycles.
- SCM Improvement Action Plans monitored by the Audit and Risk Committee
- Additional capacity established in SCM
- Enhancement of consequence management processes and establishment of an Investigation function specifically for IE.

# ANALYSIS OF IRREGULAR EXPENDITURE

## TOP TEN SUPPLIERS

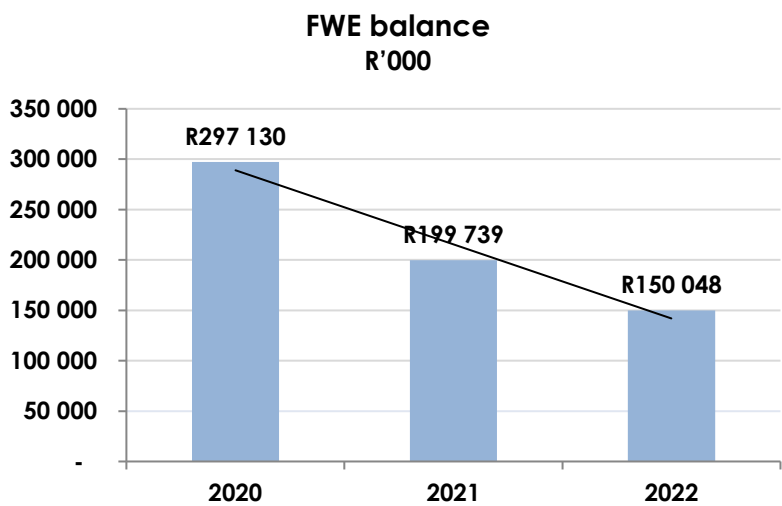
	2020	2021	2022
	R'000	R'000	R'000
TOTAL IRREGULAR EXPENDITURE PER TOP10 SUPPLIERS	146 332	94 669	74 160
TOTAL IRREGULAR EXPENDITURE	202 470	111 068	91 425
	72%	85%	87%

- Awards to these suppliers are multi year contracts, and this illustrates improvement in the SCM control environment over the 3 years.
- IE incurred is largely attributable to the top 10 suppliers. This illustrates that the number of instances of IE are significantly limited to these suppliers as awards are not wide spread.
- Although Irregular expenditure incurred is significantly limited to awards to top suppliers, the reported IE decreased by 54% over the 3 year period. Decline is attributable to improvement in the control environment
- Of the IE for the current year, only 23% relates to instances arising from current year transgressions. 77% arises from prior year contracts.



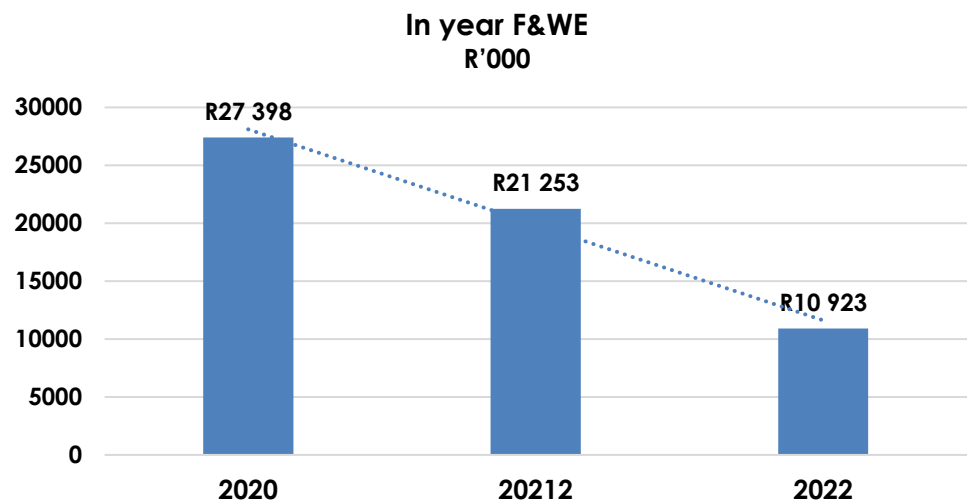
# ANALYSIS OF FRUITLESS AND WASTEFUL EXPENDITURE

## 3- YEAR FRUITLESS AND WASTEFUL EXPENDITURE ANALYSIS

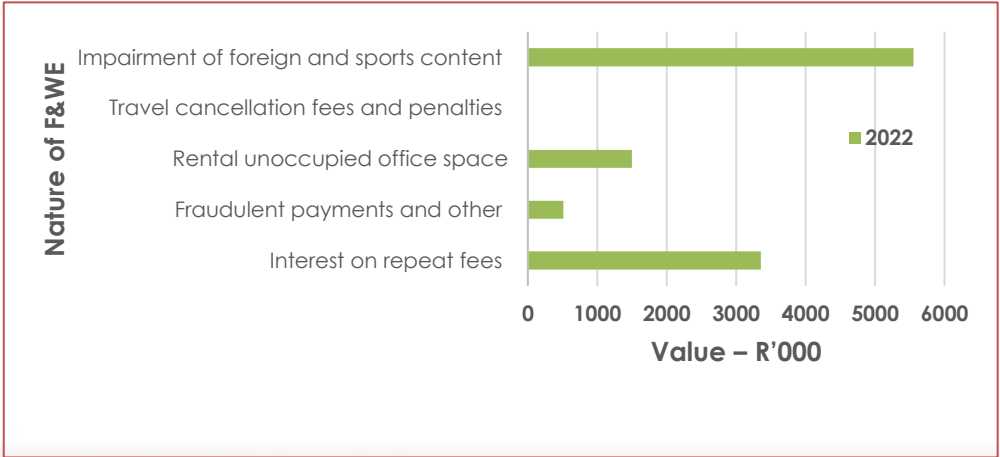


Overall FWE balance decreased by R49,7 million due to recoveries and F&WE write-off approved by the board and reducing in year instances.

In year movement show significant decline of 49% year-on-year demonstrating a significant improvement in mitigating, identifying, monitoring and reporting of F&WE.

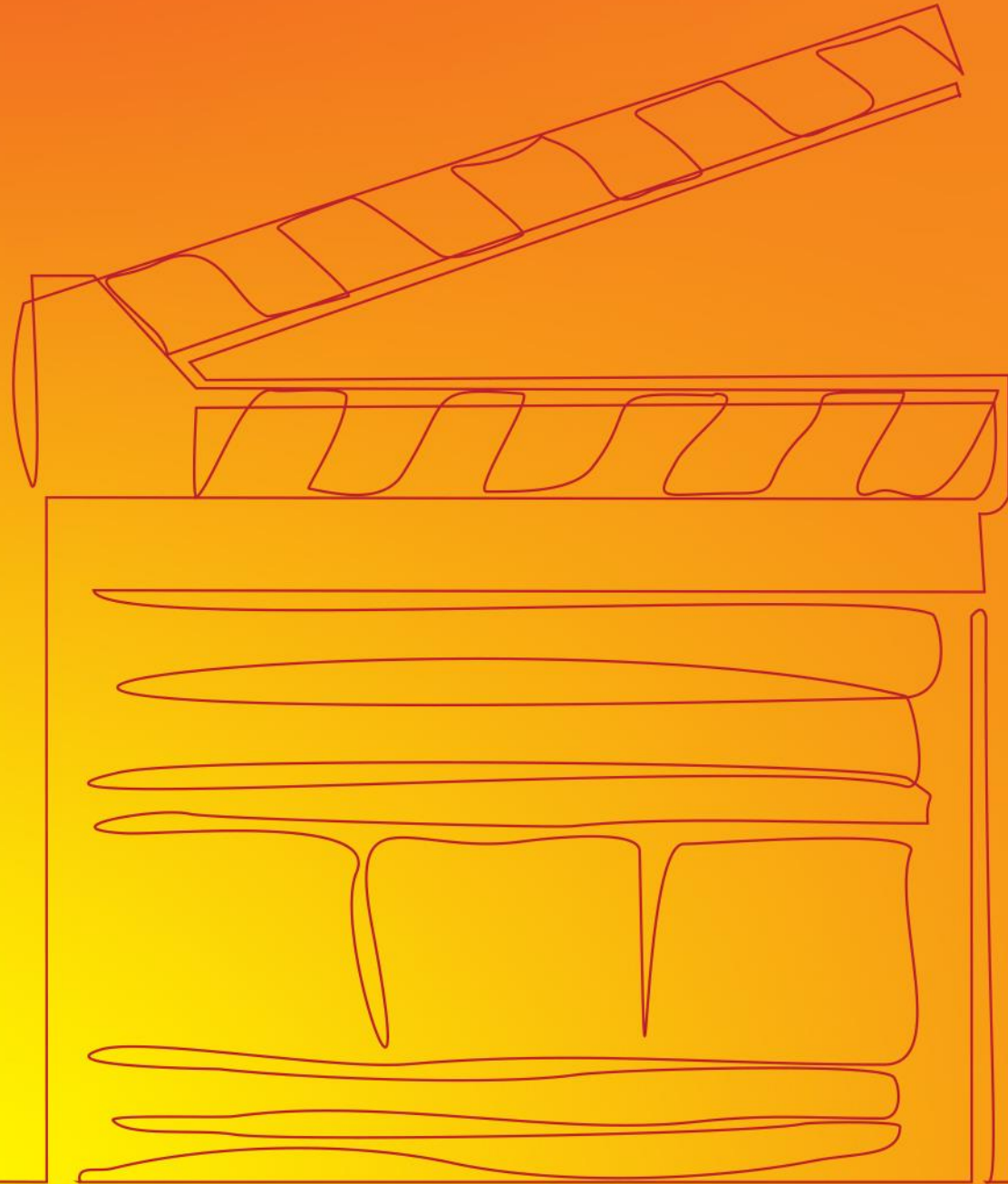


Significant F&WE incurred and reported in FY22 related to content impairment R5,55 million.



New types of fruitless and wasteful expenditure was reported relating to employees' settlements overpaid after implementation of section 189. The overpayment is yet to be recovered. (R0.26 million)





# Audit Outcome Analysis



# AUDIT OUTCOME ANALYSIS

## 7 YEAR AUDIT OUTCOME ANALYSIS

### Abridged Annual Financial Statements

#### Report of the Auditor General

##### Audit opinion

Audit qualification areas:

- Going concern
- Irregular, fruitless and wasteful expenditure (IFWE)
- Property, plant and equipment (PPE)
- Trade and other payables
- Deferred government grants
- Expenditure
- Programme, film and sports rights
- Taxation

The SABC received a qualified audit opinion.

2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Qualified	Adverse	Disclaimer	Qualified	Qualified	Qualified	*Qualified
○	○	○	○	○	○	○
○	○	○	○	○	○	○
○	○	○	○	○	○	○
○	○	○	○	○	○	○
○	○	○	○	○	○	○
○	○	○	○	○	○	○
○	○	○	○	○	○	○

Management is finalising its clean-up of the IE opening balance to ensure an unqualified audit is achieved next year. Over the last three years operational and reporting controls have been improved and sustained to ensure both a reduction in and complete reporting of in year occurrences.

A large, thin yellow outline of the map of South Africa, positioned on the left side of the slide. A red heart is drawn inside the outline, near the bottom left corner.

*Thank you*