

National Arts Council of South Africa

ANNUAL REPORT

2022/23

**National
Arts Council** 
an Agency of the Department of Sport, Arts & Culture

Catalysing mandated
arts disciplines
towards a **sustainable**
arts sector.



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Annual Report

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PERFORMANCE TARGETS ACHIEVED

PRESIDENTIAL EMPLOYMENT STIMULUS PROGRAMME (PESP3)

 **4765**
PESP3 APPLICATIONS
RECEIVED

 **620** APPLICATIONS
ALLOCATED ACROSS
VARIOUS DISCIPLINES

 VALUED AT
R5 728 057 490

 ALLOCATION TOWARDS
PESP3 BENEFICIARIES
R172 800 000

NAC ANNUAL PROJECT FUNDING

 **2734**
APPLICATIONS
RECEIVED

 **139**
APPLICATIONS
APPROVED

 **R26 241 008**
TOTAL FUNDING
ALLOCATED

NAC BURSARY FUNDING

 **59**
BLOCK
APPLICATIONS
RECEIVED

 **264**
INDIVIDUAL POST-
GRADUATE APPLICATIONS
APPROVED

 **14** INSTITUTIONAL
BURSARY APPLICATIONS
ALLOCATED

ARTS ORGANISATION SUPPORT (AOSF) FUNDING

 **654**
AOSF
APPLICATIONS
RECEIVED

 **615**
APPLICATIONS
DECLINED

 **39**
AOSF APPLICATIONS
APPROVED

PERFORMANCE TARGETS ACHIEVED



850

TOTAL NUMBER OF NAC
& PESP FUNDED
BENEFICIARIES



14

BLOCK INSTITUTIONAL
BURSARIES SUPPORTED



72

LOCAL POST-
GRADUATE
BURSARIES
SUPPORTED



30.38%

LOCAL POSTGRADUATE
BURSARIES SUPPORTED



7 NAC FUNDED
DISCIPLINES

MUSIC, THEATRE, CRAFT, DANCE,
LITERATURE, VISUAL ARTS, MULTI
DISCIPLINE



38 ADVISORY PANEL
MEMBERS




MZANSI NATIONAL PHILHARMONIC ORCHESTRA

The NAC was selected by DSAC to be the preferred distribution agency of ring-fenced orchestral funds to the newly-established non-profit national orchestra company – Mzansi Philharmonic

PUBLIC ENTITY'S **GENERAL INFORMATION**

REGISTERED NAME	National Arts Council of South Africa (NAC)
REGISTRATION NUMBER	1989/001413/08
OFFICE ADDRESS	66 Margaret Mcingana Street, Newtown, Johannesburg
POSTAL ADDRESS	PO Box 500, Newtown, 2113
TELEPHONE NUMBER	+27 11 838 1383 +27 87 7000 683
EMAIL ADDRESS	info@nac.org.za
WEBSITE ADDRESS	www.nac.org.za
EXTERNAL AUDITORS	The Auditor-General of South Africa 61 Central Street, Johannesburg
BANKERS	ABSA Bank 15 Alice Lane, Sandton, 2196
COMPANY SECRETARY	Vincent Mashale

A hand is shown holding a vinyl record on a turntable. The image is overlaid with a large teal and orange geometric shape that resembles a stylized arrow pointing to the right. The text is centered within this shape.


A catalyst in the arts,
cultural and creative
community that supports free
and diverse artistic expressions.

LIST OF ABBREVIATIONS

AO	Accounting Officer
AA	Accounting Authority
ADO	Arts Development Officer
AFS	Annual Financial Statements
AGSA	Auditor-General of South Africa
APP	Annual Performance Plan
ARC	Audit and Risk Committee
B-BBEE	Broad-Based Black Economic Empowerment
CBO	Community-Based Organisation
CEO	Chief Executive Officer
CFO	Chief Financial Officer
COO	Chief Operating Officer
DAC	Department of Arts and Culture
DSAC	Department of Sports, Arts and Culture
EA	Executive Authority
EXCO	Executive Committee
ENE	Estimates of National Expenditure
GMS	Grant Management System
HR	Human Resources
IT	Information Technology
ICT	Information and Communications Technology
MEC	Member of Executive Council
MGE	Mzansi Golden Economy
MinMEC	Meeting of Minister and MECs
MOA	Memorandum of Agreement

LIST OF ABBREVIATIONS

MOU	Memorandum of Understanding
MTEF	Medium-Term Expenditure Framework
NAC	National Arts Council
NGO	Non-Governmental Organisation
NDP	National Development Plan
NPO	Non-Profit Organisation
PACCs	Provincial Arts and Culture Councils
PESP	Presidential Employment Stimulus Programme
PFMA	Public Finance Management Act
SCM	Supply Chain Management
SMME	Small, Medium and Micro Enterprises
TAU	Technical Assistance Unit (A division of the National Treasury)
TIC	Technical Implementation Committee
TR	Treasury Regulations



Catalysing mandated
arts disciplines towards
a sustainable arts sector.

ACCOUNTING AUTHORITY STATEMENT

It On behalf of the Council and Management of the NAC, I am pleased to present the 2022/23 Annual Report of the National Arts Council of South Africa (NAC). The National Arts Council (NAC) is the largest funding Agency for the Arts & Culture sector under the National Department of Sport, Arts and Culture.

H.R.H Princess Celenhle Dlamini

Chairperson of Council: National Arts Council of south Africa

This funding responsibility allows us to serve seven of the sector disciplines, namely: **Music, Dance, Craft, Literature, Music, Multidiscipline, Theatre and Visual Arts** as mandated by the NAC Act.

We also wish to extend our warm welcome to our new **Minister of Sport, Arts and Culture, Honourable Minister Zizi Kodwa** and wish him well in our sector.

During the period under review the NAC successfully managed four funding calls, namely the NAC Annual Call, **Presidential Employment Stimulus Programme 3 (PESP3)**, **NAC Arts Organisations Support Funding (AOSF)**, and **Local Bursaries**. In each call of these calls, the NAC continued to receive funding applications that far exceeded the available budget. For example in the PESP3 funding call, the NAC received applications worth over R5.7 billion, against an allocated budget of R172 million, which led to the entity disbursing only 3% of the total value of the funding applications received.

The contribution of the Cultural and Creative Industries (CCI) to the South African GVA to be R161 billion, and accounted for 6% of all employment in South Africa (an estimated 1 million jobs).

This represented 2.97% of South Africa's total economic production in 2020, and makes the sector approximately the same size as agriculture sector (South African Cultural Observatory, 2022).



ACCOUNTING AUTHORITY STATEMENT

Despite the above figures, the Department of Sport, Arts and Culture (DSAC) continues to experience reductions in the budget allocated to it by National Treasury. These budget reductions directly affect the allocations that DSAC ultimately makes to the National Arts Council resulting in a significant negative impact to provide sufficient and much needed funding to the artists we are called to serve.

During the 2022/23 year under review, the NAC achieved an unqualified audit opinion, which is testament to our dedication to tighten our governance controls as well as the hard work of our Staff members, Management and Council Members. The strategy for the next financial year will be to capacitate the entity so we can improve on our performance targets that were partially achieved.

We are cognisant that urgent interventions are needed to address these funding gaps in the sector, and such interventions may include (but not limited to) lobbying government for tax relief to be granted to the private sector for making donations to the arts. This, we believe, will encourage the private sector to support the arts further. We will also be exploring strategies to supplement our reduced allocation from the shareholder by sourcing alternative funding regionally and abroad as well as developing key strategic partnerships.

Sincerely,

H.R.H. Princess Celenhle Dlamini
Chairperson of Council
National Arts Council of South Africa



31 August 2023

The NAC wishes to extend our sincere gratitude to the Chairperson and Members of the Parliamentary Portfolio Committee on Sport, Arts and Culture, Honourable Minister Zizi Kodwa and Colleagues from the National Department of Sport, Arts and Culture (DSAC) and the former Minister Mr. Nathi Mthetwa for the oversight, support and guidance role they have played in this financial year under review.

My heartfelt appreciation is also extended to my peers, the NAC Council members, our incredible Executive Management and Staff for their continued commitment to serve the sector diligently with their meaningful individual and collective contributions that have gone towards stabilising the organisation and the successful implementation of our programmes.

Lastly we thank the Cultural and Creative sector for continuing to entrust us with this responsibility to serve you.

We are firm believers in the popular African proverb that says “If you want to go fast, Go Alone. If you want to go far, Go Together”. It is our promise to you that we will journey with you until the value of the arts is fully appreciated and recognised.



A catalyst in the arts,
cultural and creative
community that supports free and
diverse artistic expressions.



*“One of the truest tests
of integrity is its blunt
refusal to be compromised.”*

Chinua Achebe



*“Art enables us to find ourselves
and lose ourselves at the same
time.”*

Thomas Merton

INTERIM CHIEF EXECUTIVE OFFICER'S FOREWORD

It is with great pleasure that I present the National Arts Council of South Africa's (NAC) Annual Report for the financial year 2022/23. This report demonstrates our continued commitment to transparency and accountability as a public entity.

Ms Julie Diphofa

Acting Chief Executive Officer: National Arts Council of south Africa

The NAC had a wonderful fiscal year in running its operations. I am therefore proud to report that the NAC had yet another prosperous year. It must be noted that this success is against the backdrop of the COVID-19 pandemic impact which was the most significant economic disaster with a major effect on our sector. Even in these conditions, our Annual Performance Plan targets were not materially affected. I, thus can report with pride that the NAC **achieved 83% of the set Annual Performance Plan (APP) targets with 17% partially achieved.**

Our APP target achievements are attributed to our strategic focus and unwavering commitment to serving the sector and ensuring that proper resources, tools and frameworks are in place to help the organisation reach its targets.

Finding ways to provide the sector with both financial and non-financial support, has been a fundamental shift in the NAC's strategic focus in recent years.

We've come to understand that just because funding is given to arts organisations and artists, it does not automatically mean that they are being supported. As such, it became necessary for us to establish a culture of collaboration from within the NAC.



It gives me pleasure to report that during the period under review, the NAC managed to collaborate with eight (8) institutions across the sector by entering into a Memorandum of Understanding (MOU) to establish NAC helpdesks/satellite offices. These offices were established in all the provinces across the country with the exception of the Free State province.

We are actively negotiating with various stakeholders in the province to ensure we also establish the helpdesk/satellite office in the Free State province and we are confident that by the end of the next financial year, this target will be achieved.

These NAC helpdesks/satellite offices will play an imperative role in bringing the organisation closer to its stakeholders across the country, particularly those that are in marginalised areas which have always been a challenge to reach due to our office being in the Gauteng province only. The NAC will be conducting intensive capacity-building initiatives at these helpdesks/satellite offices to ensure that our stakeholders are equipped with enough information to take full advantage of our service offerings.

For the year under review, we began our funding disbursement with the NAC Annual Project Funding in June and we managed to successfully administer the funding without any disruptions.

The funding call budget was **R26 240 108,72** and it was **allocated to 139 successful applicants**. I am once again content and reporting with pride that the outcomes of this call were announced within the stipulated date that we had committed to during the announcement of the call.

The NAC was once again given the opportunity to run the Presidential Employment Stimulus Programme (PESP) on behalf of the Department of Sport, Arts and Culture, which had a significant impact on our operations and resources.

The PESP opportunity took us by surprise as it was not part of our annual operational plans which necessitated reviewing our time schedules to accommodate it.

Following this surprise, from the on-set, we recognised that to successfully implement the PESP will require working at a speed and capacity that were more than ten times higher, as such, we added more resources by hiring additional staff members to assist in ensuring that we deliver desired objectives of this programme since the additional work significantly tested the organisation's capacity and ability to adapt.

The PESP for the year under review was the third round of the programme hence it was called PESP3. The PESP3 aimed to provide economic stimulation to support sector initiatives that create jobs in the creative and cultural sectors through an open call for proposals and formed part of the Government's intervention to re-activate the sector for economic recovery and reconstruction, post the COVID-19 pandemic devastation.

CHIEF EXECUTIVE OFFICER'S FOREWORD

In addition, PESP3 strived to meet the government's objectives of job creation, with a clear focus on targeted groups (women, youth and people living with disabilities).

The budget allocation of the PESP3 funding call was **R172 579 495,01 and was awarded to 620 successful applicants.**

One of the most significant highlights of this call was the number of jobs it created and it brings me joy to report that through PESP3 alone, a total of **19 599 jobs** were created for the sector. This was a huge impact on the sector considering that the sector was at a standstill during the COVID-19 pandemic.

Despite the call not being part of our operational plans as previously mentioned, due to our commitment to serving the sector, I can yet again report that the PESP3 funding call was also announced within the stipulated deadline we had committed to during the announcement of its opening. This depicts our will to fulfill our obligation of serving the sector despite the challenges we come across whilst doing so.

The PESP3 funding call could have not been possible had it not been for our shareholders, the Department of Sport, Arts and Culture entrusting us with this huge responsibility of administering PESP3. I want to take this opportunity to thank the Department for their continued support as we strive to fulfil our mandate in the sector.

Towards the end of the period under review, we simultaneously announced an open call for Arts Organisation Support Funding (AOSF) and Local Bursary Funding. The announcement of these calls marked the 4 calls being in one financial year which is clear evidence of how busy this reporting year was and subsequently what it demanded from us as an organisation.

The AOSF is the most important funding because it is three-year funding that provides arts organisations with a stable income for the three years should they be successful. In essence, it is funding where the NAC strategically partners with arts organisations to ensure that they are sustainable and assist us as we strive for the advancement of the arts sector.

For the year under review, the Arts Organisation Support Funding (AOSF) had an allocation of **R23 000 000,00** and it was granted to **39 successful art organisations** that fall within the three categories that are funded through AOSF namely Foundation Phase, Intermediate Phase and Established Phase.

We are excited and confident that the **39 successful arts organisations** will bring a considerable impact in the sector, especially because the panel selected and approved organisations that demonstrated a good track record of good governance as well as a good artistic track record.

CHIEF EXECUTIVE OFFICER'S FOREWORD

The Local Bursary Funding was also a huge success, its budget was **R5 260 957.00** and it was **awarded to 86 successful organisations and individual applicants**. I would like to take this opportunity to wish all the bursary beneficiaries well in their studies and future endeavours.

As I conclude, I want to acknowledge all the stakeholders, strategic bodies and individuals who were behind the success of this financial year's achievement. Firstly, I would like to thank the Department of Sports Arts and Culture for their continued support as we continue to fulfil our mandate of serving the art and culture sector. Secondly, we would not be where we are had it not been for the NAC Council's guidance and good governance. I am thus, very grateful for their wisdom, commitment and contribution to strengthening the organisation with their sound leadership.


The NAC is also not complete without its administration, therefore, I extend my heartfelt appreciation to the NAC management and the entire staff members who continue to selflessly serve the sector to the best of their abilities.

My last sincere gratitude goes to the various stakeholders in the sector, the federations, arts organisations, government organisations and artists at large, the NAC will not exist without you and we are very thankful for your continued support and partnership.

Julie Diphofa
Interim Chief Executive Officer
National Arts Council of South Africa



31 August 2023

A woman with long braids is captured in a dynamic dance pose. She wears a traditional African outfit consisting of a beaded, strapless top and a matching skirt with a large, flowing fringe. Her right arm is raised, and her left arm is extended to the side. The background is a vibrant red with a large, semi-circular gradient element on the right side. The overall mood is energetic and cultural.

“Culture is the widening of the
mind and of the spirit.”
– Jawaharlal Nehru

STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY OF THE ANNUAL REPORT

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

All information and amounts disclosed in the annual report are consistent with the annual financial statements audited by the Auditor-General.

The annual report is complete, accurate and is free from any omissions.

The annual report has been prepared in accordance with the guidelines on annual reports as issued by National Treasury.

The Annual Financial Statements (Part E) have been prepared in accordance with the GRAP standards applicable to the public entity.

The Accounting Authority is responsible for the preparation of the annual financial statements and the judgements made in this information.

The Accounting Authority is responsible for establishing and implementing a system of internal control designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the annual financial statements.

The external auditors have been engaged to express an independent opinion on the annual financial statements.

In our opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the public entity for the financial year ended 31 March 2023.

Yours faithfully

Julie Diphofa
Interim Chief Executive Officer
National Arts Council of South Africa



31 August 2023

H.R.H. Princess Celenhle Dlamini
Chairperson of Council
National Arts Council of South Africa



31 August 2023

NAC COUNCIL MEMBERS



H.R.H Princess Celenhle Dlamini - Chairperson



Mr Bongani Tembe (Deputy Chairperson)



Ms Bulelwa Margaret Malange



Mr Gamelihle Harold Mbuyane



Advocate Eric Makhosini Nkosi



Mr Ashley Latchu



Ms Kim Jennifer Matthews



Dr Siphosithole



Ms Layla Swart



Ms Stephanie D Silva



Ms Bernedette Muthien



Dr Celiwe Ngwenya



Mr Jones Johane Chisekula

OFFICIAL SIGN OFF

It is hereby certified that this Annual Report:

- was developed by the management of the NAC under the guidance of Council;
- was prepared in line with the current Strategic Plan of the NAC; and
- accurately reflects the performance targets the NAC will endeavour to achieve given the resources made available in the budget for 2022/23.

Reshma Bhoola
Interim Chief Financial Officer
National Arts Council of South Africa



31 August 2023

Julie Diphofa
Interim Chief Executive Officer
National Arts Council of South Africa



31 August 2023

STRATEGIC OVERVIEW



MISSION

To catalyse mandated arts disciplines towards a sustainable arts sector, addressing historical inequities for improved quality of life for South African artists.




VISION

To be a catalyst in the arts, cultural and creative community that supports the free and diverse artistic expressions.



VALUES

- Integrity
- Creative
- Collaborative
- Service excellence
- Caring

A collage of African masks and headdresses in teal and brown tones. The masks are intricately carved with various patterns and textures. The headdresses are tall and feature layered, fan-like structures. The background is a dark, textured surface with diagonal lines.

A catalyst in the arts,
cultural and creative
community that supports free and
diverse artistic expressions.



PART A

GENERAL INFORMATION

LEGISLATIVES AND OTHER MANDATES

The Act mandates the NAC to:

- Provide and encourage the provision of opportunities for persons to practise the arts.
- Promote the appreciation, understanding and enjoyment of the arts.
- Promote the general application of the arts in the community.
- Foster the expression of a national identity and consciousness by means of the arts.
- Uphold and promote the right of any person to freedom in the practice of the arts.
- Give the historically disadvantaged such additional help and resources as required to give them greater access to the arts.
- Address historical imbalances in the provision of infrastructure for the promotion of the arts.
- Promote and facilitate national and international liaison between individuals and institutions in respect of the arts; and
- Develop and promote the arts and encourage excellence in regard to these.

The NAC is wholly funded by an annual budget allocation from the Department of Sport Arts and Culture (DSAC). In terms of the Act, 75% must be distributed through grants in support of the arts and the remaining 25% is used for administration. Over and above the specific stipulations of the National Arts Council Act (Act No. 56 of 1997), as amended by the Cultural Laws Amendment Act (Act No. 36 of 2001), and related regulations.

The NAC as a Schedule 3 Public Entity of the PFMA must comply with:

- The Promotion of Access to Information Act (No. 2 of 2000).
- Promotion of Equality and Prevention of Unfair Discrimination Act (No. 4 of 2000).
- The Public Audit Act (No. 25 of 1994).
- Labour Legislation including the Basic Conditions of Employment Act (No. 75 of 1997), Labour Relations Act (No. 66 of 1995) and the Employment Equity Act (No. 55 of 1998).
- The Occupational Health and Safety Act (No.85. of 1993).
- The Income Tax Act (No. 58 of 1962 as amended) and all subsequent Taxation Laws Amendment Acts.
- The Revenue Laws Amendment Act, 1996.
- The Skills Development Act (No. 97 of 1998).
- The Preferential Procurement Policy Framework Act (No. 5 of 2000).
- The Remuneration of Public Office Bearers Act (No. 20 of 1998, as amended).
- The Unemployment Insurance Act (No. 63 of 2001).
- The Division of Revenue Act (No. 5 of 2012).
- The Broad-Based Black Economic Empowerment Act (No. 53 of 2003); and
- The National Credit Act (No. 34 of 2005).

The White Paper on Arts, Culture and Heritage, promulgated in 1996, continues to make sweeping changes to the arts and culture landscape. A critical aspect of this transformation was the creation of new funding mechanisms that would make funds accessible to artists across all disciplines and in so doing, redress the bias towards particular art forms that were previously not supported under Apartheid.

The White Paper outlines the role of the NAC as follows:

- Distribute public funds to artists, cultural institutions, NGOs and CBOs to promote the creation, teaching and dissemination of literature, oral history and storytelling, music, dance, theatre, musical theatre, opera, photography, design, arts and crafts that fully reflect the country’s diversity.
- Provide study bursaries in the fields of arts and culture to practitioners, administrators and educators; and
- Carry out research, especially regarding policies linked to its mandate, and also execute investigations and research at the request of the Minister.

1. Legislative Mandate

Section 16 (1) (c) of the Bill of Rights underscores the importance of artistic expressions by declaring; “Everyone has the right to freedom of expression, which includes: freedom of artistic creativity and by extension the NAC has a legislative mandate to ensure that everyone has the right to freedom of expression”.

This constitutional provision elevates the right to artistic expression of citizens at the same level as other rights that makes our country a revered constitutional democracy with a strong human rights posture. For this reason, arts functions, as envisaged in our Constitution, are concurrent functions that are performed at national, provincial and local levels; in terms of our three-tier system of government.

Between schedule 4 and 5 of the Constitution, the arts functions can be delineated as follows:

Sphere of Government	Category of Functions	Specific Functions	Reference
National and provincial spheres	Functional areas of concurrent national and provincial legislative competence	Cultural Matters Provincial recreation and amenities	Schedule 4, Part A
Provincial sphere	Functional areas of exclusive provincial legislative competence	Provincial cultural matters	Schedule 5, Part A
Local sphere	Local government matters to the extent set out for provinces in section 155(6)(a) and (7)	Local amenities	Schedule 5; Part B

Table 1, Figure 1



The National Arts Council is one of the statutory bodies and agencies, of the Department of Sport, Arts and Culture with each being created by specific legislation. Accordingly, the NAC was established through the promulgation of Act No. 56 of 1997: National Arts Council Act. This Act makes the NAC the sole national arts agency in support of the broader mandate of the department. This is also the Act that further articulates the mandate for the NAC in greater detail and in a manner that distinguishes it from other agencies and the department. Specifically, **section 3, 'objects of the council'** enumerates the totality of what the Act was established to achieve as reproduced in the incept below.

A synchronized review of table **1, figure 1, on page 30**, creates a succinct mandate for the NAC in relation to the performance of the arts' functional areas nationally; and the two other spheres of provincial and local governments, respectively. The most significant of which is the reality that strategic partnerships and seamless co-operation, against the backdrop of the principle of corporate governance as envisaged in the constitution, is paramount for success.

1.1. Relevant Legislation and Policy Framework

The existing legal framework for cultural governance in South Africa comprises of a wide array of other, different statutes, many of which are currently under review.

The Acts include, amongst others:

- i. the National Arts Council Act;
- ii. the Cultural Institutions Act;
- iii. the National Heritage Council Act;
- iv. the National Heritage Resources Act;
- v. the National Film and Video Foundation Act;
- vi. the PAN South African Language Board Act;
- vii. the National Archives and Record Service of South Africa Act;
- viii. the South African Geographical Names Council Act;
- ix. the Heraldry Act;
- x. the Legal Deposit Act;
- xi. the National Library of South Africa Act; and
- xii. the Library for the Blind Act.
- xiii. the Public Finance Management Act, 1999
- xiv. the Public Administration Management Act, 2014

The furtherance of the NAC mandate is further informed by creativity, language, and intellectual and artistic freedom as enshrined in:

- a) the Bill of Rights in the Constitution of the Republic of South Africa (1996);
- b) the National Development Plan: Vision for 2030 (2011);
- c) the African Charter on Human and Peoples' Rights (1981);
- d) the Charter for African Cultural Renaissance (2006);
- e) the UNESCO Declaration on Cultural Diversity (2001);
- f) the Convention for the Safeguarding of Intangible Cultural Heritage (2003);
- g) the Convention on the Protection and Promotion of the Diversity of Cultural Expressions (2005); and
- h) the African Union's Agenda 2063 (2014).

National Policies and Strategies Relevant to the NAC


1. National White Paper on Arts, Culture and Heritage (1996)
2. Revised White Paper on Arts, Culture and Heritage (2017)
3. DSAC 2020-2025 Strategy
4. Copyright Amendment Bill (2017)
5. Performers Amendment Bill (2016)

Updates on Institutional Policies and Strategies

The NAC's new enhanced strategy has shifted from a programme-focused funding approach back to a discipline-focused funding approach. These changes in the policy environment do not impact on the NAC's ability to achieve all targets as set out in the NAC's five-year strategy.

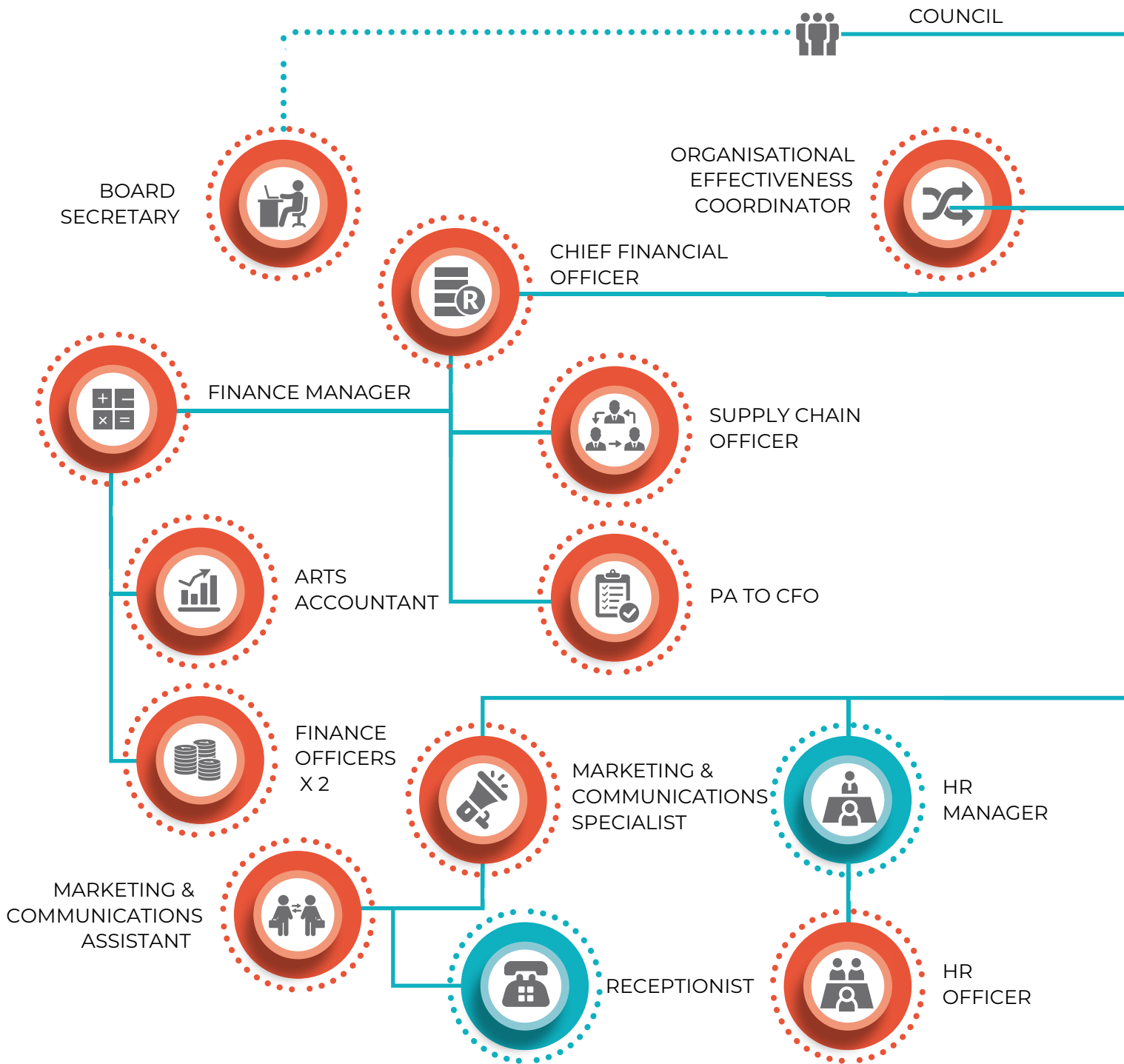
Update on Relevant Court Rulings

No court rulings were recorded.

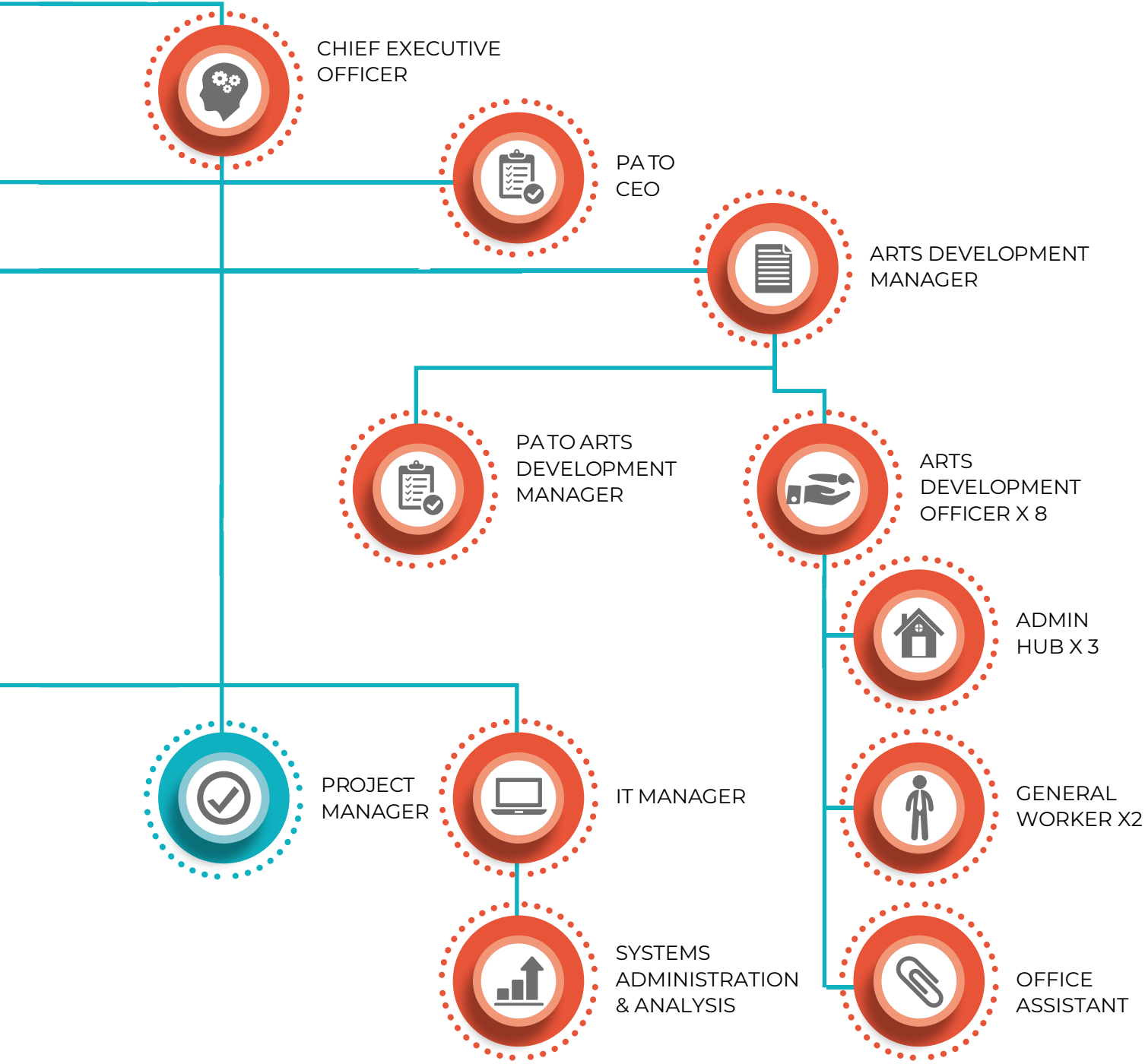


A catalyst in the arts,
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ORGANISATIONAL STRUCTURE



ORGANISATIONAL STRUCTURE





PART B

PERFORMANCE INFORMATION

1. AUDITOR'S REPORT: PREDETERMINED OBJECTIVES

The AGSA currently performs the necessary audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with material findings being reported under the **Pre-determined Objectives** heading in the Report on other legal and regulatory requirements section of the auditor's report.

Refer to page 136 of the Report of the Auditors Report, published as Part F: Financial Information.

2. SITUATIONAL ANALYSIS

The global Covid-19 pandemic continued to put a strain on the arts sector and lockdown regulations had a devastating impact on income generation and job opportunities for practitioners. The pandemic further impacted on funding and sponsorship usually available to the arts, thus placing major strain on DSAC and the NAC to assist the sector in whichever way possible, hence the request from the Department for the NAC to continue with the Presidential Employment Stimulus Programme during the 2022/23 financial year.

During 2022/23, the organisation enhanced its digital operations with limited business disruption and was able to continue to operate on a hybrid model. This resulted in strengthened digital systems including our online grant management system and communications. The NAC's social media presence was enhanced to ensure that the external stakeholders are constantly informed, and that the communication services continue uninterrupted to the public.



3. EXTERNAL ENVIRONMENTAL ANALYSIS

The external environmental factors have been analysed below using the PESTLE technique:

<p>Political Factors</p>	<p>An increase of political recognition and appreciation for the invaluable contribution made by the sector to society, including its contribution to the economy and social cohesion is a favorable gesture to the country's democratic dispensation.</p> <p>The need for a political will and a clear policy and legal framework to address the disparities in the sector requires of government to clearly articulate itself on how it sees the cultural and creative industries, relevant to other industries. This is evident from limited funding that the fiscus makes available to the creative industries, including a social security net for arts practitioners.</p> <p>Whilst the White Paper on Arts and Culture Africa will go a long way in the re-organisation and consolidation of the sector, which also will have an impact on the future of the National Arts Council, because of the possible merger between the entity and the National Film and Video Foundation, there is still lot more to be done to address the plight of the cultural and creative practitioners.</p> <p>Private sector contribution to the sector needs to be incentivized through tax legislation reform.</p>
<p>Economic Factors</p>	<p>The research study conducted by the South African Cultural Observatory (SACO) reveals interesting statistics regarding the size and contribution of the cultural and creative industries. The fact that this sector's contribution to the South African GVA (GVA measures the total value of goods and services produced in an economy, and the amount of value added to a product) is R161 billion, as well over 1.14 million jobs, is indicative on the need government to pay special attention to this industry. Unfortunately, the level of funding is not equitable to the size and contribution this sector makes to the country and yet there is an expectation from the NAC to fund the majority of the cultural modes albeit with grossly limited funding it receives from National Treasury. The limited funding is evidence through thousands of applications declined by the NAC due to financial constraints.</p> <p>In a post-pandemic South Africa, arts and culture are progressively important and yet, vulnerable. The regulations and drastic containment measures introduced disrupted domestic and economic activities which led to income and job losses in both the formal and informal sectors which pushed thousands of families into poverty. The arts community was not spared in this regard.</p>

External Environmental Analysis continued:

<p>Social Factors</p>	<p>The sector is still reeling from devastation caused by the pandemic with hundreds of thousands of practitioners who are struggling to practice their craft because of the pandemic due to reduced funding. The NAC is not spared in dealing with what is becoming social and economic dilemma for industry. Solutions to ease the financial burden and impending poverty and unemployment call on the NAC to seek practical alternative solutions in providing much needed relief to the sector. Pursuing partnerships to augment support for the arts seems feasible to address the needs of the sector.</p>
<p>Technological Factors</p>	<p>The digital divide, undeniably, continues to be a challenge to the sector as applicants still struggle to access all the necessary digital tools and good network connectivity to complete applications, upload documents and gain access to the grant making portal of the NAC. For the NAC to ensure the ease of access to Grant Funding, requires user-friendly technology solutions and a Grant Management System that is easy to navigate by those living on the margins of our society. The migration of user-friendly technologies to smart devices will also go a long way in assisting arts practitioners to interact with the NAC's application platforms. Given the high number of applications received on the GMS platform, the majority of applicants have started to embrace technology. Manual applications forms are made available for marginalised members of society to still access funding from the NAC. This ensures that less resourced members of sector are not excluded from accessing funding from the NAC.</p>
<p>Legal Factors</p>	<p>The Presidential Employment Stimulus Package (PESP), which was the government's response to the pandemic and the economic hardship faced by the artistic community has also brought about it a few legal challenges for the NAC to continue to resolve during 2022/23. The NAC continues to find amicable solutions and reconciliatory tone in addressing and concluding some of these legal challenges.</p>
<p>Environmental Factors</p>	<p>The NAC enshrines the importance of environmental considerations in its value system and encourages applicants for grant funding to respond to this value in proactive ways. Environmental factors play a significant role in influencing the availability and allocation of funding for the arts. The prevailing socio-economic climate, government policies, and public priorities all intersect to shape the funding landscape.</p> <p>The economic downturn can lead to reduced government budgets and philanthropic contributions, causing arts organizations and practitioners to compete for a smaller pool of resources.</p> <p>Shifting public interests and attitudes towards environmental sustainability can also impact arts funding, as funding sources may be reallocated to more immediate ecological concerns. Additionally, changes in technology and communication can alter how artists and organizations connect with potential funders and audiences, necessitating adaptation to remain competitive for financial support. In this intricate interplay of environmental factors, the NAC must continue to navigate dynamic challenges to secure stable financial backing for creative endeavors.</p>

4. SERVICE DELIVERY ENVIRONMENT

The global climate crises which have not left SA unmarked from flooding, drought and fires. The global effects of climate change, including rising temperatures, sea level rise, and extreme weather events, have profoundly impacted the arts across the world. The COVID-19 pandemic is merely one element of these global environmental crises which have an impact on the art sector.

It has been observed that artists have increasingly turned their focus towards environmental themes, using their creative platforms to raise awareness about the urgency of addressing climate change through their creative work. The NAC has encouraged creative work that has environmental value. The Craft discipline has embraced this challenge as more and more practitioners used recycled materials to create new artistic products. Witnessing environmental degradation has inspired new forms of artistic expression, fostering a deeper connection between art, activism, and the need for sustainable solutions.

The effect of the COVID-19 pandemic continued to put a strain on the arts sector and lockdown regulations had a devastating impact on income generation and job opportunities for practitioners. The negative economic and social impact of the pandemic put a strain on the economic progression of the sector. The pandemic further impacted on resourcing, funding, and sponsorships usually available to the arts, thus placing a major strain on DSAC and the NAC to assist the sector in whichever way possible. It is for this reason that the Presidency continued to make funds available through the Presidential Economic Stimulus Programme 3 (PESP3) which the NAC disbursed. During 2022/23, the organisation adapted to and embraced the new mode of working without business disruptions and continued to operate seamlessly. This strengthened digital systems, technology, and communications to ensure that the needs of internal and external stakeholders and the service to the public, continued uninterrupted.

Stakeholder engagement holds profound significance within the arts sector fosters collaboration and understanding. Involving an array of various sector groups including individuals art practitioners and groups, this engagement serves as a conduit for diverse perspectives, insights, and collaborations and suggestions for possible improvements. By actively involving stakeholders, the arts sector not only gains crucial financial support but also enriches the NAC with a deeper understanding of sector's needs and aspirations. This was evidenced by the impetus of opening access to the NAC and its offerings, particularly its focus on marginalised areas.

The NAC began the financial year by being informed of the impending PESP3 Funding. In March 2022, the Department of Sports, Arts and Culture (DSAC) informed the NAC of the PESP3. DSAC confirmed an allocation for PESP3 to the NAC of R180 000 000 for the 2022/23 financial year and R190 000 000 for the FY2023/24. PESP3 aimed to provide an economic stimulus to support sector initiatives that create jobs in the creative and cultural sectors through an open call for proposals.

The Department further wanted to see a multiplier effect in employment creation opportunities beyond the sector itself. PESP is part of the government's intervention to re-activate the sector for economic recovery and reconstruction post the COVID-19 pandemic devastation.

5. ORGANISATIONAL ENVIRONMENT

In the last financial year, the Council continued to provide organisational oversight for the second year running since its appointment in 2021. The Council in the NAC provides strategic direction and leadership to the organization. The Council is also responsible for policy matters and outcomes. The Company Secretary in the Office of the Chief Executive Officer supports the Council with all its administrative matters.

The CEO stands to support the Council in providing strategic direction and leadership to the organization. The CEO is also responsible for the NAC's outputs and implementation thereof as prescribed in the Annual Performance Plan which was developed as an implementation tool of the reviewed strategy during 2021/22. The new organisational structure was developed which was a departure from the previous structure which was flat and not fit for purpose. The entity's current macro-organisational structure entails thirty-four (34) approved positions, with two (2) top managers and one (1) senior manager in leadership posts, four (4) middle management and twenty-seven (27) junior/skilled and semi skills levels.

The Arts Development Unit, the core business unit, is responsible for seven (7) art disciplines and bursaries with the largest disciplines being Music and Multidiscipline. The unit comprises of one (1) senior manager and nine (9) middle management Arts Development Officers with limited administrative support. The Arts Development unit was strengthened with core functions such as a GMS champion, Junior Arts Development Officers, Call centre staff as well as administrators who are responsible for the verification process.

To further capacitate the entity; the CEO's office was strengthened with a Research and Development Unit. Due to budget limitations, areas of Strategic Planning/Monitoring & Development/Reporting, Donor Coordination positions could not be activated. An outsourced IA function was established to provide independent assurance on governance, risk and internal control. Marketing & Communication was strengthened with additional resources in the area of graphic design and communication officer.

The Finance unit still requires strengthening to ensure the segregation of duties. The NAC's new proposed structure consists of 20 proposed new positions which requires increased funding for operational costs. Budgetary constraints prohibit the NAC from sustaining these positions.

The organisation has acknowledged the urgent need to conduct an internal skills analysis, to identify currently available and suitable skill sets that will address the needs of the organisation to address its mandate as purported on the Act.



6. INTERNAL ENVIRONMENTAL ANALYSIS

There were no key policy developments or policy changes that have affected the NAC's operations during the period under review.

Organisational Environment

Arts Development

The Arts Development Unit continues to receive an increased number of applications annually due to an increase in the NAC's awareness in the public and a higher demand for funding. During the previous financial year, the NAC received 8700 applications. This unprecedented number of applications continues to pose a challenge to the NAC to process within set timelines that are responsive to the sector's needs. Arts Development Officers are required to process applications efficiently and effectively within a short space of time which was achieved during the financial year under review.

The Arts Development unit has made significant strides in digitising the grant life cycle. Digitisation of application processes through the Grant Management System (GMS) is being constantly improved. All reporting has been incorporated into the system to allow all information to be repositied on the GMS. Although the NAC recognizes that some beneficiaries may have connectivity challenges due to the urban and rural divide in terms of access to resources, the NAC has tried to zero rate the GMS for applicants to access the system with minimal costs. Digitisation ensures data integrity and keeps the trail of applications for administration review processes, panel reviews and approval by the Council and through to disbursement processes.

In the furtherance of its services to the sector, the Arts Development Unit has established a call centre to deal with a high number of enquiries and to support applicants in the process of applying for funding.

The Unit is tasked with fulfilling the mandate of the NAC over the years. The Arts Development unit is doing its best to fulfil the mandate of the NAC and to support the sector within its resources. Some of its activities are dealt with in an ad hoc manner, mainly to support prospective applicants during the application process. Post funding support is often limited due to ongoing funding processes. Therefore, structured capacity-building programmes for the sector are affected, except for a few partnerships with arts training providers. This scenario calls for a revamp in the employment structure of the NAC to enable the entity to meet its full mandate in the next few years.

Organisational Environment continued:

<p>Leadership</p>	<p>The NAC is defined by visionary and empathetic leadership that fosters a thriving creative sector. At its core of exceptional leadership, the NAC entails the ability to inspire, guide, and support artists and cultural initiatives. The leadership possesses a deep appreciation for the transformative power of the arts and recognizes its role in enriching society. We are dedicated to inclusivity, ensuring that a diverse range of voices and perspectives are represented and uplifted.</p> <p>Effective communication is a hallmark of our leadership, as we collaborate with artists to uphold our shared vision and strategy. Furthermore, Council and its staff exhibit transparency in decision-making, advocating for responsible resource allocation to maximize the impact of their initiatives. By cultivating an environment of innovation, collaboration, and artistic excellence, the NAC drives cultural growth, nurtures talent, and leaves an indelible mark on the sector.</p>
<p>Finance</p>	<p>The NAC has maintained an Unqualified Audit opinion through effective administrative processes. The NAC is reviewing a process of integrating the Finance Accounting System and Grant Management System (GMS) to attain a fully digital process in the grant life cycle.</p>
<p>HR</p>	<p>The organisation remained cognisant of employee wellness and provided continuous support to staff during the year. The NAC appointed service provider Independent Counselling and Advisory Services (ICAS) which provides a wide range of employee wellness programmes to support staff. The maintenance of a healthy and compliant working environment also remains a priority. Budget constraints continue to restrict the unit from achieving its operational plans fully to address the capacity enhancements in the different units.</p>
<p>IT</p>	<p>The Grant Management System (GMS) was updated to allow beneficiaries to upload reports thereby eliminating possible human error and improving record keeping. The unit also conducted research to cater for flung-out areas where data access is an issue. Vodacom was appointed to create a zero-rating platform for applicants with limited data.</p>
<p>Comms</p>	<p>The unit has strengthened its digital marketing strategy through the utilisation of social media platforms. Despite budget constraints restricting the unit to operate optimally, the unit has made significant strides to communicate effectively to keep the sector informed through social media campaigns, webinars, and radio interviews.</p>

7. KEY POLICY DEVELOPMENTS & LEGISLATIVE CHANGES

The arts policy environment is transforming, including proposed amalgamation of DSAC's entities as purported in the revised White Paper (2020). For the NAC, this means potentially merging with NFVF, which has significant impacts on NAC's future. The strategic rationale for a merger lies in the pursuit of enhanced operational efficiencies, streamlined costs, and optimized resource allocation.

8. PROGRESS TOWARDS ACHIEVEMENT OF **INSTITUTIONAL IMPACTS & OUTCOMES**

The outcomes set were to support the creation of new and vibrant artworks and their distribution by individual artists and organisations through funding. To this end, the NAC supported individuals and organisations to make an impact in arts delivery in respect of projects dealing with arts promotions and access to markets, art platforms, creation of new works and capacity building in line with NAC strategic imperatives. The NAC also prioritised funding to increase the support of indigenous art forms and to acknowledge diverse art forms in our society.

Targeted rural provinces and areas are supported with the aim of redressing geographical inequality and inequity in the allocation of funding. In addition, allocation to organisations led by women and women in the arts, people living with disabilities is done as a means of transforming our society to ensure equity and access to the arts.

The NAC also supported projects and bursary programmes that enabled the development and growth of the arts through capacity building and also focused on capabilities required to sustain art practice. International bursaries and block bursaries were funded to enhance the growth of talent, development, and enhancement of skills for arts administrators and practitioners.



9. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

PROGRAMME 1: ARTS DEVELOPMENT

The purpose of the programme is to create sustainable arts capabilities, through funding and strategic partnerships. The aim of the programme is to increase access to markets, grow the arts, promote the arts and support performing arts spaces which will lead to showcasing and networking opportunities.

The NAC's funding categories are made up of the following funding disciplines listed below:

1. Craft
2. Dance
3. Literature
4. Music
5. Theatre
6. Visual arts
7. Multi-discipline

The arts disciplines listed above are meant to support the various art genres that the sector practices or is involved in. The National Arts Council (NAC) is the largest funding Agency for the Arts & Culture sector under the Department of Sports, Arts and Culture and has funding responsibility to serve seven (7) of the industry disciplines as mandated by White Paper on Arts and Culture (1996) the NAC Act (No. 56 of 1997).

The Arts Development Unit ensures that there is access, growth, and advancement of the sector across all fields that the NAC is responsible for. The unit is responsible to fulfil the following outcomes as was set in the Annual Performance Plan for 2022/2023.

Outcome 1: Increased access to the NAC by providing support to all the sectors of our communities, particularly those who are marginalised.

Outcome 2: Promoted the appreciation, understanding and enjoyment of the arts and to foster the expression of national identity, by means of the arts.

Outcome 3: Provided thought leadership, advocacy and policy direction on matters concerning arts and culture.

Outcome 4: Established and strengthened partnerships for arts delivery and promotion.

Outcome 5: Economic growth through the arts.

Outcomes, Outputs, Output Indicators, Targets and Actual Achievement

Outcome 1: Increased access to the NAC by providing support to all the sectors of our communities, particularly those who are marginalised.

This outcome aims to increase access to the NAC by providing support to all sectors of our communities, particularly those who are marginalised. The NAC ensured that more arts practitioners and beneficiaries, across the length and breadth of the country are accessing and benefiting from the NAC Grant funding. The NAC's mission is to meet and strive to improve the equitable distribution of funding across the **six (6) marginalised provinces, namely, Limpopo, Mpumalanga, North West, Eastern Cape, Northern Cape, and the Free State.**

To this effect, the NAC has allocated 57% towards these provinces. This goal is to ensure that allocations are distributed to all provinces, in a manner that achieves redress and transformation in the country. There is a significant improvement from the prior year when the NAC allocated 46% of its funding to marginalised provinces. Council made it deliberate in its strategy, to allocate 60% of its funding to marginalised areas.

Furthermore, to open access for marginalised communities, council removed barriers to entry by removing some compliance requirements during the application process such as audited financial statements, tax clearance certificates, and certified copies of identity documents to be valid for a period of twelve (12) months. Despite removing these barriers to entry, some of the proposals presented were not compelling to enable the advisory panels to recommend funding to applications coming from marginalised areas. There is further capacity building required by the sector to improve the quality of proposals submitted to the NAC for funding. In trying to meet this target, the NAC achieved 95% of the target that has been set.

In addition, the NAC needed to support vulnerable groups like women, youth, and people living with disabilities. The imperative was to increase the pool of vulnerable groups across the nine (9) provinces. To this end, 43% of grant funding was allocated to marginalised groups across the nine (9) provinces. The NAC Act objectives empower the NAC to provide through funding, opportunities for the general practice of the arts, foster national identity and provide resources to previously marginalized communities to enable them to access the arts.

For further advancement of the development of the sector, the NAC contributed to transformation, growth, and advancement of the sector across all fields of the arts increasing the support for marginalised art forms and ensuring that the number of practitioners in indigenous arts are supported. The NAC recognises the importance and the role that indigenous arts play in our society as part of our national identity and acknowledges the diversity of art forms in South Africa in promoting social cohesion. To meet this objective, the NAC supported 59 beneficiaries practising and promoting indigenous art forms in South Africa.

The growth of the sector is an essential part of the transformation. Growth is attained through skills transfer initiatives. Capacity building initiatives provide opportunities for practitioners to upgrade their knowledge and skills base in the industry they operate in.

The funding of capacity-building programmes is an essential element for developing the arts to ensure excellence. Through funding support for the provision of training and education, the NAC offers support grants for capacity-building programmes to help grow the talent of art practitioners, other industry related professionals, art technicians and arts administrators. Supporting capacity-building programmes ensures that South Africa has a sustainable pool of talented artists and leaders. The NAC sought to increase the number of capacity-building programmes in Indigenous Knowledge Systems and intellectual property, which the NAC has achieved and supported six (6) beneficiaries involved in capacity-building programmes for the sector.

Community Arts Centre also play a significant role in bringing the arts closer to the communities they operate in. Supporting community arts centre initiatives is at the centre of initiatives to ensure the growth and transformation of the arts. To achieve this imperative, the NAC sought to increase in the number of Community Arts Centres producing content or training in indigenous arts. To this effect four (4) community arts centres producing content or training in indigenous arts were supported.

Outcome 2: Promoted the appreciation, understanding and enjoyment of the arts and to foster the expression of national identity, by means of the arts.

This outcome seeks to promote the appreciation, understanding and enjoyment of; and to foster the expression of national identity, by means of the arts. In supporting the arts, the NAC wanted to increase the number of arts practitioners producing artistic goods and services, as well as increase the demand for the consumption of artistic goods and services. This goal focuses on exposing indigenous art forms and uniquely South African initiatives to national and global platforms and markets through the recognition and support of diverse South African artistic expressions. The NAC sought to increase the number of approved beneficiaries to 332. However, through the various funding sessions, including the Presidential Employment Stimulus Programme that the NAC had during the year under review, the NAC approved a total of 850 funding applications.

In order to increase the demand for the consumption of artistic goods and services through exposing indigenous art forms and unique South African initiatives to national and global platforms and markets, the aim is to showcase the value of the arts to society and increase the appreciation thereof. The NAC supported a number of art platforms programming and showcasing content. To this end, 58 art platforms were supported. Through this effort, the NAC ensured that the consumption, enjoyment, and appreciation of artistic goods is increased.

Outcome 3: Provided thought leadership, advocacy and policy direction on matters concerning arts and culture.

The NAC has achieved this outcome by providing input, insights and commentary on matters concerning the Arts. The outcome ensures that a transformed arts and culture sector is created through the advocacy of the sector in South Africa and internationally. The NAC was required to participate in hosting conferences, interviews, and roundtable discussions. The NAC embarked on a number of initiatives and implemented 31 information webinars, published three (3) research articles, and undertook six (6) round table discussions with the sector, themed around the important national calendar holidays namely: Youth month, Women's month, Heritage month and Human Rights.

PROGRAMME PERFORMANCE INFORMATION

During the year, a number of beneficiaries were interviewed about projects implemented and the impact that the funding had in their communities. These articles were published on the NAC website.

Before opening funding sessions and post-funding sessions, webinars were held with art sector practitioners to explain funding guidelines and criteria for NAC Annual Funding Call and for the PESP3 funding call. The engagements with the sector through webinars elicited information that the sector would like the NAC to be aware and informed of their needs, and at the same time, the NAC can communicate challenges experienced with the funding and give further advice on how applicants need to respond to the NAC.

As part of furthering engagements with the sector, the NAC held an Arts Summit on 15 March 2023 entitled **Reflections and Reality Post COVID-19** with various speakers from the industry. The engagements were fruitful and yielded a good response from the sector.

Outcome 4: Established and strengthened partnerships for arts delivery and promotion.

This outcome aims to enable artists to present their work through international, continental, and regional cultural engagements and exchanges. The partnerships entered into were meant to increase access to markets and enable creative engagement for South African art and artists through partnerships. Through these platforms, South African art forms are pushed beyond our borders for recognition, and enjoyment for generating revenue for creatives.

In this regard, the NAC entered into a Memorandum of Understanding with associations (organisations) addressing various sectors of the industry on the development and promotion of the arts. The NAC also focussed on identifying and entering key strategic cooperation and funding agreements with local and international art platforms. In the past year, the NAC collaborated with the Department of Sport Arts and Culture in taking a South African craft organisation **Zulugal Retro, based in KwaZulu Natal** province to exhibit and the International Craft Market in Liberia. Zulugal Retro was selected amongst a host of South African crafters from the pool of our beneficiaries in the Arts Organisation Support Funding Programme. The organisation presented various arts and crafts products of excellent quality which were market ready.

The NAC further collaborated and entered into an MOU with Arts Xchange-Afrika Kreativos to present South African artists in various markets overseas. The MAPAS International Festival in Italy also came on board as well as the National Arts Festival. The festival platforms selected and curated artists to feature in their festival programmes. The NAC supports these initiatives by providing funding support for traveling, airfares, artists' honoraria, and associated expenditures to facilitate the access of our practitioners on these platforms.

The NAC also entered into MOUs with various entities, community arts centers, and community organisations to establish Helpdesks to bring information closer to communities. The organisations that the NAC partnered with are the **Best Arts Centre (Limpopo) Indosa Arts Centre (KwaZulu Natal) The Artscape (Western Cape) Eastern Cape Arts and Culture Council (Eastern Cape), Mmabatho FM (North West), The Forgotten Angle Collaborative (Mpumalanga) The Garage Dance Ensemble (North Cape) and the Gauteng Organisation of Community Arts Centres (Gauteng).**

South Africa is a vast country, and the NAC realises that it would take some time to establish Helpdesks in every region to increase access to the NAC. The Helpdesks initiated provides a good platform for pilot purposes before these models can be replicated in other regions as well.

The NAC also supported block institutional bursaries and agreed with various institutions to support undergraduate students. The NAC entered into agreements with eleven (11) institutions that were supported to offer bursaries to undergraduate students registered in these institutions.

Outcome 5: Economic growth through the arts.

The NAC's objective is to grow the economy through the arts and arts funding. Through the various funding sessions held, the NAC intended to increase the number of job opportunities and beneficiaries from the NAC Grant, as well as to increase the number of funded beneficiaries.

To this end, the NAC funded 850 beneficiaries in total during the 2022/2023 financial year. The NAC also saw an increase of 14475 job opportunities created as reported by the end of March 2023.

Challenges:

Compliance: The NAC has done a lot to ensure maximum participation of Art Practitioners when applying for NAC Funding. The Council removed barriers previously encountered by artists during the application process.

The barriers removed were:

- Tax Clearance Certificate at the time of application,
- Audited Financial Statements, and
- 6 Months Certified ID Copy. (now accepting up to 12 months of certified copies).

Despite these efforts, a number of applications do not even reach the adjudication point and are declined at the administration adjudication level. In the last financial year, approximately 60% of applications received did not reach the second review of adjudication by the panel.

Budgetary constraints: A huge challenge facing the NAC is budgetary limitations. There is a huge disjuncture between the budget available versus the demand for applications. Many applications who have fully complied and scored above the average, could not get a funding allocation due to budgetary constraints. The NAC received applications during the year requesting approximately R5 billion. The NAC's huge mandate is unmatched by the resources at its disposal. Being faced with the demand to address the seven (7) disciplines the NAC is responsible for, it is unlikely that the NAC will fully address the needs of the arts sector.

ANNEXURE A:

OUTCOME 1: Increased access to the NAC by providing support to all the sectors of our communities particularly those who are marginalised.

PROGRAMME 1: ARTS DEVELOPMENT AND PUBLIC ENGAGEMENT									
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	**Actual Achievement 2022/23	Deviation from planned target to Actual Achievement 2022/23	Reasons for deviations	
Increased access to the NAC by providing support to all sectors particularly those who are marginalised.	Equitable spread of funding across Provinces.	Percentage of Grant Funding allocated to the 6 underfunded Provinces	N/A	N/A	60 % of Annual Grant Funding allocated to the 6 underfunded Provinces	56.62 % of Annual Grant Funding allocated to the 6 underfunded Provinces	Partially achieved. 3.38 % less of Annual Grant Funding allocated to the 6 underfunded Provinces.	Decrease in the allocations to marginalised provinces due to the quality of applications presented coming from these areas.	
	Increased pool of vulnerable and marginalised beneficiaries based in rural communities	Percentage of Grant Funding allocated to marginalised Groups across the 9 provinces	N/A	N/A	40% of Grant Funding allocated to marginalised Groups across the 9 provinces	42.94% of Grant Funding allocated to marginalised Groups across the 9 provinces	2.94% more of Grant Funding allocated to marginalised Groups across the 9 provinces	Increase in the number of applications received from marginalised groups. The NAC also administered PESP which increased the number of beneficiaries approved from marginalised groups across the 9 provinces.	

ANNEXURE A:

OUTCOME 1: Increased access to the NAC by providing support to all the sectors of our communities particularly those who are marginalised.

PROGRAMME 1: ARTS DEVELOPMENT AND PUBLIC ENGAGEMENT								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	**Actual Achievement 2022/23	Deviation from planned target to Actual Achievement 2022/23	Reasons for deviations
Increased access to the NAC by providing support to all the sectors of our communities particularly those who are marginalised.	Increase the support for marginalised art forms.	Number of Indigenous Art forms supported by the NAC.	N/A	N/A	Fund 1 new Indigenous Art form per annum.	30 Indigenous Art forms funded.	29 more Indigenous Art forms funded.	More applications received dealing with indigenous arts forms as per the NAC strategic thrust. The NAC also administered PESP which increased the number of beneficiaries approved engaged in Indigenous Art forms.

ANNEXURE A:
OUTCOME 1: Increased access to the NAC by providing support to all the sectors of our communities particularly those who are marginalised.

PROGRAMME 1: ARTS DEVELOPMENT AND PUBLIC ENGAGEMENT									
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	**Actual Achievement 2022/23	Deviation from planned target to Actual Achievement 2022/23	Reasons for deviations	
Increased access to the NAC by providing support to all the sectors of our communities particularly those who are marginalised.	Increase the number of capacity building programmes in Indigenous Knowledge Systems and Intellectual Property.	Number of capacity building programmes in Indigenous Knowledge Systems and Intellectual Property.	N/A	N/A	Approved 2 capacity building programmes on Indigenous Knowledge System and Intellectual Property per annum.	6 capacity building programmes on Indigenous Knowledge Systems and Intellectual Property approved.	4 more capacity building programmes approved.	Increased number of applications received.	
	Increase in the number of Community Arts Centres producing content or training on Indigenous Arts	Number of Community Arts Centres producing content or training on Indigenous Arts	N/A	N/A	Approved 2 Community Arts Centres producing content or training on Indigenous arts	4 Community Arts Centres producing content approved.	2 more Community Arts Centres approved.	Increase the number Community Arts Centres that applied for NAC funding.	

ANNEXURE A:

OUTCOME 2: Promoted the appreciation, understanding and enjoyment of, and fostered the expression of national Identity.

PROGRAMME 1: ARTS DEVELOPMENT AND PUBLIC ENGAGEMENT									
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	**Actual Achievement 2022/23	Deviation from planned target to Actual Achievement 2022/23	Reasons for deviations	
Promoted the appreciation, understanding and enjoyment of, and fostered the expression on national identity by means of the arts.	Increase in the number of approved Grants.	Percentage increase in the number of Grants approved.	N/A	302	332 Grants approved.	850 Grants approved.	518 more approved Grants.	The NAC invited the sector for 2022 Project Applications, Local and Block Bursary applications. The NAC also administered PESP which increased the number of beneficiaries approved.	
	Increase in the number of art platforms for artistic programs/ content.	Number of approved art platforms programming and showcasing content.	N/A	N/A	Approve 5 platforms for programming and showcasing content.	58 Art platforms funded.	53 more art platforms supported.	Increased number of applications for art platforms. In addition, the NAC also administered PESP which increased the number of applications approved for implementing art platforms.	

ANNEXURE A:
OUTCOME 3: Provided thought leadership, advocacy and policy direction on matters concerning the arts.

PROGRAMME 1: ARTS DEVELOPMENT AND PUBLIC ENGAGEMENT									
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	**Actual Achievement 2022/23	Deviation from planned target to Actual Achievement 2022/23	Reasons for deviations	
Provided thought leadership, and policy direction on matters concerning the arts.	Providing Research input, position papers and articles.	Number of industry engagement through (1)Research input, position papers and articles presented/ produced/ supported).	N/A	N/A	1 Research input, 2 Position Papers and 3 Articles presented/ produced/ supported.	1 Research input, 2 position papers and 9 Articles presented.	6 more articles presented.	An increase in the number of beneficiaries which led to more articles being published.	
	Participating and hosting of Conferences, Interviews, and Roundtable discussions.	Number of industry engagements through (1 arts summit, 5 interviews and 4 roundtables).	N/A	N/A	Host 1 Arts Summit and host 4 roundtables and 5 interviews.	1 Arts Summit and 4 roundtables hosted and 9 interviews conducted.	4 more interviews conducted.	An increase in the number of beneficiaries which led to more interviews conducted.	

ANNEXURE A:

OUTCOME 4: Established and strengthened partnerships for arts delivery and promotion.

PROGRAMME 1: ARTS DEVELOPMENT AND PUBLIC ENGAGEMENT									
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	**Actual Achievement 2022/23	Deviation from planned target to Actual Achievement 2022/23	Reasons for deviations	
Established and strengthened partnerships for arts delivery and promotion.	Signed MOUs with strategic partners.	Number of Art Disciplines MoUs signed with respective partners to showcases artistic work, internationally.	N/A	N/A	3 Art Disciplines MoUs Signed with respective partners to showcases artistic work internationally.	3 Arts Disciplines signed with MAPAS, Kulture Xchange, and the National Arts Festival to showcase artistic work.	Target achieved	Target achieved	
		Number of Help Desks across the 9 Provinces that are operational.	N/A	N/A	1 help desk across the 9 provinces operational.	Established Helpdesks across 8 provinces.	Partially achieved.	1 helpdesk not implemented. 89% of the target achieved.	Engagement with the Free State province to sign the Helpdesk MOU was not successful. Eventually, the MOU was signed in May 2023.
		Number of Block Bursaries MoUs signed and implemented.	N/A	N/A	10 Block Bursaries MoUs signed and implemented 60% of 10 Block Bursaries to 6 underserved provinces and 40% shared between the remaining 3 provinces.	11 Block Bursaries MOUs signed and implemented. 56,11% of 11 implemented Block Bursaries to 6 underserved provinces and 43,89% shared between the remaining 3 provinces.	1 more block Bursary MOUs signed and implemented. 3,89% less of Block Bursaries to 6 underserved provinces and 3,89% more shared between the remaining 3 provinces.	Increase in the number of successful Block Institutional Bursary beneficiaries.	

ANNEXURE A: OUTCOME 5: Economic growth through the arts

PROGRAMME 1: ARTS DEVELOPMENT AND PUBLIC ENGAGEMENT									
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	**Actual Achievement 2022/23	Deviation from planned target to Actual Achievement 2022/23	Reasons for deviations	
Economic growth through the arts.	Increase in the number of job opportunities.	Percentage increase in the number of job opportunities.	N/A	N/A 3038/baseline	10% increase in the number of job opportunities.	376% increase in the number of job opportunities.	366% more increase in the number of job opportunities	The NAC administered PESP which increased the number of job opportunities created.	
	Increase of beneficiaries.	Percentage increase in the number of funded beneficiaries.	N/A	332	10% increase in the number of funded beneficiaries.	156% increase in the number of funded beneficiaries.	146% more increase in the number of funded beneficiaries.	The NAC also administered PESP which increased the number of beneficiaries.	

OUTCOME 6: Strengthened internal capabilities of the NAC to effectively deliver on its strategic plan.

MARKETING & COMMUNICATIONS									
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	**Actual Achievement 2022/23	Deviation from planned target to Actual Achievement 2022/23	Reasons for deviations	
Strengthened internal capabilities of the NAC to effectively deliver on its strategic plan.	Brand awareness, positive image of the NAC brand and the sector.	Percentage of positive brand perception and impact of the NAC.	N/A	N/A	60% positive perception of NAC impact.	62.25% positive perception was achieved.	2.25% more positive perception achieved.	Promoting positive and newsworthy stories that highlight the impact of the NAC resulted in the sector recognising the positive impact of the NAC and increased our positive perception.	
		Percentage of positive coverage in electronic and print media.	N/A	N/A	60% positive coverage of the NAC through print and digital media.	62.25% positive coverage was achieved through print and media.	2.25 positive coverage achieved through print and media.	Increased communication and introduction of the WhatsApp platform resulted into increased interaction with the sector. Paid media through community newspapers and radio also increased positive coverage.	
		Percentage of awareness of the NAC's mandate and application process in marginalised areas.	N/A	N/A	60% marginalised areas reached and aware of NAC's mandate and applications process.	90% of NAC content related to the mandate and the application process has been published to marginalised community radio stations and newspapers across the Country.	30% of NAC content related to the mandate and the application process has been published to marginalised community radio stations and newspapers across the Country.	The NAC received a minimal number of applications from marginalised areas. As a result, we intensified our marketing efforts by targeting all marginalised areas through community radios and newspapers in these areas across the country.	

OUTCOME 6: Strengthened internal capabilities of the NAC to effectively deliver on its strategic plan.

FINANCE								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	**Actual Achievement 2022/23	Deviation from planned target to Actual Achievement 2022/23	Reasons for deviations
Strengthened internal capabilities of the NAC to effectively deliver on its strategic plan.	Implement effective financial management effective financial.	Maintained unqualified audit outcome.	Unqualified audit outcome.	Unqualified audit outcome.	Unqualified audit outcome.	Unqualified audit outcome.	Target Achieved	Target Achieved

OUTCOME 6: Strengthened internal capabilities of the NAC to effectively deliver on its strategic plan.

HUMAN RESOURCES								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	**Actual Achievement 2022/23	Deviation from planned target to Actual Achievement 2022/23	Reasons for deviations
Strengthened internal capabilities of the NAC to effectively deliver on its strategic plan.	Supporting the organisation to ensure the right people, with the right skills and attitude to service the needs of the sector.	Approved organisational structure, training, and development plan. Number of approved HR policies and procedures.	N/A	N/A	Review organisational structure and conduct Staff Training and Development. Develop and review HR policies and procedures.	Organisational structure reviewed and staff training and development conducted. Two (2) policies developed and two (2) amended in the year.	Partially achieved. Approved organisational structure not reviewed. Training and development conducted. Partially achieved. HRC meetings not held to review and recommend policies to council for approval.	The organisational structure was not submitted for review and approval during the financial year. HR Manager successfully managed to complete the reviewing and development of the policies and procedures on time as planned, but they could not be approved during the year by Council due to HRC not forming a quorum.

OUTCOME 6: Strengthened internal capabilities of the NAC to effectively deliver on its strategic plan.

INFORMATION TECHNOLOGY									
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	**Actual Achievement 2022/23	Deviation from planned target to Actual Achievement 2022/23	Reasons for deviations	
Strengthened internal capabilities of the NAC to effectively deliver on its strategic plan.	User-friendly technology and application tools for universal access to potential applicants. Effective ICT systems and security measures supported by up to date infrastructure with minimal or no disruption.	Enhanced GMS system and digitised application process. Quarterly assessment reports.	N/A	N/A	Enhance the GMS system and digitize the application process. Conduct Quarterly assessment reports on key systems and ICT infrastructure.	Enhancement and maintenance of the GMS system continues. Conducted Quarterly assessment reports on key systems and ICT infrastructure.	Target achieved.	Target achieved.	

OUTCOME 6: Strengthened internal capabilities of the NAC to effectively deliver on its strategic plan.

CORVENANCE									
Outcome	Output	Output Indicator	Audited Actual Performance 2020/2021	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	**Actual Achievement 2022/23	Deviation from planned target to Actual Achievement 2022/23	Reasons for deviations	
Strengthened internal capabilities of the NAC to effectively deliver on its strategic plan.	Maintaining good governance throughout the NAC.	Overall Governance achieved through regular reviews by oversight bodies.	N/A	N/A	4 Audit and Risk Committees.	7 Audit and Risk Committees.	3 more ARC meetings held.	Oversight of NAC operations required.	

10. ARTS ADMINISTRATION & FUNDING

INTRODUCTION

The NAC began the financial year with the announcement that it will be responsible for the Presidential Employment Stimulus Programme Funding 3 (PESP3) to support the sector with funding to stimulate youth employment through the arts.

Management had to quickly realign its funding activities to be spread throughout the year. During the financial year under review, the NAC implemented five (5) funding programmes, namely the NAC Annual call for *Project Funding, PESP 3, Block Institutional Bursaries, Local Postgraduate Bursary Funding and Arts Organisation Support Funding*.

The implementation of these funding programmes was against the backdrop of the new Strategic Plan set during 2021. Funding was earmarked for arts practitioners in the various disciplines that the NAC is responsible for, namely *Craft, Dance, Literature, Multidiscipline, Music, Theatre and Visual Arts*.

The NAC also ventured into funding awareness webinar sessions and funding workshops in various provinces. These workshops focused on assisting applicants with the application process and to explain funding requirements in relation to administrative compliance.

Applications were received through the Grant Management System (GMS). In addition, the NAC made manual applications available for applicants who could not access the GMS due to lack of connectivity.

Making manual applications available to the sector ensures that the applicants from marginalised areas could still access NAC services and offerings.

During the year under review, 2022/2023, the NAC funded **850 applications** in the various funding programmes. One of the NAC strategic imperatives is to redress past imbalances which needed to be evidenced through the funding distribution to various programmes as well as the support of women, women led projects, youth and projects befitting people with disabilities.

10.1 CALLS FOR FUNDING

The NAC implemented the following funding sessions during the 2022/2023 financial year:

10.1.1 Presidential Employment Stimulus Programme 3 (PESP3)

The funding call opened on **20 June 2022 and closed on 29 July 2022. Outcomes of the call were released on 30 September 2022.** The Presidency has made available Employment Stimulus Programme to the sector. PESP3 served as economic stimulus to support sector initiatives to create jobs in the creative and cultural sector. This call for funding forms part of the Government's intervention to re-activate the sector to economic recovery and reconstruction post the COVID-19 pandemic devastation.

Art Practitioners and arts organisations active in the arts were invited to apply for funding. The invitation was open to practitioners active in the disciplines of *craft, dance, multidiscipline, music, theatre, and visual arts* to submit their applications for the project funding. Applicants were encouraged to apply for projects such as, creation, composition, workshops, showcases, exhibitions script writing, and residencies.

10.1.2 ANNUAL PROJECT FUNDING

The Project Funding call opened on **09 May 2022 and closed on 17 June 2022. Outcomes were released on 03 September 2022.** The invitation was extended to individual arts practitioners and registered arts organisations to apply for funding.

The invitation was open to practitioners in the disciplines of *dance, multidiscipline, music, and theatre*. Only applications for productions, concerts, showcases and/or performances were considered in this call. The proposed projects should have the capability to address at least two of the five (5) critical focus areas listed below:

- Social cohesion and Nation Building,
- Unearthing marginalised and indigenous arts in rural areas,
- Addressing social ills such as xenophobia, and gender-based violence,
- Supporting the involvement of women, youth employment opportunities and people living with disabilities, and
- Creation of new works through digital media.

10.1.3 Arts Organisation Support Funding (AOSF)

Funding for Arts Organisation Support opened on **20 November 2022 and closed on 9 January 2023. Outcomes were published on 10 April 2023.** The NAC invited registered arts organisations/companies within the arts sector active in the disciplines of *theatre, dance, music, visual arts, craft, literature, and multi-discipline* to apply for the three-year Arts Organisation Support Funding. The funding was allocated in line with the six critical focus areas of the NAC reflected below:

- Social Cohesion and Nation Building
- Marginalised and Indigenous arts
- Addressing social ills
- Supporting vulnerable groups
- New Works and Digital Arts
- Capacity Building and Entrepreneurship

The invitation also encouraged arts organisations that support the involvement of women, youth and people living with disabilities particularly in historically disadvantaged areas to apply for funding. Consideration was given to organisations that have the capacity and proven track record to implement arts programmes. Funding was awarded in accordance with different phases and ceiling amounts for funding are:

1. Foundation Phase:

Organisations operational for 1 to 5 years allocated funding up to a maximum of **R350 000 per annum.**

2. Intermediate Phase:

Organisations operational for 5 years or more allocated funding up to a maximum of **R550 000 per annum.**

3. Established Phase:

Organisations operational for more than 10 years allocated funding up to a maximum of **R1 000 000 per annum.**

4. A total of **654 applications** were received and reviewed for AOSF. **39 organisations** were allocated **R23 000 000.**

10.1.4 BURSARY FUNDING

The call for bursaries was announced on **20 November 2022 and closed on 6 January 2023. Outcomes were released on 10 February 2022.** The call was earmarked for bursaries for the 2023 academic year. The invitation was for post-graduate students and registered education and training institutions that are involved in studies or provision of tuition in the art fields supported by the NAC. The invitation covered post-graduate studies (both part-time and full-time studies) and is renewable for the duration of studies, subject to successful completion of each year of study.

Block institutional bursaries are earmarked for undergraduate students studying in South Africa.

A catalyst in the arts,
cultural and creative
community that supports free and
diverse artistic expressions.


The number of PESP3 Individual Applications funded:

NAME	PROVINCE	AMOUNT
Lebohang Rinenet Sekgobela	Limpopo	R274 225,00
Solly Malaka	Limpopo	R705 000,00
Mashupe Phala	Limpopo	R150 000,00
Martha Moila	North West	R139 600,00
Ntokozi Hazel Mhlaba	Gauteng	R350 000,00
Sthembiso Mathebula	Mpumalanga	R70 000,00
Emmanuel David Rattle	Northern Cape	R200 000,00
Tinyiko Steven Chauke	Gauteng	R100 000,00
Pule Paul Peter	Free State	R320 000,00
Lungile Themba	Gauteng	R350 000,00
Phumlani Nyanga	Eastern Cape	R137 200,00
Solomon Moremong	Gauteng	R150 000,00
Xolane Marman	Western Cape	R305 562,13
Fikile Mahola	Eastern Cape	R139 500,00
Cyril Malatsi	Gauteng	R750 000,00
Thabo Mokolobate	Gauteng	R350 000,00
Lindiwe Tsholofelo Dietsiso	Gauteng	R105 660,00
Gladwin Stellenberg	Gauteng	R250 000,00
Lebogang Chairman Lebethe	North West	R182 400,00
Hamilton Motloug	Gauteng	R822 812,13
Bongani Maloshe Mphego	Limpopo	R127 412,13
Letsatsi Ditlhale	North West	R150 000,00
Makonyololo Dennis	Limpopo	R146 833,25
The Essential Platform	Gauteng	R100 000,00
Xolile Makhosazane Vilakazi	KwaZulu Natal	R100 000,00
Luvani Mabele	Limpopo	R145 600,00
Mandilakhe Twazi	Eastern Cape	R100 000,00
Pertunia Nokuthula Maphanga	Mpumalanga	R157 250,00
Thabiso Heccius Pule	Gauteng	R525 000,00
Kenalemang Angelina Kolodi	North West	R108 000,00
Thapelo Mokaila	North West	R162 400,00
Kereng Tiro	North West	R150 000,00
Lesego Diutlwileng	North West	R350 000,00

The number of PESP3 Individual Applications funded:

NAME	PROVINCE	AMOUNT
Londolani Tsanwani	Limpopo	R100 000,00
Lwanele Nicholas Nqambi	Eastern Cape	R250 000,00
Tshika Matsha	Free State	R200 000,00
Manteloane Eva Sheila Kgosi	Gauteng	R80 000,00
Charmaine Mrwebi	Free State	R200 000,00
Eugene Matome Maliboho	Limpopo	R465 000,00
Abongile Majeke	Eastern Cape	R79 412,00
Nomsa Bacela	Northern Cape	R400 000,00
Siyasanga Crosby Bolani	Western Cape	R400 000,00
Busisiwe Loraine Khanya	Mpumalanga	R400 000,00
John Loate	North West	R748 875,00
Lwazi MeneMene	Eastern Cape	R107 200,00
Tinyiko Xunguza	Mpumalanga	R189 280,00
Abednego Mangweni Chirindza	Mpumalanga	R100 000,00
Given Willie Boleu	Mpumalanga	R96 500,00
Beatrice Ludidi	Free State	R113 333,00
Mbulelo Ntshali	Free State	R228 000,00
Morati Diele Bogopa Thwane	North West	R280 000,00
Pauline Hebetshibe Moraka	Free State	R200 000,00
Rabi Booikie Gumede	Mpumalanga	R107 000,00
Rotenda Gavhi	Limpopo	R100 000,00
Vuyani Genge	Northern Cape	R114 400,00
Ntombizodwa Elsie Sibiya	Mpumalanga	R141 500,00
Ofentse Seshabela	Gauteng	R200 000,00
Tebogo Hamnca	Free State	R100 000,00
Sifiso Suntsa	Gauteng	R156 000,00
Sipho Soyingwa	Northern Cape	R472 000,00
Sam Nkoagatse	Gauteng	R100 000,00
Lungile Sojini	Gauteng	R58 906,00
Thato Mokgoko	Gauteng	R100 000,00
Marlin Zoutman	Western Cape	R106 000,00
Thabo Modillane	Limpopo	R91 000,00
Mthokozisi Zulu	KwaZulu Natal	R277 500,00


The number of PESP3 Individual Applications funded:

NAME	PROVINCE	AMOUNT
Mike Maphoto	Limpopo	R70 000,00
Chanel Kathan	Northern Cape	R139 377,00
Selaelo Selota	Limpopo	R537 525,00
Danile Mohlamme	Mpumalanga	R150 000,00
Janine Titus	Northern Cape	R300 000,00
Boingotlo Joan Legalamitlwa	North West	R200 000,00
Welcome Danca	KwaZulu Natal	R200 000,00
George Moko	Free State	R110 700,00
Vincent Sekwati Koko Mantsoe	Gauteng	R100 000,00
Zakaria Molele Lethoba	Free State	R100 000,00
Lebohang Moroe	Free State	R110 700,00
Vusiwana Peggy Ndleve	Limpopo	R139 600,00
Sifiso Washington Mahlangu	Mpumalanga	R387 118,20
Orapeleng Mandubo	North West	R162 400,00
Chukudu Stephen Manaka	Limpopo	R169 800,00
Goodman Moyane	Mpumalanga	R78 000,00
Lebohang Lekoala	Free State	R113 333,00
Kholofelo Makgalemela	Gauteng	R100 000,00
Ntandoyenkosi Percy Xaba	KwaZulu Natal	R173 600,00
Lovely Matshidiso Malatsi	Limpopo	R435 750,00
Vusumuzi Michael Mbata	KwaZulu Natal	R448 500,00
Themba Mtolo	Free State	R110 700,00
Tshireletso Nkoane	Free State	R102 000,00
Farook Mohammed	Eastern Cape	R230 500,00
Siriba Edwin	Limpopo	R146 833,25
Masehlele Hunadi Mashitisho	Limpopo	R267 000,00
David Shuping	Western Cape	R109 610,00
Bafedile Tshepe	Gauteng	R85 000,00
Chopo Bularah	Free State	R99 050,00
Minenhle Oscar Mashiane	Mpumalanga	R500 000,00
Pesa Pheko	Free State	R300 000,00
Jan Mthethwa	Free State	R110 700,00

The number of PESP3 Individual Applications funded:

NAME	PROVINCE	AMOUNT
Justine Lerato Mokgosi	Free State	R110 700,00
Gregory Maqoma	Gauteng	R219 591,00
Aobakwe Motlhasedi	North West	R175 000,00
Yaseen Manuel	Western Cape	R180 000,00
Sanele Konk'okuhle Brian Ndlovu	KwaZulu Natal	R70 000,00
Mlondi Massion Zulu	KwaZulu Natal	R460 000,00
Kyle Allan	KwaZulu Natal	R20 000,00
Thabo Mofokeng	Gauteng	R300 000,00
Ignatia Sibongile	Northern Cape	R215 800,00
Thalente Khumalo	KwaZulu Natal	R100 000,00
Julia Nokuthula Semela	Gauteng	R100 000,00
Mbali Malimela	KwaZulu Natal	R100 000,00
Thandeka Mfinyongo	Eastern Cape	R246 300,00
Eddie Lebeko	Northern Cape	R438 623,00
Pontsho Phori	Free State	R200 000,00
Victor Geduldt	Free State	R211 980,00
Dipuo Dorothy Mgoduka	Limpopo	R146 833,25
Omphemetse Raadt	Northern Cape	R414 000,00
Nolubabalo Mhlana	Eastern Cape	R83 000,00
Chloë Reid	Eastern Cape	R260 000,00
Moferefere Maeneche	Northern Cape	R114 400,00
Merrium Davhana	Limpopo	R100 000,00
Matter Vuyani Nxedlana	Gauteng	R100 000,00
Jessie-Lee Diepeveen	Western Cape	R110 000,00
Nhlanhla Nsuntsha	KwaZulu Natal	R220 000,00
Tarryn Lee	Gauteng	R163 000,00
Refiloe Mokoena	Free State	R100 000,00
Hope Mogorosi	Northern Cape	R300 000,00
Thokozani Magagula	KwaZulu Natal	R200 000,00
Lungelwa Patricia Magqamfana	Eastern Cape	R318 750,00
Siphesihle Mngwengwe	KwaZulu Natal	R450 000,00
Fihli James Malatji	Gauteng	R300 000,00

**The number of PESP3 Individual Applications funded:**

NAME	PROVINCE	AMOUNT
Don Laka	Limpopo	R1 500 000,00
William Olaph Nhubunga	Limpopo	R60 000,00
Jeremaih Kunene	KwaZulu Natal	R410 416,50
Lukholo Madyibi	Eastern Cape	R107 200,00
Sinethemba Mashiane	Mpumalanga	R499 000,00
Myra Briedenhann	Free State	R100 000,00
Siyabonga Romeo Mdneyidwayi	Eastern Cape	R126 000,00
Goodwin Sikhupelo	Northern Cape	R225 000,00
Thubelihle Ndlovu	KwaZulu Natal	R275 000,00
Eric R Kok	Northern Cape	R150 000,00
Disebo Mahloko	Free State	R190 000,00
Zakhele Mabena	Gauteng	R500 000,00
Lulu Prudence Mlangeni	Gauteng	R100 000,00
Kgosimang Mothibi	Free State	R113 333,00
Khotso Mokoena	Free State	R113 333,00
Debra Thobile Majola	KwaZulu Natal	R100 000,00
George Ikgopoleng	North West	R150 000,00
Nongcebo Ntuli	KwaZulu Natal	R100 005,20
Sive Gaika	Western Cape	R180 000,00
Motloduwane Jacob Mawela	Gauteng	R150 000,00
Ravashni Naidoo	KwaZulu Natal	R70 000,00
Amanguni Productions	KwaZulu Natal	R269 200,00
Mamokete Naomi Thaele	Mpumalanga	R300 000,00
Mohlouoa Niklaas Ntshsa	Limpopo	R300 000,00
McCoy Mrubata	Gauteng	R847 384,32
Kamo Tsotetsi	Free State	R150 000,00
Reza Khota	Gauteng	R124 792,13
Mamosa Lesenyeho	Free State	R250 000,00
Jeremia Bongani Mandlazi	Gauteng	R430 043,00
Puto Duma	Mpumalanga	R100 000,00
Buhle Johan Ngcongco	KwaZulu Natal	R871 603,20
Tsosheletso Chidi	Gauteng	R74 438,00

The number of PESP3 Individual Applications funded:

NAME	PROVINCE	AMOUNT
Matjeku Samuel Bopape	Limpopo	R182 350,00
Rona Holmes	Western Cape	R89 000,00
Joy Meyer	Western Cape	R150 000,00
Mandla Ndlovu	KwaZulu Natal	R150 000,00
Lorin Sookool	KwaZulu Natal	R107 200,00
Nozipho Mbembe	Eastern Cape	R304 725,00
Sipho Ganafana	Free State	R178 400,00
Ontiretse Manyetsa	North West	R150 000,00
Thabisa Ncumisa Nyirenda	Eastern Cape	R164 000,00
Nozibele Mpololo	Eastern Cape	R150 000,00
Mpilwenhle Magubane	KwaZulu Natal	R100 000,00
Letshego Theodore Shago	Free State	R165 000,00
Dr. Yavini Naidoo	Gauteng	R200 000,00
Thamsanqa Hawell Mbongo	Western Cape	R1 000 000,00
Oliver Sikhuthali Bonga	Eastern Cape	R409 500,00
Philile Pretty Njikija	KwaZulu Natal	R100 000,00
Vuyiswa Nodada	Eastern Cape	R100 000,00
Noluthando Portia Zungu	KwaZulu Natal	R80 000,00
Katlego Ebopang	North West	R175 000,00
Ubuhle Bamaciko	Eastern Cape	R107 200,00
Isaac Mochaka Mohale	Free State	R80 000,00
Anele Tyu	Free State	R150 000,00
Just Films	Western Cape	R250 000,00
Zinhle Mbokane	Mpumalanga	R713 500,00
Keaobaka Dipale	North West	R100 000,00
Rembuluwani Ndou	Limpopo	R129 200,00
Mamadile Motsiri	Free State	R110 700,00
Mbali Vilakazi	Gauteng	R62 000,00
Makara Tsoenyane	Free State	R80 000,00
Christopher Sipehelele Mdletshe	KwaZulu Natal	R266 412,12
Aphumlile Madyibi	Eastern Cape	R127 335,00
Clea Mallinson	Eastern Cape	R210 981,50
Skhumbuzo Raphael Dlamini	KwaZulu Natal	R100 000,00

**The number of PESP3 Individual Applications funded:**

NAME	PROVINCE	AMOUNT
Thandiwe Mhlotshana	Free State	R68 175,00
Bruce Newman	Northern Cape	R652 000,00
Gavin Krastin	Western Cape	R491 343,75
Edwill van der Merwe	Western Cape	R71 400,00
David Marosa	Limpopo	R150 000,00
Seipati Mpotsoane	Free State	R195 746,21
Xola Mthombeni	Gauteng	R100 000,00
Khoboso Adelin Gubese	Free State	R113 333,00
Kwazi Nlangisa	KwaZulu Natal	R150 000,00
Sibusiso Magagula	Mpumalanga	R350 000,00
Teresa Phuti Mojela	Limpopo	R100 000,00
Absalom Nkabinde	Mpumalanga	R458 000,00
Itumeleng Molale	Free State	R470 812,13
Keaotshepa Mokgadi Ncweni	North West	R108 000,00
Lesego Vorster	Gauteng	R110 800,00
Tshepo Raymond Mothupi	Free State	R110 000,00
Vukile Kgotla	North West	R182 400,00
Moses D Rasekele	Limpopo	R461 790,00
Nomasonto Radebe	Gauteng	R100 000,00
Thabo Motlhabi	Northern Cape	R150 000,00
Brown Sithole	Gauteng	R148 000,00
Lukretia Booysen	Western Cape	R200 000,00
Nobubele Madyibi	Eastern Cape	R110 500,00
Shawn Mothupi	Gauteng	R100 000,00
Mosela Vivian Mphafi	Northern Cape	R517 500,00
Fulufhelo Mobadi	Gauteng	R200 000,00
Thibedi Kautlwale	North West	R350 000,00
Thokozani Mkhwanazi	KwaZulu Natal	R150 000,00
Wendile Mthembu	KwaZulu Natal	R724 366,00
Audrey Kozwana Skhosana	Mpumalanga	R300 000,00
Malesela Jan Calvin Tlooke	Limpopo	R80 000,00
Botshelo Mmutle	Mpumalanga	R161 650,00

The number of PESP3 Individual Applications funded:

NAME	PROVINCE	AMOUNT
Lukhanyo Sikwebu	Eastern Cape	R141 000,00
Marcia Moitsoi Modise	North West	R400 000,00
Ntombifuthi Viona Sibanyoni	Mpumalanga	R128 000,00
Lungton Tours Pty (LTD)	Eastern Cape	R150 000,00
Rene Weston	Western Cape	R350 000,00
Thato Ditlhale	North West	R488 070,00
Tshepo Moloji	Mpumalanga	R178 000,00
Lungani Mogale	Gauteng	R275 000,00
Nceba Sityhilelo Dube	Northern Cape	R562 500,00
Leonard Sbusiso Themba	Mpumalanga	R450 000,00
Thato Gaarekwe Mokubung	Northern Cape	R64 017,00
Joanne Hichens	Western Cape	R197 000,00
Nathaniel Mabote Mabote	Free State	R418 500,00
Karabo Advice Lebeko	North West	R200 000,00
Wanga Rakumbani	Limpopo	R65 000,00
Itumeleng Qhali	Eastern Cape	R375 000,00
Dose Studios (Pty) Ltd	Free State	R200 000,00
Amogelang Pila Ditlhale	Gauteng	R350 000,00
Brunette Bianca Mlambo	KwaZulu Natal	R150 000,00
Maakomele Manaka	Gauteng	R200 000,00
Angeline Bonisiwe Masuku	KwaZulu Natal	R300 000,00
Mariloe Melissa Booysen	Eastern Cape	R409 465,00
Lehlohonolo Alfred Mkhwanazi	Free State	R110 700,00
Rhulani Ndove	Mpumalanga	R250 000,00
Ipeleng Keamogetswe Matlhaku	Gauteng	R883 312,50
Sydwell Mpati	Limpopo	R232 350,00
Tshepiso James Kwakwa	North West	R250 000,00
Rose Baloyi	Gauteng	R450 000,00
Romeo Swartz	Northern Cape	R98 800,00
Jabulani Khoza	Eastern Cape	R451 988,00
Lettie Nogoli Ntuli	Mpumalanga	R300 000,00
Megan Kahts (mezzo soprano) and Daniel Heide (pianist)	Gauteng	R324 900,00
Urban Farm Productions	Gauteng	R278 000,00

The number of PESP3 Individual Applications funded:

NAME	PROVINCE	AMOUNT
Thabo Makanatle Nchabeleng	Limpopo	R282 350,00
Andiswa Hlanekela	Mpumalanga	R442 020,00
Dancescape South Africa	Western Cape	R140 000,00
Skhumbuzo Khomo	KwaZulu Natal	R352 000,00
Liyabona Dyulethe	Eastern Cape	R300 000,00
Alan Parker	Eastern Cape	R137 200,00
Mcdonald Mpogeng	Limpopo	R308 500,00
Morris Mabote Morolong	North West	R262 000,00
Nhlonipho Innocent Ndlovu	Eastern Cape	R450 500,00
Mpai Thekiso	Free State	R102 400,00
Vasti Calitz	Gauteng	R100 000,00
Kedinnetse Mabeo	North West	R268 733,33
Jean-Michel Wickli	Gauteng	R304 000,00
Nwabisa Plaatjie	Eastern Cape	R450 000,00
Colin Law	Gauteng	R300 000,00
Ngwako Piet Manamela	Limpopo	R312 042,13
Lerato Letsoalo	Limpopo	R120 000,00
Llewellyn Losper	Northern Cape	R44 270,00
Jenna Solomon	Western Cape	R39 000,00
Johan Louw Stegmann	Gauteng	R180 000,00
Lucy Mnisi	Mpumalanga	R69 500,00
Nasipi Mafanya	Eastern Cape	R94 000,00
Matome Sebelebele	Limpopo	R100 000,00
Thapelo Mohapi	Free State	R450 000,00
Besele Lerato Grigory Moloji	Free State	R39 020,00
Dr. Colbert Rudzani Mukwevho	Limpopo	R500 000,00
Lesedi Masombuka	Gauteng	R350 000,00
Wandile Mnwabe	KwaZulu Natal	R70 000,00
Yanga Mabetshe	Eastern Cape	R175 000,00
Lesego Gwendolene Montsho	Eastern Cape	R500 000,00
Silinda Vusi Emanuel	Mpumalanga	R350 000,00
Tankiso Pheko	Gauteng	R100 000,00
Mzamo Kunene	KwaZulu Natal	R137 200,00

The number of PESP3 Individual Applications funded:

NAME	PROVINCE	AMOUNT
Phethile Innocentia Sibiya	Mpumalanga	R161 650,00
Mthokozisi Mazibuko	Gauteng	R75 750,00
Lesiba Samuel Thitshere Maphoso	Limpopo	R100 000,00
Nqobile Hlengiwe Ndlovu	KwaZulu Natal	R80 000,00
Johanna Matshuene Mothema	Limpopo	R450 000,00
Celeste Botha	Western Cape	R120 000,00
Mathews Manamela	Gauteng	R100 000,00
Siphokazi Mpofu	Eastern Cape	R150 000,00
Sean Ross	KwaZulu Natal	R160 981,50
Solly Ramatswi	Gauteng	R547 500,00
Tselane Grace Nthebe	Free State	R200 000,00
Sipho Raymond Buthelezi	Free State	R406 700,00
Phophi Faith Ramabulana	Limpopo	R370 833,25
Matimba Shibambu	Limpopo	R292 316,13
Ndanduleni Jeffrey Manthakha	Limpopo	R215 000,00
Fortunate Mokgehle	Limpopo	R120 000,00
Mpho Letula	Free State	R200 000,00
Nomazulu Taukobong	Gauteng	R100 000,00
Surprise Khoza	Mpumalanga	R445 150,00
Sibusiso Laz Radebe	Mpumalanga	R50 000,00
Olwethu Dlamini	KwaZulu Natal	R160 981,50
Priscilla Nqobile Khoza	Mpumalanga	R189 280,00
Thabiso Michael Machethe	Limpopo	R60 000,00
Nkululeko Mahlangu	Gauteng	R150 000,00
Hlengiwe Ndlovu	KwaZulu Natal	R150 000,00
Tshidi Kgole	Limpopo	R477 937,35
Nomaxabiso Rala	Eastern Cape	R107 200,00
Zazi Nxumalo	KwaZulu Natal	R274 000,00
Fatima Mlangeni	Free State	R277 825,00
Maria Vos	Northern Cape	R140 000,00
Thembalamaswazi	KwaZulu Natal	R100 000,00
Jude Ganasen	KwaZulu Natal	R326 000,00

The number of PESP3 Individual Applications funded:

NAME	PROVINCE	AMOUNT
Mochidi Frans Rapakgadi	Gauteng	R450 000,00
Shadrack Jakwe	Northern Cape	R450 000,00
Bailey Snyman	Gauteng	R100 000,00
Pheliswa Nonfenu	Eastern Cape	R120 000,00
Thobile Mhlongo	KwaZulu Natal	R28 658,00
Joseph Vusi Shashu	KwaZulu Natal	R277 500,00
Avela Qenge	Eastern Cape	R167 811,33
Given Fanisi Malaza	Mpumalanga	R411 520,00
Preston Raphael Brooks	Eastern Cape	R102 000,00
Bongani Magatyana	Western Cape	R600 000,00
Caley Garden	Western Cape	R342 000,00
Collin Damans	Gauteng	R490 000,00
Promise Nyalungu	Limpopo	R150 000,00
Tshepiso Tjeeko	Free State	R400 000,00
Bennett Mojakwe	Northern Cape	R114 400,00
The Arts of Limpopo	Free State	R110 700,00
Bulelwa Basse	Western Cape	R487 500,00
Thakgatso Ntsoane	Limpopo	R109 600,00
Boitumelo Makousu	North West	R196 000,00
Jonathan Hurd	KwaZulu Natal	R125 312,13
Azwinndini Muvhango	Limpopo	R141 175,00
Thabo Pitso	North West	R389 400,00
Total		R80 801 221,55

The number of PESP3 Organisation Applications funded:

NAME	PROVINCE	AMOUNT
Never Give Up Productiions and Book Dealers	Limpopo	R100 000,00
Seabe Communication Group	North West	R150 000,00
Namune Group (Pty) Ltd	Limpopo	R300 000,00
Organisation	Eastern Cape	R378 528,00
Thendric	KwaZulu Natal	R441 356,00
Bana Ba Sefapano Artists Development	Gauteng	R220 835,04
Project Forty	Gauteng	R220 835,04
Mzansi Theatre Project Advancement	KwaZulu Natal	R255 000,00
Mberwana Trading Enterprise	Mpumalanga	R200 000,00
Ikusasa Arts Development	Eastern Cape	R312 000,00
Afrom Beats	North West	R1 072 477,50
Mpumalanga Chamber Orchestra	Mpumalanga	R393 405,00
Atlegang Creative Youth	Northern Cape	R195 746,21
Obakeng Foundation Art Centre	North West	R29 400,00
Dipilara Arts Entertainment Pty (LTD)	North West	R250 000,00
Sayoni Foundation NPC	KwaZulu Natal	R160 000,00
35 mm Lab	Gauteng	R100 000,00
Mahambehlala Communications CC	Eastern Cape	R220 835,04
Moribo Arts Projects	North West	R400 000,00
The Jazz Foundation of SA	Gauteng	R750 000,00
Loukmaan Adams Productions (Pty) Ltd	Western Cape	R200 000,00
Baxter Theatre Centre	Western Cape	R392 400,00
Generic Views Productions Pty (Ltd)	Limpopo	R390 655,00
Jeanestar Cultural	Gauteng	R167 280,00
Badiredi arts projects	North West	R250 130,00
INFINI3	Free State	R300 000,00
Siza Skills Development	Gauteng	R225 000,00
Fanelle Foundation NPC	KwaZulu Natal	R773 800,00
MO2C Institute	North West	R150 000,00


The number of PESP3 Organisation Applications funded:

NAME	PROVINCE	AMOUNT
Beamonti Pty (Ltd)	Gauteng	R220 835,04
Stand Up Mbu Pty (Ltd)	Eastern Cape	R237 500,00
Egoli Creatives Pty (Ltd)	North West	R457 500,00
Cnky Siwela Flute Institute NPO	Limpopo	R750 000,00
RGD Training and Skills Development	North West	R176 000,00
Technical Skills Youth Acedemy	North West	R300 000,00
Tlou ya Mmogo o Moso Foundation	Limpopo	R260 000,00
Boab Foundation NPC	North West	R400 000,00
PEU Art Foundation	North West	R180 000,00
Vuyelwa Entertainment and Projects	Limpopo	R210 000,00
The Untouchables Artist Hub Pty (Ltd)	Mpumalanga	R199 800,00
Retsosangwao Cultural Group	North West	R428 000,00
Creatrix Omnia Group Pty (Ltd)	Eastern Cape	R400 000,00
Priyo Tech Company	Eastern Cape	R300 000,00
La Funk	Gauteng	R220 835,04
Women Development Academy	Mpumalanga	R200 000,00
Nhanga Productions	Gauteng	R167 280,00
Kopano Ke Matla Youth Group	North West	R500 000,00
Sausage Film Company	Gauteng	R100 000,00
Thabo Motaung Foundation	North West	R100 000,00
Rapitsi Development Projects Pty (Ltd)	Limpopo	R220 835,04
His Will Productions	Gauteng	R220 835,04
Spotlight Creations Pty (Ltd)	Gauteng	R350 000,00
Rainbow Arts Organisation	Western Cape	R220 835,04
Umzansi Zulu Dancers	Gauteng	R167 280,00
Maredi Holdings Pty (Ltd)	Gauteng	R750 000,00
Legends & Legacies Entertainment NPC	KwaZulu Natal	R220 835,04
Lekgoledi Arts and Cultural Centre Organization	Limpopo	R350 000,00
	Northern Cape	R600 000,00

The number of PESP3 Organisation Applications funded:

NAME	PROVINCE	AMOUNT
Cstahood	Gauteng	R121 342,00
Artistic Billionaires Management and Events	Gauteng	R525 000,00
Africa Fashion Alive	Gauteng	R130 000,00
Chongola Promotions	Limpopo	R750 000,00
Nandipha Fashion Designs	Gauteng	R80 000,00
Shine Intertrade	KwaZulu Natal	R163 000,00
Legae Arts Institution	North West	R250 000,00
Bushbuckridge Community Radio	Mpumalanga	R394 837,25
Darkroom Contemporary	Western Cape	R170 000,00
Monate Africa Pty (Ltd)	Limpopo	R1 125 000,00
Mbaula Multi Media	Eastern Cape	R424 700,00
Organization	Free State	R220 835,04
North West Development Agency	North West	R500 000,00
Saziso infortainment and Projects	KwaZulu Natal	R500 000,00
Limpopo Music Festival	Limpopo	R265 359,01
Sbondaba Dance	Western Cape	R250 000,00
Organisation	Northern Cape	R143 600,00
Bikoland Creations	Mpumalanga	R712 500,00
Fanele Sibonge Primary Co-Operative Limited	KwaZulu Natal	R100 000,00
Malatsi Media Institute	North West	R220 835,04
Melanin Zone Foundation	Mpumalanga	R220 835,04
Ubuciko BamacikoDevelopment	KwaZulu Natal	R448 130,00
Baz-Art NPO	Western Cape	R381 400,00
Sthenjwa Investment Ventures	KwaZulu Natal	R405 000,00
Multi Talent Agency	Limpopo	R429 500,00
West Coast Youth Orchestra	Western Cape	R220 835,04
Ophumasilwe Group and Events	KwaZulu Natal	R220 835,04
Orange to Green Foundation	Gauteng	R167 280,00
Africa South Art Initiative	Western Cape	R300 000,00
The Craft and Design Institute	Western Cape	R409 500,00

The number of PESP3 Organisation Applications funded:

NAME	PROVINCE	AMOUNT
Solly Moholo Foundation	North West	R300 000,00
Khayelitsha Art School & Rehabilitation Centre - KASI RC	Western Cape	R200 000,00
Lahlamlenze Records	Gauteng	R220 835,04
NB Mohlala Community Brass Band	Gauteng	R265 359,01
SJN Agency	Gauteng	R220 835,04
Oceans Ahead Holdings Limited	Gauteng	R200 000,00
Sqo Productions Pty (Ltd)	Gauteng	R167 280,00
Maatla Conglomerate Pty (Ltd)	Limpopo	R325 003,40
Pride of Ubuntu Arts Centre	Northern Cape	R150 000,00
Masasa Communications	Northern Cape	R971 250,00
Africa Craft Trust	Gauteng	R225 000,00
Aredireng Event Management	Mpumalanga	R362 141,11
Northern Cape Symphony Orchestra	Northern Cape	R405 000,00
Phope Produxions	Free State	R220 835,04
Drakensberg Promotions	Gauteng	R1 500 000,00
Bulumko Foundation NPC	Eastern Cape	R200 000,00
Beyond disability SA Npc	Limpopo	R468 897,19
Aganang Gospel Music Association	North West	R567 225,00
Mmatema Moremi Foundation	Gauteng	R948 300,00
Mkosi Group	Gauteng	R350 000,00
Emakhuzeni Cultural Music Organisation NPC	KwaZulu Natal	R220 835,04
Womans Freedom Contractors and Invest Pty (Ltd)	Eastern Cape	R83 333,00
Isthuli- Sasengweni Arts & Craft Organization	Gauteng	R100 000,00
Nakiwe Yobuhle Empowerment	Northern Cape	R150 000,00
Pop Art Studios Pty (Ltd)	Gauteng	R846 675,00
Sphere Foundation	North West	R847 500,00
Major Blessing Community Development Centre	Eastern Cape	R250 000,00
Inkanyezi Vision Organisation	Mpumalanga	R450 000,00
Nela Kahle 117cc	KwaZulu Natal	R82 000,00
Buhlebuyeza Support Group	Free State	R288 000,00

The number of PESP3 Organisation Applications funded:

NAME	PROVINCE	AMOUNT
Shakers and Movers Dance Academy	Gauteng	R167 280,00
Jade Mega Trade 52	Gauteng	R975 000,00
Rural Educational Development Corporation NPC	North West	R450 000,00
Mmmamosetsanyana NPC	North West	R250 000,00
Sekunjalo Theatre Vibrant	Mpumalanga	R395 500,00
Dado Communications Pty (Ltd)	Limpopo	R220 835,04
Ukusa Arts Programme	KwaZulu Natal	R220 835,04
Psalmist Entertainment and Projects	North West	R510 000,00
Twist Theatre Development Projects	KwaZulu Natal	R437 400,00
Zizi Enterprises	Gauteng	R100 000,00
Clockwork Collective CC (Trading as Clockwork Books)	Gauteng	R200 000,00
Connecting Streams NPC	Free State	R467 617,00
Sandla Black Pty (Ltd)	Eastern Cape	R390 000,00
Organization	Gauteng	R658 775,00
Tshego art and crafts	Free State	R300 000,00
Amandla Danca Teatro ZA	Northern Cape	R150 000,00
Sibonelo Dance Project	Western Cape	R172 800,00
Umtshezi Midlands Ensemble	KwaZulu Natal	R220 835,04
Sibebe Cultural and Marimba Group	Mpumalanga	R250 000,00
Magudu Wanga Foundation	Gauteng	R379 800,00
Kxam	Gauteng	R336 177,00
Imvo Afrika Holdings	Gauteng	R220 835,04
The Butterfly Art Project	Western Cape	R250 000,00
Skills Catalyst Crafts	North West	R176 000,00
Balwela Ngwao Arts Productions	Northern Cape	R150 000,00
Lekekane Arts Youth Development	Limpopo	R270 833,25
Masetsebane Productions	Limpopo	R80 000,00
South African Arts Development Association	Gauteng	R150 000,00
Garage Dance Ensemble	Northern Cape	R296 000,00
Arts Magic Youth Development	Limpopo	R270 833,25

The number of PESP3 Organisation Applications funded:

NAME	PROVINCE	AMOUNT
To The Throne Music Production	Limpopo	R1 337 100,00
Busa Izwe Foundation	Mpumalanga	R150 000,00
Tribhangi Dance Theatre	Gauteng	R167 280,00
South African Creative Conference	KwaZulu Natal	R1 000 000,00
Thabonaka	Free State	R288 000,00
Aspiring Youth Networks	Mpumalanga	R189 250,00
Sesto SA Maluti Pty (Ltd)	Free State	R490 280,00
Ginger Goat Publishing	Gauteng	R147 722,00
Thokozani Choral Society	KwaZulu Natal	R100 000,00
Mhlengi Ngema Foundation	Gauteng	R500 000,00
Reakgona Projects	Mpumalanga	R200 000,00
Geeam Trading CC	North West	R375 000,00
DGR Writing and Research CC (trading as Porcupine Press)	Gauteng	R363 015,00
Micromega Publication Pty (Ltd)	KwaZulu Natal	R250 000,00
John N Petro Creative Enterprise	Gauteng	R225 000,00
Mabala Noise Publishing Pty (Ltd)	Gauteng	R220 835,04
Organisation	Mpumalanga	R111 110,60
Jabulani Jewellery CC	KwaZulu Natal	R215 000,00
Mmakgare Development Projects	Gauteng	R100 000,00
Stageworx	Gauteng	R388 750,00
The National School of the Arts	Gauteng	R400 000,00
The Melrose Gallery	Gauteng	R600 000,00
InfluenZArt	Gauteng	R491 675,00
Lebohang Media (Pty) Ltd	Gauteng	R220 835,04
Setso Arts Heritage and Culture	North West	R300 000,00
Organisation: Kimberley Academy of Music	Northern Cape	R277 283,75
Long and Short of it Pty (Ltd)	Gauteng	R277 000,00
De Wee Production	Free State	R350 000,00
Haile Ayana Investment Pty (Ltd)	Mpumalanga	R150 000,00
Africa!Ignite (RF) NPC	KwaZulu Natal	R487 500,00

The number of PESP3 Organisation Applications funded:

NAME	PROVINCE	AMOUNT
Tshwane Gospel Choir	Gauteng	R325 003,40
Inception Incredible Projects	Mpumalanga	R450 000,00
The ViZion Communications Group Pty (Ltd)	Gauteng	R300 000,00
Vutsila Art and Craft Centre	Limpopo	R250 000,00
Itrota Art X Connection NPC	Gauteng	R167 280,00
Amathwayise Trading And Projects	KwaZulu Natal	R188 800,00
Join Bands Not Gangs	Western Cape	R503 543,70
Bokang Lefoko Theatre	Free State	R750 000,00
Writers Guild of South Africa	Western Cape	R150 000,00
Keiskamma Trust	Eastern Cape	R315 895,00
Very Real Time South Africa	Western Cape	R727 500,00
Ivens Alive	Gauteng	R200 000,00
Music Academy of Gauteng Organisation	Gauteng	R220 835,04
Tsa Lapeng Music Initiative	Limpopo	R220 000,00
Pedros Artsd & Crafts	Gauteng	R325 003,40
Dynamite Youth	North West	R350 000,00
South African Arts & Culture Youth Forum (SAACYF)	KwaZulu Natal	R600 000,00
Organisation Big Creek 51 Trading in association with Think Theatre	Gauteng	R800 000,00
Mohato Afrika Pty (Ltd)	KwaZulu Natal	R175 000,00
Phansi Resource Centre	Free State	R350 000,00
The Wentworth Arts & Culture Organisation	KwaZulu Natal	R562 500,00
Malengs Holdings	KwaZulu Natal	R300 000,00
Book World NPC	Mpumalanga	R750 000,00
SJ Booksellers	North West	R494 440,00
Sibongile Arts Development South Africa	Mpumalanga	R189 250,00
Ithuteng Development Academy	Gauteng	R163 280,00
Multimedia Worx	Limpopo	R70 000,00
Imbhali Yethu Creations	Eastern Cape	R500 000,00
	Western Cape	R500 000,00

The number of PESP3 Organisation Applications funded:

NAME	PROVINCE	AMOUNT
National Arts Festival Grahamstown NPC	Eastern Cape	R1 125 000,00
Organisation	Western Cape	R250 000,00
Rhythmic Indegenious Dancers Organisation	Free State	R160 000,00
Imbali Visual Literacy Project	Gauteng	R300 000,00
Sekusile Development Centre	Mpumalanga	R484 250,00
Ahumba Pty (Ltd)	Free State	R300 000,00
Third World Bunfight	Western Cape	R200 000,00
Centre for Creative Arts-University of KwaZulu-Natal	KwaZulu Natal	R500 000,00
Victory Community Centre	Eastern Cape	R400 000,00
PoeticSoul Lovehouse of Entertainment	Eastern Cape	R350 000,00
Organisation	Western Cape	R200 000,00
NU- AFRO ART	Limpopo	R341 175,00
Mmupi Literature Youth South Africa	Gauteng	R100 000,00
The South African Creative Industries Incubator	Gauteng	R562 500,00
Bridge Books	Gauteng	R147 920,00
Drama for Life	Gauteng	R500 000,00
Jazzart Dance Theatre	Western Cape	R741 637,50
Africa Human Rights Film Festival	Gauteng	R750 000,00
Galeshewe Theatre Organisation	Northern Cape	R462 000,00
Umuzi Wenkosi Cultural Youth Centre	Mpumalanga	R200 000,00
Finest Inc	KwaZulu Natal	R220 835,04
Rural Woman in Arts and Crafts Ensemble	KwaZulu Natal	R82 000,00
Ikage Arts Foundation NPC	North West	R166 666,00
The Writers Lab	Gauteng	R500 000,00
Arts Against Looters	Free State	R450 000,00
Empatheatre	KwaZulu Natal	R155 000,00

The number of PESP3 Organisation Applications funded:

NAME	PROVINCE	AMOUNT
King Cetshwayo Legacy Organization	KwaZulu Natal	R220 835,04
Impumelelo Multi-Purpose Development Project	KwaZulu Natal	R300 000,00
Youth in Action Theatre Production	KwaZulu Natal	R375 000,00
IndiLang	Gauteng	R220 835,04
Zwelivumile Arts & Sports Management EventsPty (Ltd)	Mpumalanga	R111 110,60
Inkcubeko Nezobugcisa	Western Cape	R494 000,00
African Zebra Kings Art Academy	KwaZulu Natal	R240 000,00
Dipuo Photography	Gauteng	R170 000,00
Senzokuhle Youth Programme	Mpumalanga	R200 000,00
Intlantsi Creative Development Project	Eastern Cape	R250 000,00
Koloni Consulting Enterprise	Eastern Cape	R250 000,00
Orange Farm Dance Theatre	Gauteng	R163 280,00
Nquthu Arts Development Programme	KwaZulu Natal	R240 000,00
Tshireletso Media Pty (Ltd)	North West	R600 000,00
Noble Black Foundation	Limpopo	R500 000,00
SociGO	Gauteng	R363 148,00
Open Book Festival	Western Cape	R300 000,00
Ladysmith Youth Development Ensemble	KwaZulu Natal	R200 000,00
Inkunzemdaka Foundation	Eastern Cape	R350 000,00
Le Grand Arts Festival	Gauteng	R600 000,00
Timbila Poetry Project	Limpopo	R116 000,00
Afrika Tshipembe Artist Support	Limpopo	R270 833,25
Mellow Live International	Eastern Cape	R1 125 000,00
KwaZulu Natal Society of Arts	KwaZulu Natal	R350 400,00
Hulie Raedani Communications	Limpopo	R270 833,25
Golden Ivory Trading and Projects	KwaZulu Natal	R470 000,00
Access Music Project (Artwork for Art NPC)	Eastern Cape	R499 534,24


The number of PESP3 Organisation Applications funded:

NAME	PROVINCE	AMOUNT
Indigenous Poetry Development Programme	KwaZulu Natal	R100 000,00
Unima SA	Western Cape	R550 000,00
Renof Productions	Limpopo	R100 000,00
Cebos Pinopple Connection	Mpumalanga	R111 110,60
Youth Heartwork NPC	Limpopo	R220 835,04
Dikianga NPC	KwaZulu Natal	R333 528,75
Ibotwe T/A Sun Goddess South Africa	Gauteng	R80 000,00
MK Recording Studio Pty (Ltd)	Gauteng	R220 835,04
Amzabathi Trading	Eastern Cape	R83 333,00
Visual Art Cherry NPO	Free State	R300 000,00
Leotlela Cultural Group	Free State	R200 000,00
Umbuyazwe Foundation	Gauteng	R225 000,00
Total		R91 778 273,46

Year 2022 Individual Applications funded:

NAME	PROVINCE	AMOUNT
Lebedike Molaba	Limpopo	R200 000,00
Fortunate Mokgehle	Limpopo	R100 000,00
Evandre De Silver	Gauteng	R100 000,00
Molebogeng Miyene	Limpopo	R200 000,00
Lutendo Mugagadeli	Limpopo	R100 000,00
Tamia Moodley	Eastern Cape	R174 000,00
Ketlareng Setlhare	Free State	R100 000,00
Moferefere Maeneche	Northern Cape	R150 000,00
Nokuthula Sandy Vlandir	KwaZulu Natal	R65 000,00
Nicolaas Taljaard	Free State	R239 000,00
Ntsikelelo Ngcanga	Limpopo	R236 500,00
Tsholofelo Chupologo	Northern Cape	R200 000,00
Sisa Benjamin Zako	Eastern Cape	R200 000,00
Cliff Odwa Sigcau	Eastern Cape	R191 001,35
Rendani Fulufhelo Mashau	Limpopo	R200 000,00
Abednego Mangweni Chirindza	Mpumalanga	R157 450,00
Kwazi Ndlangisa	KwaZulu Natal	R200 000,00
Tshepiso Phetlhu	North West	R150 000,00
Sithembele Khoza	Gauteng	R180 000,00
Tebogo Matsie	Northern Cape	R200 000,00
Mwelasi Selepe	Free State	R240 000,00
Mothushi Thoka	Limpopo	R200 000,00
Georgia Jones	Western Cape	R130 000,00
Bryan Schimmel	Gauteng	R140 000,00
Cyril Malatsi	Gauteng	R200 000,00
Khauhelo Maikhi	Free State	R101 756,45
Kholeka Nkosi	KwaZulu Natal	R135 750,00
Refilwe Motale	Gauteng	R335 443,00
Tshepiso Mohau	North West	R200 000,00
Heloine Armstrong	Northern Cape	R300 000,00
Nkosikhona khonza Khwela	KwaZulu Natal	R274 064,00
Segomotso S Modise	North West	R150 000,00

Year 2022 Individual Applications funded:

NAME	PROVINCE	AMOUNT
Nombuso Wanda	KwaZulu Natal	R75 000,00
Thubelihle Ndlovu	KwaZulu Natal	R150 000,00
Boitumelo Mohutsioa	Free State	R200 000,00
Msakha Mona	Mpumalanga	R200 000,00
Lwanele Nqambi	Eastern Cape	R200 000,00
Teresa Phuti Mojela	Limpopo	R100 000,00
Jayson Thato Tsebe	Limpopo	R150 000,00
Nonzukiso Magqabi	Eastern Cape	R39 600,00
Aphumlile Madyibi	Eastern Cape	R65 000,00
Livhuwani Ratshiungo	Limpopo	R200 000,00
Charles Ikaneng	Northern Cape	R200 000,00
Mkhangeli Matiwane	Eastern Cape	R200 000,00
Jennette Baholo	Gauteng	R200 000,00
Philip Miller	Western Cape	R428 783,22
Xola Mziwakhe	Eastern Cape	R191 001,35
Rowlen von Gericke	Eastern Cape	R57 000,00
Yaseen Manuel	Western Cape	R150 000,00
Servane Lewane	Free State	R100 000,00
Gift Thebe	Northern Cape	R250 000,00
Mpho Duiker	Free State	R200 000,00
Dilllan Park	Gauteng	R173 062,43
Amogelang Mokonoto	Gauteng	R200 000,00
Mfundo Zono	Western Cape	R150 000,00
Tiisetso Morake	North West	R100 000,00
Xolane Marman	Western Cape	R95 500,00
Nico Phooko	Gauteng	R150 000,00
Maakomele Manaka	Gauteng	R200 000,00
Sibahle Mabaso	KwaZulu Natal	R132 000,00
Xolani Ngesi	Eastern Cape	R89 000,00
Phumlani Nyanga	Eastern Cape	R250 000,00
Kamogelo Gaborone	Free State	R200 000,00
Shadrack Jakwe	Northern Cape	R150 000,00
Leagan Peffer	KwaZulu Natal	R200 000,00
Total		R11 195 911,80

Year 2022 Organisation Applications funded:

NAME	PROVINCE	AMOUNT
Mushroom Hour Half Hour	Gauteng	R247 965,00
Sello Maake KaNcube Foundation	Gauteng	R100 000,00
Lucky Dance Theatre	Gauteng	R205 530,56
Polokwane Choral Society	Limpopo	R250 000,00
King Cetshwayo Legacy	KwaZulu Natal	R182 231,80
08Thirty Productions	Limpopo	R250 000,00
Tshisa Talent	Western Cape	R150 000,00
Naledi Foundation	Western Cape	R125 000,00
Yiyo Luna Properties	Gauteng	R250 000,00
Bright Future Community Development Centre	Mpumalanga	R157 450,00
Boab Foundation NPC	North West	R207 500,00
Rural Arts Network (RAN)	Western Cape	R100 000,00
Africa Human Rights Film Festival	Gauteng	R200 000,00
Amos/Kgaphamadi Community Organisation	Mpumalanga	R200 000,00
Remmoho Traditional Theatre	Free State	R200 000,00
Foot Expression Dance Company	North West	R200 000,00
Lyfv Sounds Productions	KwaZulu Natal	R150 000,00
Dannhauser Active Rural Women Ensemble	KwaZulu Natal	R150 000,00
Isasa Lethu Youth Development	Free State	R200 000,00
Wall of Arts Trading Pty (Ltd)	Northern Cape	R250 000,00
SA Leading Singore Consulting & Services Pty (Ltd)	Gauteng	R189 028,99
INFINI3	Free State	R200 000,00
The Million Colours of Africa Organisation	Mpumalanga	R200 000,00
	Gauteng	R250 000,00
KupiManaka Unlimited Events and Managements Pty (Ltd)	Gauteng	R200 000,00
Lefika La Phodiso	Gauteng	R120 000,00
Creative Artitude Skills Development	Gauteng	R100 000,00

Year 2022 Organisation Applications funded:

NAME	PROVINCE	AMOUNT
Kangaroo Zulu Dancers and Community Youth Development	KwaZulu Natal	R200 000,00
The Collective Group	Mpumalanga	R469 249,00
Ithuteng Development Academy	Limpopo	R250 000,00
KS Talent Development Institute NPC	Limpopo	R250 000,00
Monate Africa Pty (Ltd)	Limpopo	R200 000,00
Salamende Ntsomi Foundation	North West	R263 502,72
Publik Kreativitey Drama Krew	Gauteng	R250 000,00
Casambo Exclusive Guest Lodge Pty (Ltd)	Mpumalanga	R250 000,00
South African Artist with Disability NPO	North West	R200 000,00
UPT Youth Development t/a Masakhane Arts Centre	Northern Cape	R200 000,00
Keiskamma Trust	Eastern Cape	R250 000,00
Mighty Greener Pastures General Trading Pty (Ltd)	Free State	R250 000,00
Sandla Black Pty (Ltd)	Eastern Cape	R250 000,00
Bosa Holdings 1326 Pty (Ltd)	Eastern Cape	R200 000,00
Setso Sa Maluti Pty (Ltd)	Free State	R250 000,00
Igugu-lethu Arts and Leadership Project	Western Cape	R74 500,00
Aganang Gospel Music Association	North West	R250 000,00
Rural Class Foundation NPC	North West	R250 000,00
Soul Clap Sessions	Eastern Cape	R100 000,00
Mandla Mlangeni Music	Gauteng	R202 019,33
Maxcoo T/A Inverness	Eastern Cape	R150 000,00
Limpopo Arts & Culture Youth Forum	Limpopo	R180 000,00
Lunchbox Theatre	Western Cape	R150 000,00
Alex Theatre Company and Academy	Gauteng	R200 000,00
Amandla Dança Teatro ZA	Northern Cape	R250 000,00
Organisation: Sukuma Cato Crest	KwaZulu Natal	R200 000,00
Mphogole versatility	Gauteng	R100 000,00

Year 2022 Organisation Applications funded:

NAME	PROVINCE	AMOUNT
Atlegang Creative Youth Production	Northern Cape	R171 002,72
African Jewel Bongani Melane	Northern Cape	R200 000,00
Angelia Travel	Limpopo	R161 002,72
ArrowSA	KwaZulu Natal	R125 000,00
Women Leadership Social Empowerment	Limpopo	R250 000,00
Mega Artists Media	Limpopo	R141 000,00
Story Team	Western Cape	R182 463,00
Places and Faces Theater Productions	Limpopo	R150 000,00
Mellow Live International	Eastern Cape	R280 000,00
Mdlovunations Pty (Ltd)	KwaZulu Natal	R150 000,00
Arts & Print Media Development Center	Eastern Cape	R200 000,00
Beyond disability SA Npc	Limpopo	R310 000,00
Why Sala Organisation	Northern Cape	R250 000,00
Beyond Disability Outreach NPC	Limpopo	R200 000,00
The Ukwanda Puppets and Design Company	Western Cape	R138 539,72
Sthenjwa Investment Ventures	KwaZulu Natal	R250 000,00
The Forgotten Angle Theatre Collaborative	Mpumalanga	R250 000,00
Garage Dance Ensemble	Northern Cape	R200 000,00
Lindokuhle Foundation	Free State	R200 000,00
Creative Careers South Africa Pty (Ltd)	KwaZulu Natal	R196 938,72
Organisation	Western Cape	R150 000,00
Music Artists Foundation	Gauteng	R250 000,00
Darkroom Contemporary	Western Cape	R250 000,00
Areyeng Gae	North West	R250 000,00
Total		R16 029 924,28

**Year 2022 Block Bursary Applications funded:**

NAME	PROVINCE	AMOUNT
Ruth Prowse School of Art NPC	Western Cape	R61 336,00
The Forgotten Angle Theatre Collaborative	Mpumalanga	R93 572,00
University of KwaZulu-Natal	KwaZulu Natal	R61 336,15
Vuligqondo Research and Manufacturing Centre	Mpumalanga	R93 527,00
Oakfields College	Gauteng	R80 000,00
Sibikwa Community Project T/A Sibikwa Arts Centre	Gauteng	R81 782,00
Nelson Mandela University	Eastern Cape	R70 000,00
University of Zululand Creative Arts Department	KwaZulu Natal	R61 336,15
Mandela Bay Theatre Complex	Eastern Cape	R117 114,60
Imbali Visual Literacy Project	Gauteng	R81 782,00
Oakfields College	Gauteng	R81 781,53
Jazzart Dance Theatre	Western Cape	R61 336,15
University of the Free State, Odeion School of Music	Free State	R174 600,00
Total		R1 119 503,58

Year 2023 Block Bursary Applications funded:

NAME	PROVINCE	AMOUNT
The Forgotten Angle Theatre Collaborative	Mpumalanga	R135 450,00
Luthando Arts Academy	Gauteng	R122 000,00
Moving into Dance	Gauteng	R183 000,00
Red and Yellow Creative School of Business Pty (Ltd)	Western Cape	R122 000,00
South African School of Motion Picture Medium and Live Performance (Trading as AFDA)	Western Cape	R122 000,00
Ruth Prowse School of Art NPC	Western Cape	R152 500,00
Imbali Visual Literacy Project	Gauteng	R122 000,00
Sibikwa Community Project NPC (T/A Sibikwa Arts Centre)	Gauteng	R116 400,00
Walter Sisulu University	Eastern Cape	R270 900,00
Oakfields College	Gauteng	R61 000,00
University of Cape Town	Western Cape	R152 500,00
Nature Resuscitate	Mpumalanga	R225 750,00
Jazzart Dance Theatre	Western Cape	R183 000,00
Nelson Mandela University	Eastern Cape	R135 883,00
Total		R2 104 383,00

Year 2023 Individual Bursary Applications funded:

NAME	PROVINCE	AMOUNT
Masehlele Mashitisho	Limpopo	R45 000,00
Siboniso Nivi	Eastern Cape	R61 243,00
Amíra-Xandria van Biljon	Free State	R61 243,00
Unathi Mafuna	Eastern Cape	R40 000,00
Nkosingiphile Dlamini	KwaZulu Natal	R40 000,00
Akido Malabela	Gauteng	R40 000,00
Philile Njikija	KwaZulu Natal	R40 000,00
Xolile Makhosazane Vilakazi	KwaZulu Natal	R40 000,00
Sibahle Khwela	KwaZulu Natal	R40 000,00
Creshwell J October	Eastern Cape	R61 243,00
Mandisa Nonhlanhla Lulama Buthelezi	KwaZulu Natal	R40 000,00
Bronwyn King	Gauteng	R40 000,00
Thabo Modillane	Limpopo	R45 000,00
Bonginkosi Liyo Mkhathshwa	Mpumalanga	R61 243,00
Sphesihle Ndlovu	KwaZulu Natal	R40 000,00
Mpho Moema	North West	R61 243,00
Jason September	Western Cape	R40 000,00
Sinovuyo Makhubalo	Eastern Cape	R61 243,00
Lesego Chauke	Limpopo	R40 000,00
Aubrey Lodewyk	North West	R61 243,00
Thakane Mofokeng	Free State	R40 000,00
Andrea Moses	Gauteng	R40 000,00
Teakshania Chetty	KwaZulu Natal	R40 000,00
Klyde Williams	Western Cape	R40 000,00
Themba Nkululeko Nkosi	Gauteng	R40 000,00
Gcotyelwa Mashiqqa	Eastern Cape	R40 000,00
Sibongiseni Zaca	KwaZulu Natal	R40 000,00
Camilla Pontiggia	Gauteng	R40 000,00
Sive Gaika	Western Cape	R40 000,00
Pamela Mavuso	Gauteng	R40 000,00
Kagiso Mgibi	Gauteng	R40 000,00
Linda Makgabutlane	Gauteng	R30 000,00

Year 2023 Individual Bursary Applications funded:

NAME	PROVINCE	AMOUNT
Jovita Joy Govender	KwaZulu Natal	R40 000,00
Whitney Petersen	Gauteng	R40 000,00
Mongezi Ntukwana	Gauteng	R40 000,00
Lungile Sojini	Gauteng	R40 000,00
Nontobeko Sibisi	KwaZulu Natal	R40 000,00
Ratanang Mogotsi	Gauteng	R25 000,00
Smangaliso Ngwenya	Mpumalanga	R61 243,00
Thato Mahlangu	Gauteng	R40 000,00
Zenaye Skosana	Limpopo	R61 245,50
Ndumo Ntuli	Gauteng	R40 000,00
Nontsokolo Mhlotshana	Free State	R40 000,00
Londiwe Mtshali	KwaZulu Natal	R40 000,00
Aristide Lambert	KwaZulu Natal	R40 000,00
Duduzile Mathebula	Gauteng	R40 000,00
Bekker Stephen Nyembe	Free State	R61 243,00
Sifiso Ngwane	Eastern Cape	R40 000,00
Modipadi Mokgohloa	Limpopo	R45 000,00
Joy Meyer	Western Cape	R16 170,00
Monique Hendricks	Gauteng	R40 000,00
Ntombizanele Mngoma	KwaZulu Natal	R40 000,00
Mandisi Sindo	Western Cape	R40 000,00
Malibongwe Manana	Mpumalanga	R45 000,00
Caryn Green	KwaZulu Natal	R38 000,00
Collin Morakadi Thabang	Mpumalanga	R45 000,00
Bulelwa Mbele	Gauteng	R40 000,00
Mahlubandile Nontlanga	Eastern Cape	R40 000,00
Minenhle Nxele	KwaZulu Natal	R40 000,00
Thandolwethu Mulambo	Gauteng	R40 000,00
Khanyisile Zwane	Gauteng	R40 000,00
Mia Kahts	Free State	R61 243,00
Danielle Doubell	Free State	R61 243,00
Nieke Lombard	Gauteng	R40 000,00

10.2 PROJECT FUNDING INFORMATION

Year 2022 Funded Projects per Discipline:

DISCIPLINE	PROJECTS APPROVED	AMOUNT
Dance	29	R5 000 000,00
Multi-Discipline	55	R9 440 048,32
Music	29	R6 490 033,22
Theatre	26	R5 310 027,18
Grand Total	139	R26 240 108,72

Year 2022 Funded Projects per Province is as follows:

PROVINCE	PROJECTS APPROVED	AMOUNT
Eastern Cape	18	R3 086 602,70
Free State	14	R2 680 756,45
Gauteng	23	R4 439 553,75
KwaZulu Natal	16	R2 653 752,72
Limpopo	21	R4 028 502,72
Mpumalanga	8	R1 884 149,00
North West	11	R2 221 002,72
Northern Cape	14	R2 971 002,72
Western Cape	14	R2 274 785,94
Grand Total	139	R26 240 108,72

Year 2022 PESP3 Funded Projects per Discipline:

DISCIPLINE	PROJECTS APPROVED	AMOUNT
Craft	76	R17 059 495,00
Dance	89	R13 824 000,00
Literature	75	R12 960 000,00
Multi-Discipline	118	R50 112 000,00
Music	97	R38 016 000,01
Theatre	77	R22 464 000,00
Visual Arts	88	R18 144 000,00
Grand Total	620	R172 579 495,01

Year 2022 PESP3 Funded Projects per Province:

PROVINCE	PROJECTS APPROVED	AMOUNT
Eastern Cape	61	R16 596 126,11
Free State	65	R14 131 440,42
Gauteng	137	R39 886 544,45
KwaZulu Natal	85	R22 072 696,18
Limpopo	76	R22 173 383,46
Mpumalanga	57	R15 759 018,40
North West	59	R18 029 451,87
Northern Cape	35	R10 227 966,96
Western Cape	45	R13 702 867,16
Grand Total	620	R172 579 495,01

Year 2022 and Year 2023 Funded Block Bursaries per Discipline:

DISCIPLINE	PROJECTS APPROVED	AMOUNT
Craft	3	R297 309,00
Dance	5	R656 358,15
Multi-Discipline	6	R724 382,75
Music	5	R628 963,75
Theatre	2	R203 781,53
Visual Arts	7	R900 236,00
Grand Total	28	R3 411 031,18

Year 2022 and Year 2023 Funded Block Bursaries per Province:

DISCIPLINE	PROJECTS APPROVED	AMOUNT
Eastern Cape	4	R593 897,60
Free State	1	R174 600,00
Gauteng	9	R929 745,53
KwaZulu Natal	2	R122 672,30
Mpumalanga	4	R548 299,00
North West	1	R187 144,60
Western Cape	7	R854 672,15
Grand Total	28	R3 411 031,18



Year 2023 Funded Bursary applications per Discipline:

PROVINCE	PROJECTS APPROVED	AMOUNT
Dance	1	R40 000,00
Literature	4	R160 000,00
Multi-Discipline	19	R831 731,50
Music	4	R202 486,00
Theatre	18	R758 729,00
Visual Arts	26	R1 163 628,00
Grand Total	72	R3 156 574,50

Year 2023 Funded Bursary applications per Province:

PROVINCE	PROJECTS APPROVED	AMOUNT
Eastern Cape	3	R183 729,00
Free State	5	R306 215,00
Gauteng	37	R1 483 000,00
KwaZulu Natal	15	R600 000,00
Limpopo	1	R61 245,50
Mpumalanga	3	R183 729,00
North West	2	R122 486,00
Western Cape	6	R216 170,00
Grand Total	72	R3 156 574,50



10.3 IMPLEMENTATION OF THE REVISED CRITERIA AND SCORING SYSTEM

The NAC took a decision to align all its processes with the revised NAC strategy document, and resolved to retain funding under the arts disciplines as informed and recognised by the NAC Act, namely, craft, dance, literature, multidiscipline, music, theatre, and visual arts.

The assessment criteria was also aligned to be relevant with the current trends impacting the sector and was linked to a scoring system as required by the NAC regulations. All panels applied the scoring as required.

Council agreed to a set of guidelines that would be applied when reviewing applications across all disciplines.

This was to ensure that the NAC:

- makes a meaningful impact
- complies with equity
- provides a user friendly platform with easy access for new applicants
- makes considerate effort to support projects that come from under resourced provinces
- support projects that include or are led by women, youth and people living with disabilities.

During the assessment, the panel implemented the scoring in reviewing the applications, and have made further inputs to improve the system.

10.4 ADVISORY PANEL APPOINTMENTS

The call for Panel Appointments was announced and published on **6 August 2021 and closed on 20 August 2021**. The invite was open to all competent, suitably qualified and interested persons to serve as members of the NAC Advisory Panel for a period of three (3) years from 1 October 2021 to 30 September 2024.

In total, **260 nominations were received** and screened by the office. Panel interviews were coordinated with the assistance of the Human Resources Department.

The Chairperson of the POCC, respective Panel Chairpersons, the Interim Chief Executive Officer, the Acting Human Resource Manager and the Acting Arts Development Manager formed a panel of the interviews.



10.5 PANEL INFORMATION

Bursary Advisory Panel:

NO.	NAME
1.	Mr Angelo Mockie
2.	Prof Linda Loretta Kwatsha
3.	Dr Lucy Karabo Mogane
4.	Dr Nathan Bagarette
5.	Mr Songezile Madikida

Craft Advisory Panel:

NO.	NAME
1.	Mr Ambani Ramaru
2.	Ms Boitumelo Langa
3.	Ms Martha Malope Lekonyane
4.	Ms Mavis Mmamotuba Taole
5.	Mr Nduduzo Gumede

Dance Advisory Panel:

NO.	NAME
1.	Ms Lerato Bellinda Molemong
2.	Mr Njabulo Jimmy Notuku
3.	Ms Penelope Thloloe
4.	Mr Toki Mohoto
5.	Dr Vusabantu Ngema

Literature Advisory Panel:

NO.	NAME
1.	Mr Fortune Sizwe Zuma
2.	Mr Mandla Richard Mbokodo
3.	*Ms Nontsokolo Mhlotshana
4.	Mr Tshepo Norman Gaerupe
5.	Mr William Jiyane

Multidiscipline Advisory Panel:

NO.	NAME
1.	Ms Anna Maswanganye
2.	Ms Mayenziwe Zuma
3.	Ms Melany Asanda Fuma
4.	Mr Siyabonga Ngcakani
5.	Ms Zaide Harneker

Music Advisory Panel:

NO.	NAME
1.	Mr Dzunisani Shibambu
2.	Mr Edward Phiri
3.	Mr Mandla Selby Maseko
4.	Mr Ngomusa Abe Sibiya
5.	Mr Thami Mdluli

*Resigned

Theatre Advisory Panel:

NO.	NAME
1.	Ms Jane Mpholo
2.	Ms Mapula Variety Oageng
3.	Mr Michael Garbett
4.	Mr Mpho Joseph Molepo
5.	Mr Obett Hlonolo Motaung

Visual Arts Advisory Panel:

NO.	NAME
1.	Mr Lentswe Martin Mathole
2.	Ms Maganthrie Pillay
3.	Ms MC Roodt
4.	Dr Siphe Potelwa
5.	*Ms Zannele Charlotte Libambo

*Resigned

10.6 SUMMARY OF PAYMENTS FOR DISCIPLINES

	2021/2022			2022/2023		
	Budget	Actual Expenditure	Over/Under Expenditure	Budget	Actual Expenditure	Over/Under Expenditure
Arts Administration	84 096	161 711	-77 615	86 111	271 320	-185 209
Total	84 096	161 711	-77 615	86 111	271 320	-185 209

An Additional Allocation from the Department of Sports, Arts and Culture (DSAC) was received. This relates to the PESP, Infrastructure, Second and Third Wave Projects. The Revenue for these projects are proportional to the expenditure.

A catalyst in the arts,
cultural and creative
community that supports free and
diverse artistic expressions.

11. FUNDING BENEFICIARY SUCCESS STORIES

THE UBUMBA POTTERY PROJECT: MOULDING THE FUTURE OF SOUTH AFRICAN HANDCRAFTERS

Indigenous South African handcraft and many other cultural traditions need to be recognised, honoured, and maintained in the modern world where cultural activities are slowly diluted.

Traditional African handicrafts have played an important role in various South African cultural practices going back to the 17th century. However, due to numerous unfortunate circumstances, many of South Africa's remaining handicraft artists are unable to create their craftwork.

It is very pleasant to see that South Africa still has projects that are actively moulding the future of handcrafters in the country. One of those projects is the **Ubumba Pottery Project** which provides skill development training in the manufacturing of traditional African pottery and ceramic products such as plates, teacups, mugs, casserole dishes and calabashes.

In 2022, the Ubumba Pottery project (implemented by Shine Inter-Trade) was successfully funded by the National Arts Council (NAC) for a project on *skill development training in the manufacturing of traditional African pottery and ceramic products*. This follows the project's alignment with the NAC on addressing historical imbalances by upholding and promoting the right of artistic practice by providing the disadvantaged with the required support to be able to access South Africa's various artistic markets.

With the support received from the NAC, the Ubumba Pottery project manage to implement their organisation's initiative of providing vulnerable and underprivileged crafters with the skills and resources needed to independently produce and sell a variety of handmade cultural creations. These training courses were facilitated by professional crafters such as potters, painters, retailers, and marketers and the project was aimed at providing participating artists with the knowledge and resources required to produce, market and sell their respective products independently.

During an interview with the project's artistic director **Muziwakhe Ndimande**, he stated that *"There is a gap in the handcraft market. We (Shine Inter – trade) saw a need [where] people were able to do the artwork but were without funding"*.

The NAC funds have been extremely beneficial for many South African artists and individuals who had been a part of the Ubumba Pottery project, both facilitating and participating.

Muziwakhe further added that *"Some of the people that we have trained, have already started their own businesses"*.



The project's initiative targeted participants in the province of Kwa-Zulu Natal who were vulnerable and underprivileged artists. More than 100 training participants were equipped with valuable knowledge, insight, and resources necessary in developing and transforming their talents to ensure a future that is profitable and sustainable.

Additionally, several professional artists were employed to contribute to the facilitating of the Ubumba Pottery project, which led to the creation of more job opportunities within the sector.

The project activities of Ubumba Pottery were exceptionally aligned with several focus areas of the NAC, such as supporting marginalised and indigenous arts as well as addressing social ills targeting artists who are underprivileged/vulnerable and are unable to rightfully access their respective handicraft markets, capacity building through providing career opportunities and skill growth and supporting vulnerable groups with the resources needed to develop and sustain profitable artistry.

In his conclusion Muziwakhe's, stated that *"The NAC funding has helped us a lot. We were able to reach our markets and train more people in the rural areas. Through this initiative, some families are now able to have bread on their table which is very fulfilling for me as a project manager"*. The organisational efforts of Shine Intertrade, along with the funding aids of the National Arts Council, have provided an opportunity for all beneficiaries of the Ubumba Pottery project to develop and sustain a profitable artistic career in South Africa going forward. The Shine Intertrade's vision is to continue to work with artists across South Africa and looks forward to future artists' collaborations.

PUKU CHILDREN'S LITERATURE FOUNDATION

PUKU's *Langaguge of the Soul*, wins UNESCO Award. *Founded by Ms Elinor Sisulu, PUKU (a Northern Sotho word for book), is a digital reading promotion and book development organisation to promote the reading and writing of children's books in indigenous languages to preserve these languages.*

PUKU first received funding from the National Arts Council of South Africa (NAC) through the Art Organisation Support Funding (AOSF) from 2015 to 2017. AOSF, also known as Company Funding, is a three-year funding call for art or culture organisations. This funding helped the organisation establish itself in the sector. Through the funding, they attended the Makhanda Festival, previously known as the Grahamstown Festival, for five years. This was done through partnerships with Rhodes University, Amaswi, National English Language Museum, Fort Hare University and others.

Later on, the organisational strategy shifted from a literature festival organisation to creating a digital platform that caters to all indigenous languages as well as curating content for children's festivals. The change in organisational strategy compelled them to solicit another funding to meet their objectives.

Following their consistent exceptional work in the sector, in 2020 PUKU was awarded funding through the NAC's Presidential Employment Stimulus Programme (PESPI) for their '*Language of my soul*' project.

PESP is a special government initiative geared towards employment creation for artists, creatives, heritage sector workers and cultural workers following the impact of COVID-19 in the sector.

This NAC funded project was well implemented in a way that it gained local and international recognition. One of the most recognisable achievements of the project was receiving the UNESCO King Sejong Literacy Prize 2021 award from the United Nations Educational, Scientific and Cultural Organization (UNESCO).

The award was for the use of 'digital technologies to promote children's literature in South Africa's indigenous languages' through webinars held in nine South African indigenous languages. These webinars aimed to spearhead the discussion on children's literature in indigenous languages. The main topic was the creation of children's literature content in indigenous languages as opposed to content that is translated from English.

Through this project, PUKU also offered an online course on how to review books in indigenous languages which received a positive uptake.



Amid all the achievements, PUKU's activities were in line with the NAC's 6 critical focus areas such as creating the much-needed employment opportunities for young people who were employed to manage the webinars which cover the Focus area of Addressing social ills through the creation of employment and supporting vulnerable groups by providing employment opportunities for the youth to manage and produce webinars who we deem as vulnerable groups in the NAC mandate due to high unemployment rate amongst the youth.

The webinar held and the creation of digital books activities were in line with the New Works and Digital Arts since they involve the use of technology for the advancement of the arts as well as exposing children to digital art. The use of indigenous languages to write and narrate stories in the books covered the focus area of promoting Marginalised and Indigenous Arts. Lastly, the project conformed to Capacity Building through the creation of book review courses to enable the review of indigenous literature.

These were among the other reasons the organisation was successfully funded by the NAC, including their track record of good artistic merit and ability to sustain themselves. In her closing, Ms Elinor Sisulu expressed a message of gratitude for the continued partnership and stimulus in the form of funding PUKU has received from the NAC and commended the NAC for the impactful work they are doing for arts organisations such as PUKU.

More information about PUKU Children's Literature Foundation can be found on www.puku.co.za as well as on their social media platform or at **+27 87 148 9418**.

PAN AFRIKAN SERIES COMIX 2085

Enhancing the Literacy of the Youth by Imparting African History Through Comic Books

Pan Afrikan Series Comix 2085 is one of the most innovative art projects that is breaking the odds of illiteracy amongst our youth through comic books. This project encourages literacy by imparting historical knowledge in a series of comic books making reading fun.

Last year (2022), the Pan Afrikan Series Comix 2085 was successfully funded by National Arts Council (NAC) for their project of producing two series of comic books namely the Heritage and Football series. The heritages series was aimed at commemorating the Day of Reconciliation and the Football series was aimed at encouraging Africanism, unity, and patriotism.

Thanks to the NAC funding, the Pan Afrikan Series Comix 2085 has managed to deliver the two series of comic books successfully. The books were well received and captured the attention of youth whilst encouraging purposeful dialogues about African history. The book's success was attributed to several marketing initiatives, including composing a song that reflected the topics in the books, delivering two lectures at the Ncome Museum and the Verulum Old Age Home, and participating in radio interviews.

This project has not only improved young people's literacy levels but also gave them employment opportunities and positively impacted the lives of many young people. Over 80 people attended the lectures which were intended to spread knowledge of African history as covered in the book, and 15 people were employed because of this endeavour.

In addition to all these achievements training was also offered to the illustrators and voice-over artists who were employed in the project to sharpen their skills to deliver exceptional work that meets the standard of Pan Afrikan Series comix 2085.

The above project activities were in line with the NAC focus areas such as capacity building through the training sessions and lectures provided, new works and digital arts through the electronic comic books with voice-over narration, supporting the vulnerable groups through providing employment opportunities to the youth and social cohesion and nation building by commemorating the Day of Reconciliation.

During the interview with the founder and the director of the project Mr Victor Zikalala and his team, we asked them about the plans of their project and they said *"We plan to continue our quest to empower our youth to be literate and to teach them African knowledge to instil black consciousness. From now on the sky is the limit as far as reaching our objectives."* Our mission is to Design, Develop, and Craft Marketing Communications Campaigns with graphic novels that "Travel Well" across different cultures as they encourage our children to Learn with Reading Then Debating.



In his closing remarks, Mr. Victor Zikalala expressed his gratitude for the funding support he received from the National Arts Council. He further thanked the crew that was behind the remarkable work they have produced and lastly the consumers of our project for their valuable feedback and support on his project work.

The Pan Afrikan Comix 2085 series are available to followers who register and subscribe to Pan Afrikan Comix 2085 website. Followers are encouraged to engage with our educational content to earn Mpondo points which accumulate into prizes and vouchers.

For further information, visitors can register at <https://www.pac2085.com/> or email hello@pac2085.com



DJ BONGZ SOCIAL LINK EVENT UPLIFTS ARTISTS FROM KWANDENGEZI

Bongani Dlamini-Ngcobo, also known as DJ Bongz, is a well-known South African DJ and entertainer from a peri-rural township called KwaNdengezi, west of Durban. He came up with a dance called Gwara Gwara, which took the world by storm. He shot to international stardom when American artist, Rihanna, performed his Gwara Gwara dance.

In 2015, he gathered a few enterprising youngsters from his hometown to conceptualise an event that he could use as a vehicle for uplifting his community. The concept became known as the **DJ Bongz Social Link**, which is held in the area, annually since 2017.

The musical event features an impressive line-up of A-grade musicians and entertainers from around South Africa alongside unknown artists of all genres from the area. Bhekani Nene of BN Ventures was one of those youngsters.

His company is an event management company responsible for managing musical events. He is also an NAC PESP3 beneficiary who ensured that the projects met some of the NAC Critical Focus Areas as stipulated by the funding guidelines.

Before the event, local artists who were selected to perform in the event were required to attend a training and development workshop that aimed to teach them the best practices of stage performance and crowd management.

These workshops also taught the business of entertainment so they can be able to sustain themselves after the event. Additionally, the local vendors selected to sell their products at the event, who were mostly women

and youth, were made to sell different products to ensure they sold out all their products. Bhekani also assisted them in obtaining their trading licenses for the duration of the event.

The introduction of the Maskandi music genre in the 2022 edition of the DJ Bongz Social Links event diversified the audience as well as exposed local artists to new audiences.

The Critical Focus Areas that BN Ventures met were capacity building and entrepreneurship in the form of workshops for local artists, supporting vulnerable groups by assisting local vendors to attain trading licenses as well as promoting marginalised and indigenous arts by introducing the Maskandi music genre in the line-up.

“I’m really happy we were able to pull this off. We still get feedback from local artists who were afforded an opportunity to perform alongside well-known artists”, pointed out Bhekani. His efforts created an opportunity for artists from KwaNdengezi who otherwise would have disappeared into obscurity.

Projects that meet some of the six (6) Critical Focus Areas as stipulated in the funding guidelines are more likely to be considered for funding by the NAC. Beneficiaries are urged to align their proposals with the funding requirements as stipulated in the funding guidelines as demonstrated by BN Ventures.

For more information on events managed by BN Ventures, please contact **Bhekani Nene on 083 379 8609 or 078 372 3140 or via email at b.nene@bnventures.co.za**



OPERA RECITALS UNMUTED

The Voice of the Behind the Scenes for Opera Music Genre.



Everyone would agree that when we think about opera music, we tend to picture massive concerts filled with lights, glitz, and glamour and less of the work that is involved behind the scenes to produce the final piece.

Mr Xolane Marman is an opera director by profession and the founder of the Opera Recitals Unmuted project who is on a quest to shift our mindset to think beyond the glamour showcased in the concerts when it comes to the opera music genre.

Opera Recitals Unmuted is an annual project that offers the audience a peek into the lives of different opera artists from various backgrounds through online mini-documentaries. These mini-documentaries also provide a closer look at how opera singers prepare for their performances and the type of resources they use to deliver the concerts.

Following the successful debut of Opera Recitals Unmuted 1 in 2021 which resulted in some artists getting international recognition and employment overseas, Mr Xolane Marman decided to continue his project and make it bigger and better. This desire to expand the project necessitated more funding, which prompted him to apply for funding from the National Arts Council of South Africa (NAC). Due to its great premiere, uniqueness, and positive effects on its beneficiaries and audiences, his initiative was successfully sponsored by the NAC.

Mr Xolane Marman was able to finish his Opera Recitals Unmuted 2 project thanks to NAC funding. As a result of this artistic endeavour, four opera singers, digital artists, and the administrative team were employed.



The videographers who captured the mini-documentaries for the Opera Recitals Unmuted 2 project also taught filmmaking to young children from the underprivileged community of Khayelitsha. In addition, the four-opera singers featured in the project's documentary also provided vocal coaching and training on creating a portfolio of work for the University of Cape Town opera students to use for the auditions in the future.

The Opera Recitals Unmuted 2 project has also collaborated with OperaVision, the largest European internet television provider, who will begin airing the documentaries on their platform in February 2023 which is a huge achievement that will further expose the talents of the artists. Recently, Mr Xolane has also received interest from Cape Town TV offering him a segment in a local television program.

In his closing remarks, Mr Xolane Marman thanked his main sponsor the NAC for the funding which made his project dream materialise, and the other sponsors such as OperaVision, Cape Town TV, European Commission, Opera for Peace, and all the team that were involved in the project. His vision is to continue growing the Opera Recitals Unmuted to a greater height; for him, the sky is the limit.

To Support Opera Recitals Unmuted you may do so by purchasing tickets to watch the online documentaries at Quicket, the tickets are sold at R50 each. You may also reach out to **Mr Xolane Marman using this number 071 701 8785 or via email at mrmxol001@myuct.ac.za**



PÂTISSERIE FEMME:

A Women's Bakery Theatre Production



Jesse Diepeveen was close to graduating with her theatre degree when she began to contemplate her future. She had an idea to create a satirical theatre production that would talk about how women's bodies, especially Black women, were viewed as sexual objects to be devoured and thrown out. This idea manifested in a theatre production.

'Patisserie Femme', explained Jesse, 'can be directly translated to Bakery Women.' She further explained that the name for this multidiscipline project can be further described as a bakery that produces women or a women's bakery.

In conceptualising the production, Jesse first spoke with her female friends to get a sense of their view of their lives as women in South Africa.

Her research revealed that many of the women felt objectified by men through being catcalled. '*They'd say things like my dark chocolate baby or sweetie pie*' said Jesse, who also expanded on these remarks' bad connotation.

Jesse sought support to implement her project. She applied for the Presidential Employment Stimulus Program (PESP3) through the National Arts Council of South Africa, which opened on 20 June 2022 and closed on 29 July 2022 and her project was successfully funded. The PESP3 aimed to provide an economic stimulus to the arts and culture sector through the support of initiatives that would create jobs.



Project proposals applying for this funding call were mainly assessed on the artistic merit and innovation of the project, the ability to transform the sector, the number of jobs created, the amount of experience the applicant had in the sector and/or new ideas as well as financial management of the project.

Patisserie Femme was an innovative satirical theatre production without a set where the actresses used their bodies to create a visual image of the set to artistically put a spotlight on issues of gender-based violence. The project created employment for seven youths under the age of 24, one male and six female. To develop an audience for the project, Jesse opted to perform for high school children over the age of 16. The production was also performed at the Drama Factory in Cape Town for further access to markets and audiences.

Jesse plans to have the production travel around Cape Town and this will keep the project sustainable. For more information on the next showing of Patisserie Femme, you can contact **Jesse Diepeveen** at diepeveen.jessie@gmail.com or **081 043 3212**.



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11. DEPARTMENT STRATEGIC OBJECTIVES

SUB-PROGRAMME 1: ADMINISTRATION: Marketing and Communications

The Marketing and Communication Unit is a vital pillar which ensures that each department within the organisation works harmoniously and efficiently towards achieving Council's strategic objectives. This is achieved by ensuring that all key messages of the organisation are communicated clearly and consistently so that all our stakeholders (internal and external) align with the strategic objectives of the organisation.

Strategic Objective of the Unit

During the year under review, the Unit has cemented its role as a facilitator of strategy through the execution of several initiatives that increased awareness of the NAC brand through stakeholder engagements.

Key Performance Measures, Targets and Results

The following are some of the activities that the Unit has undertaken:

The Unit has strengthened its digital marketing strategy through the utilisation of social media which aided in increasing the level of engagement between the sector and the organisation.

A WhatsApp social media platform was also introduced to reach a large audience who were not active on the existing platform (Facebook, Twitter, and Instagram).

- The introduction of the WhatsApp platform benefited the NAC as there was a large number of artists who were reaching out through the platform. For instance, on average we have received about 350 views on our statuses and approximately 40 messages daily.
- To reach the marginalised areas, the Marketing and Communication Unit embarked on a community radio and newspaper advertisement campaign which played a crucial role in ensuring that artists in the marginalised areas are also aware of the service offerings of the NAC and take advantage of them by applying.
- For the year under review, The Unit also assisted in coordinating and facilitating industry workshops (physical and virtual) which were aimed at capacitating the sector with relevant information for each call to eradicate the level of non-compliant application. These workshops assisted the industry immensely and we saw some improvement in the reduction of noncompliance. The sector also requested more of these workshops as they found them useful.
- The Unit also hosted a number of round table discussion webinars which were themed around observing commemorative holidays in the country. These round table discussion webinars created a platform for artists to share their innovative ideas that can assist in the advancement of the sector.

- Towards the end of the Financial Year, the Marketing and communication unit hosted a virtual arts summit themed **Creative Industries Summit: Reflections and Reality Post COVID-19** which opened a platform for industry key stakeholders to share thought leadership and knowledge to the sector following the impact of COVID-19.

In conclusion, the Marketing and Communication Unit advocates continuous learning and improvement. Through this exercise, it improves its support and service to stakeholders by consistently learning new ways of doing things and learning from past mistakes. As such we will continue to deliver our communication services as per the sector's needs.

SUB-PROGRAMME 2: ADMINISTRATION: Human Resources, IT and Financial Administration

The NAC's Human Resources, Information Technology, Financial Resources and Marketing and Communications are administered by a programme responsible for:

- Financial management,
- Human resources management and development,
- Information technology management and development,
- Marketing and Communications, and
- Administration management, particularly in support of grant administration.

Strategic Objectives, Performance Indicators, Planned Targets and Actual Achievements

Strategic Objectives

The objectives of the programme in 2022/23 were to promote effective corporate governance by:

- Achieving an unqualified audit report,
- Ensuring compliance with relevant legislation,
 - Complying with the King IV Report where applicable, and
 - Monitoring and reporting on strategic objectives.

The objectives of this programme also included developing systems to improve efficiency and effectiveness in service delivery by:

- Developing a skilled workforce and efficiently administer human resources;
- Managing risks effectively; and
- Implementing cost-saving initiatives.

During the financial year 2022/2023 the IT unit focused on the following:

The IT Unit continued with the ICT Infrastructure and systems upgrades to ensure that the organization has the best tools to serve the industry in an efficient and effective manner. The use of Office 365 has improved online collaboration at all levels in ensuring that information is shared in a seamless manner.

The ICT Infrastructure has been upgraded in the financial year which includes network and Internet connectivity to ensure that staff have the adequate tools to perform their tasks, and also has shown an improvement in response time to the GMS system and improvement in uptime of services.

ICT Security remains to be an important factor in ensuring that all NAC systems are protected from IT security risks and this is monitored on a daily basis and incidents are responded to accordingly and in the financial year there were no reported incidents or attacks.

The Grant Management System (GMS) continues to be an essential

tool in grants administration and has also been used for the implementation of the Presidential Employment Stimulus Programme (PESP), ensure a robust application process for our various stakeholders across the country, the platform was customised for the special call.

The contact center uses the GMS system as a point of contact to assist with queries from potential beneficiaries and the response rate has increased. Constant system improvement have been implemented on GMS to ensure better reporting and less administrative from internally and external users.

12. SUMMARY OF PAYMENTS FOR PROGRAMMES

SUMMARY OF PAYMENTS FOR PROGRAMMES

Programme/ Activity/ Objective	2021/2022			2022/2023		
	Budget	Actual Expenditure	Over/ Under Expenditure	Budget	Actual Expenditure	Over/ Under Expenditure
Finance, IT, HR	36 581	45 997	-9 416)	37 459	43 947	-6 488
Total	36 581	45 997	-9 416)	37 459	43 947	-6 488

The operating expenditure budget was exceeded, and the main contributory factors were legal fees for PESP and Disciplinary Costs. In addition, audit fees have increased due to the additional projects funded. Management has mitigated the unavoidable expenditure with Interest earned during the year.

SUMMARY OF PAYMENTS FOR PROGRAMMES

Communica- tions	2021/2022			2022/2023		
	Budget	Actual Expenditure	Over/ Under Expenditure	Budget	Actual Expenditure	Over/ Under Expenditure
	1 320	854	466	1245	758	487
Total	1 320	854	466	1245	758	487

As part of the entity's cost containment measures, marketing services were completed in house.

12. REVENUE COLLECTION

The NAC received revenue as per the approved ENE and schedule of withdrawal, and did not have any under-collection of revenue. All revenue targets are monitored monthly, quarterly and annually through financial reporting. The revenue received by the NAC does not cover the demands received by the sector, but the NAC uses a targeted approach to funding in an attempt to meet its mandate.


Sources of Revenue	2021/2022			2022/2023		
	Estimate	Actual Amount Collected	(Over)/ Under Collection	Estimate	Actual Amount Collected	(Over)/ Under Collection
Grant	R120 137	R185 513	R65 376	123 015	306 912	183 897
Other Income	R0	R2 742	R2 742	-	1 450	1 450
Interest	R540	R4 243	R3 703	1 800	4 049	2 249
Total	R120 677	R192 498	R71 821	124 815	312 411	187 596

13. CAPITAL INVESTMENT

The NAC does not have substantive infrastructure projects and capital expenditure that are managed within the finance section.

The budgets reflected below also include roll-overs from prior years.

Infrastructure Projects	2021/2022			2022/2023		
	Budget	Actual Expenditure	(Over) Under Expenditure	Estimate	Actual Expenditure	(Over) Under Expenditure
Budget	2597	160	2437	3 697	1 835	1 862
Interest	41	0	41	108	-	108
Total	2638	160	2478	3 805	1 835	1 970



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PART C

GOVERNANCE

1. INTRODUCTION

The NAC is a Schedule 3A public entity established in terms of the National Arts Council Act (Act No. 56 of 1997) (the Act). The corporate governance principles of the National Arts Council (NAC) are governed by the Act, the Cultural Laws Amendment Act (Act No. 36 of 2001) and the Public Finance Management Act (Act No. 1 of 1999) (PFMA).

In addition, the NAC has a corporate governance framework in place, which is aligned with the King IV TM Report on Corporate Governance in South Africa, 2016 (King IV).

The NAC's corporate governance framework has a clear definition of the roles and responsibilities of the constituent elements of the organisation's management structure. This enables Council to plan, execute, control and monitor the NAC's activities in accordance with its strategic objectives.

The delegation of authority framework determines levels of authority for Council and management in terms of financial and operational decision-making. This includes major investments, capital expenditure and contractual engagements.

The internal audit function monitors compliance with these authority levels and checks for compliance with the corporate governance framework. In terms of Section 4 of the Act, the NAC functions under the authority of a Council appointed by the Minister of Sport, Arts and Culture.

The NAC maintained a functional Audit and Risk Committee and an internal audit function for the year under review, in compliance with the PFMA.

The advisory panels, established in terms of Section 11 of the Act and chaired by the duly appointed Council member, facilitated the allocation of Arts Organisation Support, and project and bursary funding in the year under review by evaluating applications and making recommendations for Council's approval.

Parliament, the Executive and the Accounting Authority of the public entity are responsible for corporate governance.



2. PARLIAMENTARY OVERSIGHT COMMITTEES

The Parliamentary Portfolio Committee on Sport, Arts and Culture is responsible for oversight on the work of the NAC, along with the Department of Sports Arts and Culture (DSAC) and all other public entities reporting to the DSAC. The NAC appeared before the Portfolio Committee on the following occasion/s:



Dates	Purpose
27 May 2022	Report back on Implementation of Public Protector Recommendations, Expired Projects Policy, Presidential Employment Stimulus Programme & suspended CEO.
2 September 2022	Briefing allegations of governance challenges and recent resignations of Council members / state of readiness to disburse 3rd round of PESP.
16 September 2022	Briefing on the establishment of the National Orchestra.
25 October 2022	Briefing on the outcomes and allegations pertaining to the implementation of the Presidential Employment Stimulus Programme (PESP3).
28 February 2023	Enquiry on the use or misuse of funds by the National Arts Council (NAC) in partnership with the Mzansi National Philharmonic Orchestra (MNPO).
17 March 2023	Briefing on the implementation of Public Protector remedial actions.

3. EXECUTIVE AUTHORITY

The NAC reports quarterly to the Minister of Sport, Arts and Culture using a template as prescribed by the DSAC. Furthermore, through the annual Shareholder's Compact signed by the NAC and the Minister of Sport, Arts and Culture, a series of structures were established to promote effective relations between the DSAC and the public entities that report to it.

A Chief Financial Officer's Forum, CEO's Forum and Chairpersons' Forum have been established by DSAC. The NAC attended the following meetings in the year under review:



Dates	Purpose
30 November 2022 30 March 2023	CEOs Forum

4. COUNCIL **ACCOUNTING** **AUTHORITY**

For the period under review, the NAC had a Council appointed by the Minister of Sport, Arts and Culture. In terms of the Act, the Council has a direct responsibility for decisions with regard to grant funding, and as such, the Council is expected to meet at least four times a year to approve funding as well as for oversight functions for the entity.

The role of the Council is as follows:

- It holds absolute responsibility for the performance of the public entity
- It retains full and effective control over the public entity
- It has to ensure that the public entity complies with applicable laws, regulations and government policy
- It has unrestricted access to information of the public entity;
- It formulates, monitors, reviews corporate strategy, major plans of action, risk policy, annual budgets and business plans
- It ensures that the shareholders' performance objectives are achieved
- It manages potential conflicts of interest
- It develops a clear definition of levels of materiality
- The Council must attend annual meetings
- It ensures financial statements are prepared
- The Council must appraise the performance of the Chairperson
- It must ensure an effective Council induction
- Must maintain integrity, responsibility and accountability.

Council Charter

As recommended by the King Code, the Council has a Charter which sets out its responsibilities. The Charter is disclosed in the NAC annual report.

The Charter confirms the following:

- The Council's responsibility for the adoption of strategic plans.
- Monitoring of operational performance and management.
- Determination of policy processes to ensure the integrity of the public entity risk management and internal controls, and
- Communication policy, as well as director selection, orientation and evaluation.

During the period under review the Council complied with the Council Charter.

Composition of Council

At 31 March 2023 the NAC Council comprised fourteen (14) members. Both the CEO and the CFO are Ex-Officio members of the Council. As at 31 March 2023, nine (9) members of the 14 Council members, were appointed by the Minister of Sport, Arts and Culture, and five (5) of the members were Provincial Representatives nominated by the MECs of the presented provinces. In terms of section 8(1) of the Act, Council meets no less than three times a year. However, the Chairperson may at any time convene a special meeting with Council.


NAC Council Members: Appointed as of 1 April 2022 to 31 March 2023

Name:	Designation and All other Committees	Appointment Date	Resignation Date	Qualifications	Number of Meetings
H.R.H Princess Celenhle Dlamini *	<ul style="list-style-type: none"> • Council Chairperson • Council Exco Chairperson • Marketing, Communications and Fundraising Committee 	1 January 2021	Active	Master's Degree: Entrepreneurship & New Venture Creation, (Wits University, South Africa), Bachelor of Arts: Business Administration (Bennet College, USA)	Council 16 of 17 Exco 4 of 5 HRC 4 of 4 Marketing 1 of 1
Stephanie D'Silva	<ul style="list-style-type: none"> • Council Member • ARC Chairperson 	1 January 2021	Active	CA(SA), PGDA in Applied Accounting Sciences, University of South Africa and, BCom. Accounting Sciences, The University of Pretoria	Council 12 of 17 EXCO 2 of 5 ARC 8 of 8
Dr Sipho Sithole	<ul style="list-style-type: none"> • Council Member • Panel of Chairs Chairperson • HRC Member • Council Exco member 	1 January 2021	Active	PhD in Anthropology (Wits University), Master of Science in Industrial Relations and Personnel Management (London School of Economics and Political Science, University of London)	Council 12 of 17 EXCO 4 of 5 POCC 13 of 13 HRC 10 of 10 Marketing 1 of 1
Advocate Eric Nkosi	<ul style="list-style-type: none"> • Council Exco Member • Council Member • HRC Chairperson 	1 January 2021	Active	B. Juris, LLB, Diploma HRM	Council 12 of 17 EXCO 5 of 5 HRC 9 of 10
Tshepo Mashiane *	<ul style="list-style-type: none"> • POCC Member • Provincial Committee Member • Gauteng Representative 	1 January 2021	14 June 2022	Cost and Management Accounting (Technikon Northern Gauteng) Africa's Development Processes (Coady International Institute), Basic Principles of Economics (University of Pretoria) Principal Estate Agent EAB95463/L (The Estate Agency Affairs Board)	Council 1 of 4 POCC 3 of 3
Gamelihle Mbuyane	<ul style="list-style-type: none"> • POCC Member • Provincial Committee Member • Mpumalanga Representative 	1 January 2021	Active	B Degree in Theology	Council 12 of 17 EXCO 3 of 3 POCC 10 of 13 Provincial Committee 0 of 2

NAC Council Members: Appointed as of 1 April 2012 to 31 March 2023 – CONTINUED

Name:	Designation and All other Committees	Appointment Date	Resignation Date	Qualifications	Number of Meetings
Jones Chisekula	<ul style="list-style-type: none"> POCC Member North-West Provincial Representative HRC Member Social, Ethics and Transformation Committee Member 	Reappointed 1 January 2021	Active	National Diploma in Dramatic Arts (Fuba School of Dramatic & Visual Arts), NQF Level 4 Community Arts Development (Show business Foundation & Department of Culture, Arts and Traditional Affairs), Drama – Writing, Directing and Acting (Mmabana Arts, Culture and Sports Foundation (Mahikeng))	Council 17 of 17 POCC 12 of 13 Provincial Committee 1 of 2 HRC 6 of 6
Bulelwa Malange	<ul style="list-style-type: none"> POCC Member KZN Provincial Representative Provincial Committee Chairperson Council EXCO Member 	1 January 2021	Active	Creative Writing Diploma specialised in script writing, film and video production. Certificate in adult education and media studies from the University of Natal (Durban.)	Council 15 of 17 EXCO 1 of 2 POCC 10 of 13 Provincial Committee 2 of 2
Mbangiseni Masia*	<ul style="list-style-type: none"> Limpopo Provincial Representative Committee Member 	1 January 2021	Active	2009 Certificate in Project Management (University of Pretoria), 1997 Certificate in Basic Principles of Public Relations (Public Relations Institute for Southern Africa (PRISA), 1995 BA (Human Sciences, (University of Venda), Master's in Public Management Degree (In progress).	Council 0 of 17 Provincial Committee 0 of 2
Linda Mvanana	<ul style="list-style-type: none"> Council Member HRC Member POCC Member Social, Ethics and Transformation Committee Member 	4 May 2021	1 August 2022	BSc BEd MED (Physical Sciences, Education and Management).	Council 4 of 8 POCC 2 of 4 HRC 4 of 4
Bongani Tembe	<ul style="list-style-type: none"> Marketing, Communications & Fundraising Committee Chairperson Council Exco Member Council Member 	1 January 2021	Active	Master of Music Degree (1994) Juilliard School. Bachelor of Music Degree (1992), Juilliard School. Fundamental Principles of Economics, Columbia University.	Council 11 of 17 EXCO 2 of 5 Marketing 1 of 3

* Resigned subsequent to year-end

NAC Council Members: Appointed as of 1 April 2022 to 31 March 2023

Name:	Designation and Other Committees	Appointment Date	Resignation Date	Qualifications	Number of Meetings
Bernedette Muthien	<ul style="list-style-type: none"> Western Cape Provincial representative Provincial Committee Member Social, Ethics and Transformation Committee Chairperson POCC Member Council EXCO member 	1 August 2022	N/A	<p>BA Soc Sci (Hons) MA Political Science Executive Course Certificate: Evidence-Based Policy Making and Implementation. Corporate Governance and Public Management.</p>	<p>Council 7 of 9 EXCO 2 of 2 POCC 6 of 7 Provincial Committee 1 of 1</p>
Phumzile Zitumane*	<ul style="list-style-type: none"> Eastern Cape Representative Provincial Committee Chairperson Council Exco Member 	1 January 2021	11 August 2022	<p>Currently registered for Doctor of Administration with the (research topic in the area of leadership development), (University of Fort Hare).</p> <p>2008 Attended Leadership Development programme (University of Stellenbosch).</p> <p>2007 Attended Executive Development programme – (University of Stellenbosch).</p> <p>2004 Emerging Leaders Programme (Fellowship programme) (UCT with Duke University).</p> <p>1999 Master of Business Leadership (MBL) – University of South Africa Graduate School of Business Leadership. 1995 B Com – (University of Fort Hare).</p> <p>1997 Combating Fraud and Risk Management (University of Port Elizabeth). 1998 Three-day course in Municipal Finance.</p> <p>1999 Four-day course on Labour Relations.</p> <p>2003 Corporate Governance Course (Graduate Institute of Management and Technology).</p> <p>Revenue, Expenditure, Asset and Liability management (The South African Institute of Government Auditors through the University of Pretoria). 2014 May Board Effectiveness.</p>	<p>Council 6 of 9 EXCO 2 of 2 Provincial Committee 1 of 1</p>

* Term terminated

NAC Council Members: Appointed as of April 2022 to 31 March 2023

Name	Designation and Other Committees	Appointment Date	Resignation Date	Qualifications	Number of Meetings
Marion-Mbina Mthembu	<ul style="list-style-type: none"> Council Member 	4 May 2021	20 July 2022	BCom Associate Member of the Chartered Accountant Management.	N/A
Layla Swart	<ul style="list-style-type: none"> POCC Member Council Member Marketing, Communications and Fundraising Committee Member 	9 March 2021	N/A	BA Film & Media Production – University of Cape Town 2008 BA (HONS) Film & Media Production – University of Cape Town 2009.	Council 7 of 17 POCC 9 of 13 Marketing 2 of 2
Ashley Latchu	<ul style="list-style-type: none"> ARC Member POCC Member Marketing, Communications & Fundraising Committee Member Council Member 	1 January 2021	N/A	PHD Current MSc Degree. BSc IT Management Degree & Honours Degree Degree in Financial Accounting & Internal Auditing Diploma in Networking Microsoft Certified Systems Engineer (MCSE) Microsoft Certified Solutions Developer (MCSA) Microsoft certified System Administration (MCSA) Microsoft Certified Database Administrator.	Council 17 of 17 ARC 8 of 8 POCC 13 of 13 Marketing 1 of 1
Kim Matthews	<ul style="list-style-type: none"> POCC Member Marketing, Communications & Fundraising Committee Member Council Member Social, Ethics and Transformation Committee Member 	1 January 2021	N/A	Diploma in Jewellery Design and Manufacture	Council 16 of 17 POCC 11 of 13 Marketing 2 of 2
Celiwe Ngwenya	<ul style="list-style-type: none"> Council member HRC Member POCC member Provincial Committee Member 	1 April 2022	N/A	PhD Education Policy Studies M.Ed (Education Policy Analysis) B.Ed (Hons) Change Management, Leadership, and Management Post Graduate Diploma – Education Management	Council 16 of 17 POCC 4 of 7 HRC 5 of 6 Provincial Committee 0 of 1



COMMITTEES FROM 1 APRIL 2022 – 31 MARCH 2023

Committee	No. of meetings held	No. of Members	Names of Members
EXCO	5	7	Chairperson: HRH Princess Celenhle Dlamini Bernedette Muthien Bongani Tembe Bulelwa Malange Eric Nkosi Stephanie D'Silva Sipho Sithole
Human Resources Committee	10	4	Chairperson: Eric Nkosi Celiwe Ngwenya Jones Chisekula Lufuno Motsherane* Sipho Sithole
Audit and Risk Committee	8	6	Chairperson: Stephanie D'Silva Amanda Mazibuko Ashley Latchu Charlene Louw Success Marota* Tshabedi Serote Zanoxolo Koyana
Panel of Chairs Committee	13	9	Chairperson: Sipho Sithole Ashely Latchu Bernedette Muthien Bulelwa Malange Celiwe Ngwenya Gamelihle Mbuyane Jones Chisekula Kim Matthews Layla Swart
Provincial Committee	2	6	Chairperson: Bulelwa Malange Bernedette Muthien Celiwe Ngwenya Jones Chisekula Mbangiseni Masia Gamelihle Mbuyane
Marketing, Communications, and Fundraising Committee	2	4	Chairperson: Bongani Tembe Kim Matthews Layla Swart HRH Princess Celenhle Dlamini

* Resigned subsequent to year-end

Term ended subsequent to year-end

The table below reflects Council from 1 April 2022 to 31 March 2023

Name	Designation	Appointment Date	Resignation Date	Qualifications	Area of Expertise
Celenhle Dlamini	Chairperson	1 January 2021	Active	<ul style="list-style-type: none"> Master's Degree: Entrepreneurship & New Venture Creation, (Wits University, South Africa) Bachelor of Arts: Business Administration (Bennet College, USA). 	<ul style="list-style-type: none"> Vast understanding of managerial, financial, legal, marketing, fundraising and cultural social research knowledge and expertise particularly in the Arts, Heritage and Cultural sectors.
Stephanie D'Silva	ARC Chairperson	1 January 2021	Active	<ul style="list-style-type: none"> 2014, PGDA in Applied Accounting Sciences, The University of South Africa BCom. Accounting Sciences, The University of Pretoria. 	<ul style="list-style-type: none"> External Auditing and Financial Reporting
Sipho Sithole	POCC Chairperson	1 January 2021	Active	<ul style="list-style-type: none"> PhD in Anthropology (Wits University). Master of Science in Industrial Relations and Personnel Management (London School of Economics and Political Science, University of London). 	<ul style="list-style-type: none"> Culture and heritage, a creative and cultural producer, a strategist and a governance practitioner Ecosystem of Governance and Service Delivery Constitutional, legal and political frameworks of board management Knowledge of Human Resources Knowledge of heritage and culture sector.
Kim Matthews	Member	1 January 2021	Active	<ul style="list-style-type: none"> Diploma in Jewellery Design and manufacture Grade 12 	<ul style="list-style-type: none"> Arts administration and management. Corporate governance Leadership skills Planning and organising skills Stakeholder relation skills Fundraising skills.
Ashley Latchu	Member	1 January 2021	Active	<ul style="list-style-type: none"> MSc Degree BSc IT Management Degree & Honours Degree Degree in Financial Accounting & Internal Auditing (current) Diploma in Networking. 	<ul style="list-style-type: none"> Exceptionally strong Leadership, relationshipstakeholder management, coaching and mentoring skill. High emotional intelligence, with exposure to working with diverse cultures. Extensive experience in projects and portfolio management both local and abroad.
Layla Swart	Member	9 March 2021	Active	<ul style="list-style-type: none"> BA Film & Media Production – University of Cape Town 2008 BA (HONS) Film & Media PRODUCTION – University of Cape Town 2009. 	<ul style="list-style-type: none"> Film producer, film editor, and writer.

Name	Designation	Appointment Date	Resignation Date	Qualifications	Area of Expertise
Eric Nkosi	HRC Chairperson	1 January 2021	Active	B. Juris, LLB, Diploma HRM	<ul style="list-style-type: none"> • Civil and Criminal Law • B. Juris, LLB, Diploma HRM • Labour Law Services: Bargaining council and CCMA • Magistrates Court Litigation • Human Capital planning • Recruitment • HR Administration • Labour Relations • Training and Organizational Development.
Bongani Tembe	Marketing, Communications & Fundraising Committee Chairperson	1 January 2021	Active	<ul style="list-style-type: none"> • Juilliard School Master of Music Degree, 1994 • Juilliard School, Bachelor of Music Degree, 1992 • Columbia University, Fundamental Principles of Economics. 	<ul style="list-style-type: none"> • Leadership skills • Planning and organising skills • Knowledge and experience in production
Tshepo Mashiane	Gauteng Representative	1 January 2021	14 June 2022	<ul style="list-style-type: none"> • Cost and Management Accounting (Technikon Northern Gauteng) • Africa's Development Processes (Coady International Institute) • Basic Principles of Economics (University of Pretoria) • Principal Estate Agent EAB95463/L (The Estate Agency Affairs Board). 	<ul style="list-style-type: none"> • Conflict mediation, negotiation, and resolution • International Relations Coordination - Cultural Diplomacy • Programme and Project Management • Research • Policy Review and Formulation • Financial Management • Stakeholder Management • Strategic Planning • Operational Planning • Risk Management • Performance Monitoring and Evaluation • Contracts Management • Official Development Assistance Coordination
Gamelihle Mbuyane	Mpumalanga Representative	1 January 2021	Active	<ul style="list-style-type: none"> • B Degree in Theology 	<ul style="list-style-type: none"> • TBA

Name	Designation	Appointment Date	Resignation Date	Qualifications	Area of Expertise
Jones Chisekula	North West Representative	Reappointed 1 January 2021	Active	<ul style="list-style-type: none"> National Diploma in Dramatic Arts (Fuba School of Dramatic & Visual Arts) NQF Level 4 Community Arts Development (Showbusiness Foundation & Department of Culture, Arts and Traditional Affairs) Drama – Writing, Directing and Acting (Mmabana Arts, Culture and Sports Foundation (Mahikeng)). 	<ul style="list-style-type: none"> Arts Management Leadership Skills
Bulelwa Malange	KZN Representative	1 January 2021	Active	<ul style="list-style-type: none"> Creative Writing Diploma specialised in script writing Film and video production. Certificate in adult education and media studies form the University of Natal –Durban 	<ul style="list-style-type: none"> Leadership Skills Programme development
Linda Mvanana	Representative	4 May 2021	1 August 2022	<ul style="list-style-type: none"> BSc, Bed, MED (Physical Sciences, Education and Management) 	<ul style="list-style-type: none"> Change Management, Business Process Improvement Management Consulting Coaching, Governance
Mbangiseni Masia	Limpopo Representative	1 January 2021	Active	<ul style="list-style-type: none"> 2009 Certificate in Project Management (University of Pretoria) 1997 Certificate in Basic Principles of Public Relations (Public Relations Institute for Southern Africa (PRISA), 1995 B.A (Human Sciences) (University of Venda) Master's in Public Management Degree (In progress) 	<ul style="list-style-type: none"> Leadership Skills Programme development Management
Phumzile Zitumane	Eastern Cape Representative	1 January 2021	11 August 2022	<ul style="list-style-type: none"> Currently registered for Doctor of Administration with the (research topic in the area of leadership development), (University of Fort Hare) 2008 Attended Leadership Development programme (University of Stellenbosch) 2007 Attended Executive Development programme – (University of Stellenbosch) 2004 Emerging Leaders Programme (Fellowship programme) (UCT with Duke University) 1999 Master of Business Leadership (M B L) – University of South Africa Graduate School of Business Leadership 1995 B Com – (University of Fort Hare) 1997 Combating Fraud and Risk Management (University of Port Elizabeth) 	<ul style="list-style-type: none"> Leadership Strategic Management Strategic thinking & planning skills Risk management skills Financial management skills. Analytical skills. Performance Management skills. Change Management skills. Mentorship skills. People Management skills. Relationship building & Networking skills.
Marion Mbina Mthembu	Council Member	4 May 2021	20 July 2022	<ul style="list-style-type: none"> BCom. Associate Member of the Chartered Accountant Management. 	<ul style="list-style-type: none"> Public Finance Management
Celiwe Ngwenya	Council Member	1 April 2022	Active	<ul style="list-style-type: none"> PhD Education Policy Studies M.Ed (Education Policy Analysis B.Ed (Hons) Change Management, Leadership and Management Post Graduate Diploma – Education Management 	<ul style="list-style-type: none"> Labour Law
Bernedette Muthien	Western Cape Provincial Representative	1 August 2022	Active	<ul style="list-style-type: none"> BA Soc Sci (Hons) MA Political Science Executive Course Certificate: Evidence-Based Policy Making and Implementation 	<ul style="list-style-type: none"> Public Finance Management

5. REMUNERATION OF COUNCIL MEMBERS

Council members are remunerated in accordance with the rates stipulated by the National Treasury for particular categories of public entities. The remuneration is inclusive of preparations fees. Remuneration of Council members is detailed as note 24 of the Annual Financial Statements.

Council Member Remuneration for the Period Under Review - 2023

Name	Council	Other Fees
Mr Ashley Latchu	67 128	53 757
Ms Bernedette Muthien	36 018	79 320
Mr Bongani Tembe (Deputy Chairperson) (1 November 2022 - 31 March 2023)	41 514	20 676
Ms Charlene Louw (External ARC member)	5 238	1 185
H.R.H Celenhle Dlamini (Chairperson)	121 230	54 756
Ms Celiwe Ngwenya	71 892	11 832
Adv Eric Nkosi	48 072	21 144
Mr Gamelihle Mbuyane	50 166	87 258
Mr Jones Chisekula	74 274	83 070
Ms Kim Matthews	71 892	99 888
Ms Layla Swart	30 966	64 740
Ms Linda Mvanana	16 674	14 292
Ms Nise Bulelwa Malange	62 220	65 388
Mr Phumzile Zitumane (Deputy Chairperson)	21 904	8 214
Dr Sipho Sithole	50 310	90 000
Ms Stephanie D Silva	40 638	34 400
Mr Tshepo Mashiane	-	21 438
Mr Zanoxolo Koyana (External ARC member)	5 238	6 581
Total	815 374	817 939

2022

Name	Council	Other Fees
Mr Ashley Latchu	92 898	75 264
Mr Bongani Tembe	47 640	88 134
Ms Charlene Louw (External ARC member)	16 674	10 002
H.R.H Celenhle Dlamini (Chairperson)	151 632	330 480
Adv Eric Nkosi	78 606	69 078
Mr Gamelihle Mbuyane	88 134	109 572
Mr John Raphela (External ARC member)	16 674	-
Mr Jones Chisekula	71 460	111 954
Ms Kim Matthews	90 516	52 404
Ms Layla Swart	78 606	47 640
Ms Linda Mvanana	76 224	50 022
Ms Madre Loubser	50 022	69 078
Ms Marion Mbina-Mthembu	35 730	7 146
Mr Mbangiseni Masia	19 056	42 876
Mr Michael Arendse	76 224	155 960
Ms Nise Bulelwa Malange	90 516	78 606
Mr Phumzile Zitumane	91 668	169 714
Mr Sikhuthali Nyangintsimbi	11 910	-
Dr Sipho Sithole	90 516	202 470
Ms Stephanie D'Silva	50 022	79 794
*Mr Tebogo Kekana (External ARC member)	4 764	-
Ms Thokozile Nogabe	66 696	69 078
Mr Tshepo Mashiane	85 752	173 886
Mr Zanoxolo Koyana (External ARC member)	-	5 238
Total	1 481 940	1 998 396

*Deceased

6. PANEL MEMBER REMUNERATION FOR THE PERIOD UNDER REVIEW

In terms of the National Arts Council Act, the Council may establish an advisory panel for every field of the arts it deems necessary. Membership of each advisory panel consists of persons who have achieved distinction or have special knowledge or experience in the field of the arts in question, and who are not members of the Council.

The advisory panels advise the Council on the merits of applications for grants and on any matter relating to the field of the arts for which they were appointed.

Name	2023 Remuneration	2022 Remuneration
Mr Abe Sibiya	158 227	100 603
Mr Ambani Ramaru	177 504	60 427
Mr Angelo Mockie	118 604	65 127
Ms Anikki Maswanganye	181 776	107 701
Ms Boitumelo Langa	71 125	64 152
Ms Carol Brown	-	84 500
Ms Celeste Wannenburg	-	84 500
Mr Dzunisani Shibambu	178 006	105 627
Mr Edward Phiri	279 157	110 103
Ms Jane Mpholo	142 555	86 902
Ms Karabo Lucy Mogane	133 026	69 102
Mr Kingdom Moshounyane	-	84 500
Ms Lerato Molemong	106 126	48 201
Mr Lentswe Martin Mathole	96 104	68 152
Dr Linda Kwatsha	111 650	64 877
Ms Maganthrie Pillay	87 902	20 201
Mr Mandla Maseko	250 001	50 353
Ms Mapula Oageng	134 104	80 902
Ms Martha Lekonyane	80 079	56 652
Ms Mavis Taole	79 829	64 652
Ms Maye Zuma	278 683	112 426
Ms Melany Fuma	181 778	112 676

Name	2023 Remuneration	2022 Remuneration
Ms Moleboheng Mokomele	-	80 275
Mr Michael Garbett	138 579	87 152
Mr Mpho J Molepo	209 251	13 000
Mr Nathan Bagarette	119 103	60 628
Mr Niabulo Jimmy Sibiya	105 628	82 402
Mr Nduduzo Gumede	71 376	64 652
Ms Nontsokolo Mhlotshana	43 451	33 926
Mr Obett Motaung	138 077	87 152
Ms Penelope Thloloe	91 951	82 652
Mr Richard Mbokodo	83 652	38 402
M.C. Roodt	8 450	33 451
Mr Siphe Potelwa	202 479	67 652
Mr Siyabonga Ngcakani	181 780	12 676
Mr Sizwe Fortune Zuma	162 256	29 951
Mr Songezile Madikida	119 902	108 895
Mr Thami Mdluli	169 800	109 603
Mr Toki Mohoto	109 854	74 201
Mr Tshepo Gaerupe	48 427	29 951
Mr Vusabantu Ngema	209 504	82 402
Mr William Jiyana	52 152	18 701
Ms Zaide Harneker	181 779	112 676
Ms Zanele Libambo	91 128	33 451
Total	5 384 815	3 046 187

7. RISK MANAGEMENT

The NAC manages risk in accordance with the risk register approved by Council and is updated annually. The risk register is based on the strategic plan of the NAC.

The risk register, including mitigation strategies and progress with regards to implementation is updated quarterly and presented to ARC, EXCO and Council.

8. INTERNAL CONTROL UNIT

The NAC **does not have** an internal control unit. This function is performed under the guidance of the Audit and Risk Committee.

9. INTERNAL AUDIT, **AUDIT AND RISK COMMITTEE**

In accordance with the PFMA, the NAC has a duly constituted Audit and Risk Committee comprising **two (2) Council members and four (4) external members**. In terms of the Corporate Governance Framework and Charter of the Audit Committee the role of the committee is to ensure:

- Effectiveness of the internal control system;
- Effectiveness of the internal audit function; and
- Risk areas of operations to be covered in the scope of internal and external audits.

Oversight of the adequacy, reliability, and accuracy of financial information provided by management to other users of such information:

- Any accounting and auditing concerns identified as a result of internal and external audits;
- Compliance with legal and regulatory provisions; and
- Activities of the internal audit function, including its annual work programme, coordination with the external auditors (i.e. Auditor-General), the reports of significant investigations and the responses of management to specific recommendations.

THE ROLE OF THE AUDIT AND RISK COMMITTEE IS TO:



Ensure effective internal control systems.



Ensure effective internal audit functions.



Oversight on risk areas of operations



Identify accounting and auditing concerns.



Monitor compliance with legal and regulatory provisions.



Activities of the internal audit function.

The table below represents ARC members from 1 April 2022 to 31 March 2023

Name:	Designation	Appointment Date	Resignation Date	Qualifications	Internal/ External	Number of Meetings
Stephanie D'Silva	Audit and Risk Committee Chairperson	1 January 2021	Active	CA(SA), PGDA in Applied Accounting Sciences The University of South Africa 2012, BCom. Accounting Sciences, The University of Pretoria	Internal	8 of 8
Ashley Latchu	Audit and Risk Committee Member	1 January 2021	Active	PHD - Current MSc Degree. Bsc IT Management Degree & Honours Diploma in Networking Microsoft Certified Systems Engineer (MCSE) Microsoft Certified Solutions Developer (MCSO) Microsoft Certified System Administration (MCSA) Microsoft Certified Database Administrator	Internal	8 of 8
Amanda Mazibuko	Audit and Risk Committee Member	1 January 2023	Active	Bachelor of Accounting Science Honours Bachelor of Accounting Science CIA (SA) Master of Business Administration	External	N/A
Tshabedi Serote	Audit and Risk Committee Member	1 January 2023	Active	MPhil in Development Finance-Current Associate General Accountant (SA) IIA Member, 2015 Bcom (Accounting) Postgraduate Diploma in financial Accounting	External	7 of 8
Charlene Louw	Audit and Risk Committee Member	1 October 2015	Active	Admitted Attorney, LLB, MBA Executive Development Certificate Municipal Finance Management Certificate Chartered Secretary	External	7 of 8
Zanoxolo Koyana	Audit and Risk Committee Member	7 October 2021	Active	MBA, BCom (Accounting) Professional Accountant (SA)	External	8 of 8
Success Marota	Audit and Risk Committee Member	7 October 2021	31 July 2022	MBA, Post Graduate Certificate in Financial Accounting	External	6 of 5

10. COMPLIANCE WITH LAWS & REGULATIONS

The Council Charter requires of the Board to ensure ethical behaviour and compliance with all relevant laws and regulations, audit and accounting principles and the NAC's governing documents and codes of conduct. While the implementation of compliance management within the NAC has been delegated to management, the Council monitors and reviews compliance processes with key regulatory and legal requirements through regular reports to the Audit and Risk Committee and Council.

The Supply Chain Management policy was reviewed internally by Management during the 2022/23 financial year.

11. FRAUD & CORRUPTION

The NAC has a Fraud Prevention Strategy available to all staff. Assessing possible fraud risks is part of the annual risk assessment workshop at which staff members are encouraged to disclose and share any information that might pose a risk to the NAC.

The strategy makes staff aware of mechanisms to report fraud and corruption through surveys, the results of which are published for employee awareness. Employees are provided with confidential numbers to report any possible fraud and corruption including, but not limited to, the Presidential hotline. Fraud prevention activities at the NAC also include pre-employment screening for all appointments and evidence of such screenings is maintained by the HR Department.

The following aspects are included in the screening:

- Verification of identity
- Police criminal history
- Reference checks with the two most recent employers – this will normally require telephone contact
- A consideration of any gaps in employment history and the reasons for those gaps, and
- Verification of formal qualifications claimed.

12. MINIMISING **CONFLICT OF INTEREST**

We believe that good corporate governance is integral to a sustainable business. We have always endeavored to implement practices based on sound governance principles. This is also a requirement for approving funding applications. The NAC's corporate governance structures are designed to ensure that Council and Executive Management can exercise their fiduciary duties effectively and efficiently in a fair and transparent manner.

The NAC Act (read with the regulations) stipulates that members of Council and the Advisory Panels should not receive grant funding from the organisation. In 2022 Council reaffirmed a Council resolution passed in the 2021 financial year to the effect that, all the Council members, panel members or employees of NAC or the organisation requiring funding from the NAC having a direct conflict of interest in any funding invitation to be issued or application to be adjudicated by the NAC should not apply for funding to the NAC, either in their personal capacity or on behalf of their organisations, and should not form part of the Panel or part of any Council discussion on any of the respective invitation or applications, including the PESP fund applications.

In support of this commitment to effective governance, Declarations of Interest are completed prior to each Council or sub-committee meeting and annual declarations are also completed by all Council members. Council, panel and members and sub-committee members are recused from the meeting when there is any conflict of interest item discussed. The entity's Supply Chain Management Unit issues a Standard Bid Document (SBD) 4 form in line with National Treasury and Supply Management regulations. This form is issued to all suppliers to ensure that they declare possible interest of any business activities with the NAC.

13. CODE OF CONDUCT

The conduct of Council is governed by the NAC Corporate Governance Framework, which stipulates that each member is obliged to act honestly and in good faith.

In particular, the Framework requires all members to:

- Act within their powers and in the interest, and for the benefit of the NAC
- Not to act with self-interest in making short and long-term decisions
- Carry out their duties with appropriate skill and care, and exercise their own judgement
- Uphold the values and objectives of the NAC
- Uphold the NAC's core policies
- Contribute to and share responsibility for Council decisions
- Read Council papers
- Attend and effectively participate in meetings, training sessions and other events
- Represent the NAC and its values, policies and decisions
- Declare any relevant interest
- Furnish the NAC's auditors with all information and explanations they require
- Respect confidentiality of information and not disclose confidential information about the NAC, its staff or its stakeholders, and
- Comply with the law, letter and spirit of the corporate governance principles and practices set out in the Framework.

Council members not complying are subject to the provisions of the NAC Act with regard to vacating their seat on Council and noncompliant staff members are subject to the NAC's disciplinary process.

14. HEALTH, SAFETY & ENVIRONMENTAL ISSUES

The NAC is a very small organisation with no specific hazards in the work conducted on a daily basis. In accordance with the Occupational Health and Safety Act, the NAC has a duly appointed a safety officer, floor marshals and first aid resources.

15. COMPANY **SECRETARY**

The NAC Board Secretary is responsible for, among other things, the following duties:

Providing Company Secretarial and Administrative Support

- Assist Chairperson of Council and CEO to determine the Annual Council Plan
- Compile and distribute Council packs 7 days prior to the meeting
- Accurately capture and distribute minutes 10 days after the meeting
- Ensure that resolutions, policies and all documentation capturing decisions taken are signed and properly filed
- Ensure proper conduct of Board Committee Meetings and the production of minutes
- Co-ordinate Council communications as necessary according to deadlines
- Prepare all relevant documentation for Council and committee meetings
- Gather departmental reports in advance prior to Council and Committee meetings with the CEO's support, and
- Follow up on action items to ensure that decisions are implemented.

Co-ordinate Logistics for meetings

- Maintain an updated calendar of Council and Committee meetings
- Ensure Committee members are reminded of meetings 14 days in advance of the meeting
- Schedule additional meetings when required, and
- Ensure that meeting rooms are set up and catering has been arranged.

Corporate Governance Practices

- Ensure compliance with all relevant regulations, provisions of the PFMA and King IV Codes of Good Practice
- Ensure Council members are inducted and receive training related to their work
- Co-ordinate the Council evaluation process
- Ensuring that files of Council members are kept securely
- Ensure that annual declarations of interest of Council members are recorded and filed and a members register is kept
- Ensure that meeting declarations are signed, and filed
- Ensure the Council and Committee Charters are reviewed annually.

16. AUDIT & **RISK COMMITTEE REPORT**

We are pleased to present our report for the financial year ended 31 March 2023.

AUDIT AND RISK COMMITTEE MEMBERS AND ATTENDANCE

The Audit and Risk Committee comprises of the members listed hereunder and should meet at least 2 times per annum as per Section 7 of the PFMA. During the year under review 8 meetings were held.

AUDIT AND RISK COMMITTEE CHARTER

The Audit and Risk Committee reports that it has complied with its responsibilities arising from section 55(1)(a) of the PFMA and Treasury Regulation 27.1.

The Audit and Risk Committee also reports that it has adopted appropriate formal terms of reference in the audit committee charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

THE EFFECTIVENESS OF INTERNAL CONTROL

The system of internal controls applied by the National Arts Council over financial and risk management is effective, efficient and transparent.

In line with the PFMA and the King IV Report on Corporate Governance requirements, the internal audit provides the audit committee and management with the assurance that internal controls are appropriate and effective. This is achieved by means of the risk management process, as well as the identification of corrective actions and suggested enhancements to the controls and processes. From the various reports of the internal auditors, the Audit Report on the Audited Annual Financial

Statements, and the management report of the Auditor-General South Africa, it was noted that no matters were reported that indicate any material deficiencies in the system of internal control or any deviations there from. Accordingly, we can report that the system of internal control over financial reporting for the period under review was efficient and effective.

The Audit and Risk Committee is satisfied with the content and quality of monthly and quarterly reports prepared and issued by the management of the NAC of South Africa during the year under review.

EVALUATION OF AUDITED ANNUAL FINANCIAL STATEMENTS

The audit committee has:

- reviewed and discussed the Audited Annual Financial Statements to be included in the annual report, with the Auditor-General and the internal auditors,
- reviewed changes in accounting policies and practices, and
- reviewed the entity's compliance with legal and regulatory provisions.

INTERNAL AUDIT

The audit committee is satisfied that the internal audit function is operating adequately and that it has addressed the risks pertinent to the entity and its audits.



Stephanie D'Silva

Chairperson of the Audit and Risk Committee
31 August 2023


17. B-BBEE COMPLIANCE

PERFORMANCE INFORMATION

The following table has been completed in accordance with the compliance to the B-BBEE requirements of the B-BBEE Act of 2013 and as determined by the Department of Trade and Industry.

Has the Department / Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regard to the following:

Criteria	Response Yes / No	Discussion (include a discussion on your response and indicate what measures have been taken to comply)
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	No	Not Applicable
Developing and implementing a preferential procurement policy?	Yes	All procurement at the NAC is done in accordance with the Preferential Procurement Policy Framework Act. The NAC strives to achieve positive economic and social outcomes that contribute to inclusivity through empowerment of Previously Disadvantaged Individuals by procuring goods and services from Small, Medium and Micro Enterprises.
Determining qualification criteria for the sale of state-owned enterprises?	No	Not Applicable
Developing criteria for entering into partnerships with the private sector?	No	Not Applicable
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad-Based Black Economic Empowerment?	Yes	The NAC supports Broad-Based Black Economic Empowerment by funding the initiatives/projects of previously disadvantaged individuals through youth and woman empowerment.



A catalyst in the arts,
cultural and creative
community that supports free and
diverse artistic expressions.



PART D

HUMAN RESOURCES

1. INTRODUCTION

The Human Resources (HR) Unit provides continuous strategic support to the CEO and Unit Managers, strengthening our internal organisation through developing our people and ensuring that our organisational structure reflects the commitments we make in our strategy. Constant monitoring and implementation of the HR Operational Plan enabled the unit to ensure that targets set in the APP are achieved.

2. OVERVIEW OF HR MATTERS

The 2022/23 financial year was a productive and exciting period whereby the NAC proved their capabilities and strengths in managing projects and enhancing the new NAC strategy. The new NAC strategy has been developed amidst all the suffering and industry changes brought about by the pandemic to ensure that the organization has the right people, with the right skills, competence, and attitude to service the needs of the sector and we were determined to deliver.

The Council embarked on the crafting of a new Strategic Plan as a response to the pandemic and its devastating effect on the Arts sector. **Only 27 posts are filled on a permanent basis** as the proposed fit-for-purpose organization structure needed to be approved with its new Strategic Plan. A thorough review of the job profiles and Performance Agreements was undertaken. Other critical functions such as the Company Secretary were appointed as previously the service was outsourced and, research undertaken confirmed that this would serve the NAC better in-house.

During the period, the NAC employees worked remotely with the **staff complement of 38 numbers at the beginning of the financial year and ended the financial year with 48 numbers (including the PESP staff)**. We had received PESP funding for distribution – we had to appoint temporary staff to augment our capacity for the management of the grant distribution. Our staff spent most of the year under tremendous pressure resolving the challenges relating to the distribution of the PESP funding.

3. HR PRIORITIES

The Human Resource strategy has key priority areas to support the NAC to achieve its overall strategic objectives. These are:



- Fit for purpose within the structure and retention of talent.
- An effective Performance Management System.
- Staff development and talent management, and
- Healthy internal communications and employee relations.

These priority areas are aimed at enhancing efficiency and contribute towards instilling a culture of high performing organisation.



WORKFORCE PLANNING FRAMEWORK

In all interactions with our stakeholders and the public, our employees are expected to be open about what they and the NAC can and cannot do. Answering all the questions and queries openly and providing the necessary information are all critical aspects of being transparent. With the combination of the ageing and new workforce, the NAC targets have been met. The NAC continues to pay attention to the dichotomy to ensure our staff, young and old, adept at managing the requirements of rapid digitisation in the workplace (i.e., Artificial Intelligence and the 4IR).



NAC MANAGEMENT

It is to be expected that, working together and or in their individual portfolios, Managers will always strive to create a conducive environment supportive of their employees and colleagues' ability to serve transparently and openly.



EMPLOYEE WELLNESS PROGRAMMES

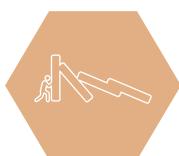
The appointed service provider **Independent Counselling and Advisory Services (ICAS)** provides a wider range of employee wellness programmes to support staff.



HIGHLIGHTS AND ACHIEVEMENTS

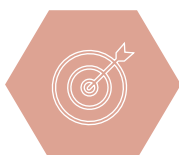
The following were the highlights for the period under review:

- Maintenance of the NAC's Employees Wellness Programmes.
- Consistent monitoring of staff performance and successful maintenance of the Performance Management System.
- Amendment of the company policies and procedures.
- Recruitment of the right people in the right positions.



CHALLENGES

- Shrinking HR budget with high expectations of creating a high-performance culture.
- Deteriorating state of the NAC building, and
- Maintaining staff morale through paying their performance bonuses on time.



FUTURE HR PLANS/GOALS

- Continue to build a culture that embraces high quality performance and innovation, through performing diligently and only in the best interest of and in pursuit of the NAC outcomes, plans and programs.
- Ensure that all the requirements for the development of excellent standards and performance by all employees are a way of life.
- Have a succession and retention plan in accordance with our budget and strategic plan.
- Facilitate an environment that supports the virtue of integrity and enables its practice as a way of life.
- Continue to amend and develop HR policies that balance the interests of both the institution and employees.

5. HUMAN RESOURCE OVERSIGHTS & STATISTICS

For the period under review (01 April 2022 – 31 March 2023), the NAC employed 27 permanent staff members and 21 fixed-term staff members as at 31 March 2023.

Personnel Cost

Programme/ Activity/ Objective	Total Expenditure for the entity (R'000)	Personnel Expenditure (R'000)	Personnel exp. as a % of total exp. (R'000)	No. of employees	Average
NAC staff	134 087	25 500	19	30	850
Presidential Employment Stimulus Programme (PESP) staff	181 938	5 337	2.9	18	297
Total	316 026	30 837	21.9	48	1 147

Personnel Cost by salary band

Level	2022/2023 No. of Employees at the end of the period	Personnel Expenditure (R'000)	% of personnel exp. to total personnel cost (R'000)	Average personnel cost per employee (R'000)
Top Management	0	*R4 212	17	R1 053
Senior Management Level 13 (Julie Diphofa)	1	R1 516	6	R1 516
Mid Management and Professional Qualified Level 11 & 12	14	R11 686	47	R1 062
Skilled Level 7/8/9/10	10	R6 051	24	R605
Semi-skilled Level 6	2	R659	3	R330
Unskilled Level 2 & 4	3	R595	2	R198
TOTAL: NAC Staff	30	R24 719	82	R824
TOTAL: PESP staff	18	R5 337	18	R297
GRAND TOTAL	48	R30 056	100	R626

*Note: The cost on the top management is for the CEO, CFO, Interim CEO and Interim CFO who left before the end of 2022/23 financial year.

Employment and Vacancies

Programme/ Activity/ Objective	2022/2023 No. of Employees	2022/2023 Approved Posts	2022/2023 No. of Employees	2022/2023 Vacancies	% of Vacancies
Top Management	4	2	0	2	100%
Senior Management	1	1	1	-	-
Professional Qualified	5	4	7	3	75%
Skilled	24	22	30	1	4.55%
Semi-skilled	2	2	7	-	-
Unskilled	3	3	3	-	-
TOTAL	39	34	48	6	17.65%

The recruitment of the two (2) top management CEO and CFO roles is on halt until the Minister gives the directive to continue with the recruitment process that has been initiated.

The vacancies of the two (2) Arts Development Officers on professional qualified were filled at the beginning of 2023/24 financial year.

Marketing and Communications Manager (professional qualified) and Organisational Effectiveness Coordinator (skilled) will be filled after the appointment of the CEO and CFO as we would like them to participate in the recruitment of those roles.

Training Costs

Units/Departments	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Training Expenditure as a % of Personnel Cost.	No. of employees trained	Avg training cost per employee
Arts Development	25 500	35	0.14	3	12
CEO	25 500	2	0.008	1	2
Finance	25 500	71	0.29	3	24
Human Resource	25 500	2	0.008	1	2
Information Technology	25 500	2	0.008	1	2

Performance Rewards

No employees received performance rewards for the year under review.

Employment Changes

Programme/ Activity/Objective	2022/2023 No. of Employees	2022/2023 Approved Posts	2022/2023 No. of Employees	2022/2023 Vacancies	% of Vacancies
Top Management	4	0	4	0	100%
Senior Management	1	0	0	1	-
Professional Qualified	5	3	2	7	75%
Skilled	23	14	8	30	4.55%
Semi-skilled	2	5	0	7	-
Unskilled	3	0	0	3	-
Total	38	22	14	48	17.65%

The positions of CEO and CFO were terminated during the year under review.

The NAC experienced resignations of some skilled employees and some of the contracts came to an end.

One member retired in June 2022 and one staff member passed away in January 2022.

Reasons for Staff Leaving

Reason	Number
Death	0
Resignation	5
Dismissal	4
Retirement	1
Ill Health	0
Expiry of Contract	3
Other	1
Total	14



Labour Relations: Misconduct and Disciplinary Action

Nature of disciplinary Action	Number
Verbal Warning	0
Written Warning	0
Final Written warning	2
Dismissal	4
Mutual Separation	1

Equity Target and Employment Equity Status

Levels	MALE							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	0	0	0	0	0	0	0	0
Senior Management	0	0	0	0	0	0	0	0
Professional Qualified	4	4	0	0	0	0	0	0
Skilled	11	11	0	0	0	0	0	0
Semi-skilled	4	4	0	0	0	0	0	0
Unskilled	0	0	0	0	0	0	0	0
TOTAL	19	19	0	0	0	0	0	0

Equity Target and Employment Equity Status

Levels	FEMALE							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	0	0	0	0	0	0	0	0
Senior Management	1	1	0	0	0	0	0	0
Professional Qualified	2	2	0	0	1	1	0	0
Skilled	17	17	2	2	0	0	0	0
Semi-skilled	3	3	0	0	0	0	0	0
Unskilled	3	3	0	0	0	0	0	0
TOTAL	26	26	2	2	1	1	0	0

Levels	STAFF LIVING WITH DISABILITIES			
	Male		Female	
	Current	Target	Current	Target
Top Management	0	0	0	0
Senior Management	0	0	0	0
Professional Qualified	0	0	0	0
Skilled	0	0	0	0
Semi-skilled	1	1	0	0
Unskilled	0	0	0	0
TOTAL	1	1	0	0

According to the Employment Equity Act, 1998 (Act 55 of 1998), the NAC is not required by legislation to set equity targets owing to the size of its staff complement. **The NAC currently has a staff complement of 48.**



PART E

FINANCIAL INFORMATION

National Arts Council of South Africa

(Registration number 1989/001413/08)

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1. GENERAL INFORMATION

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Promotion, through the arts, the free and creative expression of South Africa's culture.
Business address	66 Margaret Mcingana Street (Cnr Gwigwi Mrwebi) Johannesburg South Africa 2113
Postal address	PO Box 500 Newtown Johannesburg South Africa 2113
Controlling entity	Department of Sports Arts and Culture
Auditors	Auditor General of South Africa
Secretary	Mr Vincent Mashale
Company registration number	1989/001413/08
Governing legislation	National Arts Council Act 56 of 1997

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2. INDEX

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

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Council's Responsibilities and Approval

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

The audited annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board. The audited annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

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

The focus of risk management in the NAC is on identifying, assessing, managing and monitoring all known forms of risk across the NAC. While operating risk cannot be fully eliminated, the NAC endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

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

FINANCIAL INFORMATION

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The Council has reviewed the NAC's cash flow position for the year to 31 March 2024 and in the light of this review and the current financial position, it is satisfied that the NAC has access to adequate resources to continue in operational existence for the foreseeable future.

The NAC is wholly dependent on the Department of Arts and Culture for continued funding of operations. The audited annual financial statements are prepared on the basis that the NAC is a going concern.

Although the Council is primarily responsible for the financial affairs of the NAC, it is supported by the NAC's internal auditors.

The external auditors are responsible for independently reviewing and reporting on the NAC's audited annual financial statements. The audited annual financial statements have been audited by the NAC's external auditors and their report is presented on page 5.

The Audited Annual Financial Statements set out on page 170, which have been prepared on the going concern basis, were approved by the Council on 31 July 2023 and were signed on its behalf by:



.....
H.R.H Princess Celenhle Dlamini
NAC Chairperson

31 August 2023

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Audit and Risk Committee Report

We are pleased to present our report for the financial year ended 31 March 2023.

Audit and Risk Committee members and attendance

During the year under review, there were ten meetings in attendance.

Two of those meetings were interviews held for the appointment of new Audit and Risk Members.

Additional meetings were held during the year to resolve audit findings.

ARC meetings were held every quarter to review quarterly reports and other matters.

Mr Success Marota resigned as ARC member on 31 July 2022 and two new members were appointed.

Stephanie D'Silva (Chairperson)	1 April 2022 - 31 March 2023	10
Mr Ashley Latchu	1 April 2022 - 31 March 2023	8
Ms Charlene Louw (External Audit Committee Member)	1 April 2022 - 31 March 2023	9
Mr Zanoxolo Koyana (External Audit Committee Member)	1 April 2022 - 31 March 2023	8
Mr Success Marota (External Audit Committee Member)	1 April 2022 - 31 July 2022	4
Ms Amanda Mazibuko (External Audit Committee Member)	1 January 2022 - 31 March 2023	3
Mr Tshabedi Serote (External Audit Committee Member)	1 January 2023 - 31 March 2023	3

Audit committee responsibility

The Audit and Risk Committee reports that it has complied with its responsibilities arising from section 55(1)(a) of the PFMA and Treasury Regulation 27.1.

The Audit and Risk Committee also reports that it has adopted appropriate formal terms of reference in the audit and risk committee charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

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Evaluation of Financial Statements

The audit committee has:

- reviewed and discussed the audited annual financial statements to be included in the annual report, with the AuditorGeneral and the Accounting Authority.
- reviewed changes in accounting policies and practices.
- reviewed the entities compliance with legal and regulatory provisions.



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Report of the Auditor-General to Parliament on the National Arts Council

Report of the Auditor-General

Opinion

1. I have audited the financial statements of the National Arts Council of South Africa set out on pages 155 to 209, which comprise the statement of financial position as at 31 March 2023, statement of financial performance, statement of changes in net assets, and cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the National Arts Council of South Africa as at 31 March 2023 and its financial performance and cash flows for the year then ended in accordance with the Generally Recognised Accounting Practice (GRAP) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA).

Basis for opinion

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

Responsibilities of the accounting authority for the financial statements

6. The accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with the GRAP and the requirements of the PFMA, and for such internal control as the accounting authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



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7. In preparing the financial statements, the accounting authority is responsible for assessing the public entity's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the public entity or to cease operations, or has no realistic alternative but to do so.

Responsibilities for the audit of the financial statements

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

Report on the audit of the annual performance report

Introduction and scope

10. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for selected outcomes presented in the annual performance report. The accounting authority is responsible for the preparation of the annual performance report.
11. I selected the following outcomes presented in the annual performance report for the year ended 31 March 2023 for auditing. I selected outcomes that measures the public entity's performance on its primary mandated functions and that are of significant national, community or public interest.

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OUTCOMES	PAGE NUMBERS	OUTCOME STATEMENT
Increased access to the NAC by providing support to all sectors of our communities, particularly those who are marginalised.	51-52	More arts practitioners and beneficiaries, across the length and breadth of the country, accessing and benefiting from NAC Grant funding.
Promoted the appreciation, understanding and enjoyment of, and fostered the expression of national identity by means of the arts.	53-54	Increase in the number of arts practitioners producing artistic goods and services, as well as an increase in the demand for the consumption of artistic goods and services.
Established and strengthened partnerships for arts delivery and promotion.	55	Increase access to markets and enable creative engagement for South African art and artists through partnerships.
Economic growth through the arts.	56	Increase the number of job opportunities and beneficiaries from the NAC Grants

12. I evaluated the reported performance information for the selected outcomes against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the public entity’s planning and delivery on its mandate and objectives.

13. I performed procedures to determine whether:

- the indicators used for planning and reporting on performance can be linked directly to the public entity’s mandate and the achievement of its planned objectives.
- the indicators are well defined and verifiable to ensure that they are easy to understand and apply consistently and that I can confirm the methods and processes to be used for measuring achievements.
- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated.



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- the indicators and targets reported on in the annual performance report are the same as what was committed to in the approved initial or revised planning documents.
- the reported performance information is presented in the annual performance report in the prescribed manner.
- there are adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets.

14. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance conclusion.

15. The material finding on the performance information of the selected outcomes is as follows:

Promoted the appreciation, understanding and enjoyment of, and fostered the expression of national identity by the means of the arts.

Percentage increase in the number of approved grants

16. The indicator was included in the approved annual performance plan but then not clearly defined during planning processes, as the output indicator referred to a percentage and the planned annual target and actual achievement was expressed in a number. Consequently, the information might be less useful for measuring performance.

Other matters

17. I draw attention to the matter below:

Achievement of planned targets

18. The annual performance report includes information on reported achievements against planned targets and provides explanations for over and under achievements. This information should be considered in the context of the material finding on the reported performance information.



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Material misstatements

19. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information or increased access to the NAC by providing support to all the sectors of our communities particularly those who are marginalised, promoted the appreciation, understanding and enjoyment of, and fostered the expression of national identity by means of the arts, established and strengthened partnerships for arts delivery and promotion, economic growth through the arts. Management did not correct all of the misstatements and I reported a material finding in this regard.

Report on the audit of compliance with legislation

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

Annual financial statement and annual report

24. The financial statements submitted for auditing were not fully prepared in accordance with the prescribed financial reporting framework, as required by section 55(1) (b) of the PFMA. Material misstatements of current liabilities and revenue identified by the auditors in the submitted financial statements were corrected, resulting in the financial statements receiving an unqualified audit opinion.



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Expenditure Management

- 25. Effective and appropriate steps were not taken to prevent irregular expenditure as disclosed in note 30 to the annual financial statements, as required by section 51(1)(b)(ii) of the PFMA. The majority of the irregular expenditure was caused by expenses incurred that were in excess of the budget.
- 26. Expenditure was incurred in excess of the approved budget, in contravention of section 53(4) of the PFMA.

Strategic Planning

- 27. The strategic plan for 2022-23 was not submitted for approval by the executive authority, as required by treasury regulation 30.1.1.

Consequences management

- 28. I was unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken against officials who had incurred irregular expenditure as required by section 51(1)(e)(iii) of the PFMA. This was because investigations into irregular expenditure were not performed.

Other information in the Annual Report

- 29. The accounting authority is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and those selected outcomes presented in the annual performance report that have been specifically reported on in this auditor's report.
- 30. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation, do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
- 31. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected outcomes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.



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32. I did not receive the other information prior to the date of this auditor’s report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor’s report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

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

34. The matters reported below are limited to the significant internal control deficiencies that resulted in the material findings on the annual performance report and the material findings on compliance with legislation included in this report.

35. Senior management did not always review compliance with all laws and regulations and did not always implement effective internal controls and actions plans to prevent the occurrence of non-compliance.

36. Senior management did not implement effective controls to prevent the occurrence of material errors in the submitted annual performance report.

Auditor - General



Place of signing: Johannesburg

Date: 31 July 2023



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence



National Arts Council of South Africa

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Annexure — Auditor-general’s responsibility for the audit

The annexure includes the following:

- the auditor-general’s responsibility for the audit.
- the selected legislative requirements for compliance testing.

Auditor-general’s responsibility for the audit

Professional judgement and professional scepticism

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

Financial statements

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

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



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If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a public entity to cease operating as a going concern.

- evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance.

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

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



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Compliance with legislation – selected legislative requirements.

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act 1 of 1999 (PFMA)	Section 38(1)(b), 44, 45(b), 51(1)(b)(ii), 51(1)(b)(ii), 51(1)(e)(iii), 52(b), 53(4), 55(1)(a), 55(1)(b), 55(1)(c)(i), 57(b)
Preferential Procurement Regulations of 2022 (PPR)	PPPFA (definition “acceptable tender”) Section 2(1)(a) and (b), 2(1)(f)
Preferential Procurement reg 2017 (under functionality)	Section 4(1) & 4(2), 4(4), 5(1) & 5(3), 5(6), 5(7), 6(8), 7(8), 9(1), 10(1) & (2) & 11(1)
Treasury Regulations	Section 8.2.1 and 8.2.2, 16A3.2(a), 16A6.1, 16A6.2(a) & (b), 16A6.3 (a) and (b), 16A6.3(c), 16A6.3(e), 16A6.4, 16A6.5, 16A6.6, 16A8.3, 16A8.4, 16A9.1(b)(ii), 16A9.1(e), 16A9.1(d), 16A9.1(f), 16A9.2(a)(ii), 29.1.1, 29.2.1, 29.2.2, 30.1.1, 30.1.3(a), 30.1.3(b), 30.1.3(d), 31.1.2(c), 30.2.1, 33.1.1, 33.1.3
PRECCA	Section 34(1)
SCM Instruction Note 02 of 2021-22	Paragraph 3.2.1 (bids advertised on or after 1 April 2022) Paragraph. 3.2.4 Paragraph 3.2.4 (b)- Only applicable to awards before 16 January 2023. Paragraph 3.3.1 (bids advertised on or after 1 April 2022)
PFMA SCM instruction note 03 of 2021/22	Definition Paragraph 4.1, 4.2 (b), 7.2 (tenders advertised on or after 1 April 2022)
National Treasury Instruction 4A of 2016/17	Paragraph 6
National Treasury Instruction 07 of 2017/18	Paragraph 4.3
National Treasury Instruction 01 of 2021-22	Paragraph 4.1
SCM instruction note 2 of 2021/22	Paragraph. 3.2.4 (b)- Only applicable to awards before 16 January 2023.
PFMA Instruction Note 3 of 2021/22	Paragraph 4.3 and 4.4
Practice Note 5 of 2009/10	Paragraph 3.3
SITA Act section 7(3)	Paragraph 7.3
Public Service reg	Section 8(1), (2)



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ACCOUNTING AUTHORITY REPORT



The members submit their report for the year ended 31 March 2023.

1. Going concern

We draw attention to the fact that at 31 March 2023, the entity had accumulated deficit of **R9 230 494** and that the entity's total assets exceed its liabilities by **R8 134 169**.

The audited annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

FINANCIAL INFORMATION

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STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2023

Figures in Rand	Note(s)	2023	2022
Assets			
Non-Current Assets			
Property, plant and equipment	3	23 116 538	18 085 751
Intangible assets	4	363 472	44 787
		23 480 010	18 130 538
Current Assets			
Operating lease asset	5	14 596	77 528
Trade and other receivables from exchange	6	333 841	323 072
Cash and cash equivalents	7	134 614 825	70 601 088
		134 963 262	71 001 688
Total Assets		158 443 272	89 132 226
Liabilities			
Current Liabilities			
Trade and other payables	8	1 369 470	2 278 844
Provisions	10	2 590 974	1 959 460
COVID 19 Project	11	159 786	607 786
Grants: Annual allocation payable	12	92 840 775	56 348 830
Grants: Additional allocation payable: PESP	20	46 860 245	11 884 564
Grants: Additional allocation payable: Infrastructure	9	1 970 473	2 477 749
Grants: Additional allocation payable: Second & Third Wave	9	4 517 380	6 580 108
		150 309 103	82 137 341
Total Liabilities		150 309 103	82 137 341
Net Assets		8 134 169	6 994 885
Reserves			
Revaluation reserve	13	17 364 663	12 610 408
Accumulated surplus		(9 230 494)	(5 615 523)
Total Net Assets		8 134 169	6 994 885

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STATEMENT OF FINANCIAL PERFORMANCE

Figures in Rand	Note(s)	2023	2022
Revenue			
Revenue from exchange transactions			
Other income	14	87 233	8 044
Interest received - investment	15	4 048 524	4 243 247
Total revenue from exchange transactions		4135 757	4 251 291
Revenue from non-exchange transactions			
Transfer revenue			
Grants: Annual Allocation		123 015 000	120 137 000
Grants: Additional allocation: PESP		180 000 000	-
Grants: Additional allocation: Infrastructure		1 834 881	160 290
Grants: Additional allocation: Second and Third Wave		2 062 728	65 215 540
Other income		1 362 504	2 734 030
Total revenue from non-exchange transactions		308 275113	188 246 860
Total revenue	16	312 410 870	192 498151
Expenditure			
Depreciation and amortisation	3&4	(1 353 447)	(699 321)
Employee related costs	17	(25 500 671)	(25 660 921)
Operating expenses	18	(17 789 094)	(20 563 412)
Grants: Annual allocation disbursements	19&20	(85 990 004)	(78 397 260)
Grants: Additional allocation: PESP	19&20	(181 938 420)	(18 098 068)
Grants: Additional allocation: Infrastructure	19&20	(1 834 881)	(160 290)
Grants: Additional allocation: Second and Third Wave	19&20	(1 557 715)	(65 215 540)
Total expenditure		(315 964 232)	(208 794 812)
Operating deficit		(3 553 362)	(16 296 661)
Loss on disposal of assets and liabilities		(61 609)	(508)
Deficit for the year		(3 614 971)	(16 297 169)

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STATEMENT OF CHANGES IN ASSETS

Figures in Rand	Revaluation reserve	Accumulated surplus / deficit	Total net assets
Balance at 01 April 2021	7 467 635	10 681 646	18 149 281
Changes in net assets			
Surplus for the year	-	(16 297 169)	(16 297 169)
Revaluation of assets	5 142 773	-	5 142 773
Total changes	5 142 773	(16 297 169)	(11 154 396)
Opening balance as previously reported	12 610 408	(5 712 742)	6 897 666
Adjustments			
Prior year adjustments	-	97 219	97 219
Balance at 01 April 2022 as restated*	12 610 408	(5 615 523)	6 994 885
Changes in net assets			
Revaluation of assets	4 754 255	-	4 754 255
Net income (losses) recognised directly in net assets	4 754 255	-	4 754 255
Surplus for the year	-	(3 614 971)	(3 614 971)
Total recognised income and expenses for the year	4 754 255	(3 614 971)	1 139 284
Total changes	4 754 255	(3 614 971)	1 139 284
Balance at 31 March 2023	17 364 663	(9 230 494)	8 134 169
Note(s)	13		

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CASH FLOW STATEMENT

Figures in Rand	Note(s)	2023	2022
Cash flows from operating activities			
Receipts			
Other income		1 449 738	2 742 074
Grants and other income received		303 015 000	186 035 561
Interest income		3 919 823	4 243 247
		<u>308 384 561</u>	<u>193 020 882</u>
Payments			
Employee costs		(24 869 166)	(25 418 267)
Suppliers		(17 732 841)	(21 959 426)
Grants: Annual and Additional Allocation		(199 781 394)	(372 667 487)
		<u>(242 383 401)</u>	<u>(420 045 180)</u>
Net cash flows from operating activities	21	<u>66 001 160</u>	<u>(227 024 298)</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	3	(1 386 323)	(105 530)
Proceeds from sale of property, plant and equipment	3	22 850	-
Purchase of other intangible assets	4	(623 950)	-
Net cash flows from investing activities		<u>(1 987 423)</u>	<u>(105 530)</u>
Net increase/(decrease) in cash and cash equivalents		64 013 737	(227 129 828)
Cash and cash equivalents at the beginning of the year		70 601 088	297 730 916
Cash and cash equivalents at the end of the year	7	<u>134 614 825</u>	<u>70 601 088</u>

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STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

Budget on Accrual Basis			
	Approved budget	Actual amounts on comparable basis	Difference between final budget and actual
Figures in Rand			
Statement of Financial Performance			
Revenue			
Revenue from exchange transactions			
Other income	-	87 233	87 233
Interest received - investment	1 800 000	4 048 524	2 248 524
Total revenue from exchange transactions	1 800 000	4 135 757	2 335 757
Revenue from non-exchange transactions			
Transfer revenue			
Grants: Additional allocation: PESP	-	180 000 000	180 000 000
Grants: Additional allocation: Infrastructure	-	1 834 881	1 834 881
Grants: Additional allocation: Second and Third Wave	-	2 062 728	2 062 728
Grants: Annual Allocation	123 015 000	123 015 000	-
Other income	-	1 362 504	1 362 504
Total revenue from non-exchange transactions	123 015 000	308 275 113	185 260 113
Total revenue	124 815 000	312 410 870	187 595 870
Expenditure			
Employee related costs	(23 549 000)	(25 500 671)	(1 951 671)
Depreciation and amortisation	-	(1 353 447)	(1 353 447)
Grants: Additional allocation: PESP	-	(181 938 420)	(181 938 420)
Grants: Additional allocation: Infrastructure	-	(1 834 881)	(1 834 881)
Grants: Additional allocation: Second and Third Wave	-	(1 557 715)	(1 557 715)
Operating Expenses	(15 155 000)	(17 789 094)	(2 634 094)
Grants: Annual allocation disbursements	(86 111 000)	(85 990 004)	120 996
Total expenditure	(124 815 000)	(315 964 232)	(191 149 232)
Operating deficit	-	(3 553 362)	(3 553 362)
Loss on disposal of assets and liabilities	-	(61 609)	(61 609)
Deficit before taxation	-	(3 614 971)	(3 614 971)
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	-	(3 614 971)	(3 614 971)

Variances relating to the under/over expenditure are explained below:

An **Additional Allocation** from the Department of Sports, Arts and Culture (DSAC) was received. This relates to the PESP, Infrastructure, Second and Third Wave Projects. The Revenue for these projects are proportional to the payments expedited for these projects. During the year, prior year projects were forfeited to accommodate for additional project approvals.

Employee related costs over expenditure is mainly due to the Senior Executive positions being filled.

Operating Expenditure budget was exceeded, and the main contributory factors were legal fees for PESP and Disciplinary Costs. In addition, audit fees have increased due to the additional projects funded. Management has mitigated the unavoidable expenditure with Interest earned during the year.

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ACCOUNTING POLICIES

Figures in Rand	Note(s)	2023	2022
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1. Significant account policies

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

1.1 Basis of preparations

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

These audited annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand.

In the absence of an issued and effective Standard of GRAP, accounting policies for material transactions, events or conditions were developed in accordance with paragraphs 8, 10 and 11 of GRAP 3 as read with Directive 5.

These accounting policies are consistent with the previous period.

1.2 Significant judgements and sources of estimation uncertainty

In preparing the audited annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the audited annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the audited annual financial statements. Significant judgements include:

Other significant judgements, sources of estimation uncertainty and/or relating information, have been disclosed in the relating notes.

1.3 Property, plant and equipment

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits or service potential associated with the item will flow to the entity; and
- the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

Property, plant and equipment (with the exception of land and buildings) is carried at cost less accumulated depreciation and any impairment losses.

Land and buildings are carried at revalued amount, being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Revaluations are made with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation is restated proportionately with the change in the gross carrying amount of the asset so that the carrying amount of the asset after revaluation equals its revalued amount.

The useful lives of items of property, plant and equipment have been assessed as follows:

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ACCOUNTING POLICIES

1.3 Property, plant and equipment (continued)

Item	Depreciation method	Average useful life
Land		Indefinite
Buildings	Straight line	50 years
Furniture and fixtures	Straight line	6 years
Motor vehicles	Straight line	9 years
Office equipment	Straight line	5 years
Computer equipment	Straight line	3 years
Paintings		Not depreciated
Photocopiers	Straight line	5 years
Banners	Straight line	7 years
Digital equipment	Straight line	3 years

The residual value, and the useful life and depreciation method of each asset are reviewed at the end of each reporting date. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

Reviewing the useful life of an asset on an annual basis does not require the entity to amend the previous estimate unless expectations differ from the previous estimate.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

1.4 Intangible assets

An asset is identifiable if it either:

- is separable, i.e. is capable of being separated or divided from an entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the entity intends to do so; or
- arises from binding arrangements (including rights from contracts), regardless of whether those rights are transferable or separable from the entity or from other rights and obligations.

A binding arrangement describes an arrangement that confers similar rights and obligations on the parties to it as if it were in the form of a contract.

An intangible asset is recognised when:

- it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the entity; and
- the cost or fair value of the asset can be measured reliably.

The entity assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management’s best estimate of the set of economic conditions that will exist over the useful life of the asset.

Where an intangible asset is acquired through a non-exchange transaction, its initial cost at the date of acquisition is measured at its fair value as at that date.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

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ACCOUNTING POLICIES

1.4 Intangible assets (continued)

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

Item	Useful life
Computer software	1-2 years

1.5 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity.

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Derecognition is the removal of a previously recognised financial asset or financial liability from an entity's statement of financial position.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, an entity shall estimate cash flows considering all contractual terms of the financial instrument (for example, prepayment, call and similar options) but shall not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate (see the Standard of GRAP on Revenue from Exchange Transactions), transaction costs, and all other premiums or discounts. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably. However, in those rare cases when it is not possible to reliably estimate the cash flows or the expected life of a financial instrument (or group of financial instruments), the entity shall use the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments).

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction.

A financial asset is:

- cash;
- a residual interest of another entity; or
- a contractual right to:
 - receive cash or another financial asset from another entity; or
 - exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

A financial liability is any liability that is a contractual obligation to:

- deliver cash or another financial asset to another entity; or
- exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the entity.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Liquidity risk is the risk encountered by an entity in the event of difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

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ACCOUNTING POLICIES

1.5 Financial instruments (continued)

Loans payable are financial liabilities, other than short-term payables on normal credit terms.

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

A financial asset is past due when a counterparty has failed to make a payment when contractually due.

A residual interest is any contract that manifests an interest in the assets of an entity after deducting all of its liabilities. A residual interest includes contributions from owners, which may be shown as:

- equity instruments or similar forms of unissued capital;
- a formal designation of a transfer of resources (or a class of such transfers) by the parties to the transaction as forming part of an entity's net assets, either before the contribution occurs or at the time of the contribution; or
- a formal agreement, in relation to the contribution, establishing or increasing an existing financial interest in the net assets of an entity.

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument.

Financial instruments at amortised cost are non-derivative financial assets or non-derivative financial liabilities that have fixed or determinable payments, excluding those instruments that:

- the entity designates at fair value at initial recognition; or
- are held for trading.

Financial instruments at cost are investments in residual interests that do not have a quoted market price in an active market, and whose fair value cannot be reliably measured.

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

- derivatives;
- combined instruments that are designated at fair value;
- instruments held for trading. A financial instrument is held for trading if:
 - it is acquired or incurred principally for the purpose of selling or repurchasing it in the near-term; or
 - on initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short term profit-taking;
- non-derivative financial assets or financial liabilities with fixed or determinable payments that are designated at fair value at initial recognition; and

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ACCOUNTING POLICIES

1.5 Financial instruments (continued)

Classification

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

Class	Category
Trade and other receivables	Financial asset measured at amortised cost
Cash and cash equivalents	Financial asset measured at amortised cost

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

Class	Category
Trade and other payables	Financial liability measured at amortised cost
Projects and bursaries payables	Financial liability measured at amortised cost

Trade and receivables received without directly giving approximately equal value in exchange are recognised as trade and other receivables from exchange transactions.

Trade debtors are receipts comprised of taxes receivable from SARS, prepayment and return of project funds which were unable to continue. Staff advances, deposit and interest receivable are recognised as exchange.

Management recognises the receivables as exchange transactions due to the nature of each of the transactions.

Commitments

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

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

- Contracts should be non-cancellable or only cancellable at significant cost
- Contracts should relate to something other than the routine, steady, state of business for the entity - therefore salary commitments relating to employment contracts are excluded

1.6 Leases

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership. Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts is recognised as an expense and the contractual payment recognised as an operating lease asset or liability. The liability is not discounted.

Operating leases - lessor

Operating lease revenue is recognised as revenue on a straight-line basis over the lease term.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease revenue.

The aggregate cost of incentives is recognised as a reduction of rental revenue over the lease term on a straight-line basis.

The aggregate benefit of incentives is recognised as a reduction of rental expense over the lease term on a straight-line basis.

Income for leases is disclosed under revenue in statement of financial performance.



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ACCOUNTING POLICIES

1.6 Leases (continued)

Operating leases - lessee

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

1.7 Impairment of non-cash-generating assets

Cash-generating assets are assets used with the objective of generating a commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.

Non-cash-generating assets are assets other than cash-generating assets.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets managed with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use.

Useful life is either:

- the period of time over which an asset is expected to be used by the entity; or
- the number of production or similar units expected to be obtained from the asset by the entity.

Judgements made by management in applying the criteria to designate assets as non-cash-generating assets or cash-generating assets, are as follows:

[Specify judgements made]

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ACCOUNTING POLICIES

1.7 Impairment of non-cash-generating assets (continued)

Reversal of an impairment loss

The entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a non-cash-generating asset may no longer exist or may have decreased. If any such indication exists, the entity estimates the recoverable service amount of that asset.

An impairment loss recognised in prior periods for a non-cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable service amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable service amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a non-cash-generating asset is recognised immediately in surplus or deficit.

Any reversal of an impairment loss of a revalued non-cash-generating asset is treated as a revaluation increase.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

1.8 Employee benefits

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

A qualifying insurance policy is an insurance policy issued by an insurer that is not a related party (as defined in the Standard of GRAP on Related Party Disclosures) of the reporting entity, if the proceeds of the policy can be used only to pay or fund employee benefits under a defined benefit plan and are not available to the reporting entity's own creditors (even in liquidation) and cannot be paid to the reporting entity, unless either:

- the proceeds represent surplus assets that are not needed for the policy to meet all the related employee benefit obligations; or
- the proceeds are returned to the reporting entity to reimburse it for employee benefits already paid.

Termination benefits are employee benefits payable as a result of either:

- an entity's decision to terminate an employee's employment before the normal retirement date; or
- an employee's decision to accept voluntary redundancy in exchange for those benefits.

Other long-term employee benefits are employee benefits (other than post-employment benefits and termination benefits) that are not due to be settled within twelve months after the end of the period in which the employees render the related service.

Vested employee benefits are employee benefits that are not conditional on future employment.

Composite social security programs are established by legislation and operate as multi-employer plans to provide post-employment benefits as well as to provide benefits that are not consideration in exchange for service rendered by employees.

A constructive obligation is an obligation that derives from an entity's actions whereby an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities and as a result, the entity has created a valid expectation on the part of those other parties that it will discharge those responsibilities.



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ACCOUNTING POLICIES

1.8 Employee benefits (continued)

Short-term employee benefits

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

Short-term employee benefits include items such as:

- wages, salaries and social security contributions;
- short-term compensated absences (such as paid annual leave and paid sick leave) where the compensation for the absences is due to be settled within twelve months after the end of the reporting period in which the employees render the related employee service; and
- bonus, incentive and performance related payments payable within twelve months after the end of the reporting period in which the employees render the related service.

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

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

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

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

1.9 Provisions and contingencies

Provisions are recognised when:

- the entity has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised.

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ACCOUNTING POLICIES

1.9 Provisions and contingencies (continued)

Provisions are not recognised for future operating deficit.

If an entity has a contract that is onerous, the present obligation (net of recoveries) under the contract is recognised and measured as a provision.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Loan commitment is a firm commitment to provide credit under pre-specified terms and conditions.

The entity recognises a provision for financial guarantees and loan commitments when it is probable that an outflow of resources embodying economic benefits and service potential will be required to settle the obligation and a reliable estimate of the obligation can be made.

Determining whether an outflow of resources is probable in relation to financial guarantees requires judgement. Indications that an outflow of resources may be probable are:

- financial difficulty of the debtor;
- defaults or delinquencies in interest and capital repayments by the debtor;
- breaches of the terms of the debt instrument that result in it being payable earlier than the agreed term and the ability of the debtor to settle its obligation on the amended terms; and
- a decline in prevailing economic circumstances (e.g. high interest rates, inflation and unemployment) that impact on the ability of entities to repay their obligations.

Where a fee is received by the entity for issuing a financial guarantee and/or where a fee is charged on loan commitments, it is considered in determining the best estimate of the amount required to settle the obligation at reporting date. Where a fee is charged and the entity considers that an outflow of economic resources is probable, an entity recognises the obligation at the higher of:

- the amount determined using in the Standard of GRAP on Provisions, Contingent Liabilities and Contingent Assets; and
- the amount of the fee initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the Standard of GRAP on Revenue from Exchange Transactions.

1.10 Revenue from exchange transactions

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

An exchange transaction is one in which the entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

1.11 Revenue from non-exchange transactions

Non-exchange transactions are defined as transactions where the entity receives value from another entity without directly giving approximately equal value in exchange.

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

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ACCOUNTING POLICIES

1.11 Revenue from non-exchange transactions (continued)

Government grants

Government grants are recognised as revenue when:

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

The entity assesses the degree of certainty attached to the flow of future economic benefits or service potential on the basis of the available evidence. Certain grants payable by one level of government to another are subject to the availability of funds. Revenue from these grants is only recognised when it is probable that the economic benefits or service potential associated with the transaction will flow to the entity. An announcement at the beginning of a financial year that grants may be available for qualifying entities in accordance with an agreed programme may not be sufficient evidence of the probability of the flow. Revenue is then only recognised once evidence of the probability of the flow becomes available.

Restrictions on government grants may result in such revenue being recognised on a time proportion basis. Where there is no restriction on the period, such revenue is recognised on receipt or when the Act becomes effective, whichever is earlier.

When government remit grants on a re-imbursment basis, revenue is recognised when the qualifying expense has been incurred and to the extent that any other restrictions have been complied with.

Conditional grants and receipts

Revenue received from conditional grants and funding are recognised as revenue to the extent that the National Arts Council of South Africa has complied with any of the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been met, a deferred grant income liability is recognised.

1.12 Investment income

Investment income is recognised on a time-proportion basis using the effective interest method.

1.13 Fruitless and wasteful expenditure

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

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.14 Irregular expenditure

Irregular expenditure as defined in section 1 of the PFMA is expenditure other than unauthorised expenditure, incurred in contravention of or that is not in accordance with a requirement of any applicable legislation, including -

- (a) this Act; or
- (b) the State Tender Board Act, 1968 (Act No. 86 of 1968), or any regulations made in terms of the Act; or
- (c) any provincial legislation providing for procurement procedures in that provincial government.

National Treasury practice note no. 4 of 2008/2009 which was issued in terms of sections 76(1) to 76(4) of the PFMA requires the following (effective from 1 April 2008):

Irregular expenditure that was incurred and identified during the current financial and which was condoned before year end and/or before finalisation of the financial statements must also be recorded appropriately in the irregular expenditure register. In such an instance, no further action is also required with the exception of updating the note to the financial statements.

Irregular expenditure that was incurred and identified during the current financial year and for which condonement is being awaited at year end must be recorded in the irregular expenditure register. No further action is required with the exception of updating the note to the financial statements.

Where irregular expenditure was incurred in the previous financial year and is only condoned in the following financial year, the register and the disclosure note to the financial statements must be updated with the amount condoned.

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ACCOUNTING POLICIES

1.14 Irregular expenditure (continued)

Irregular expenditure that was incurred and identified during the current financial year and which was not condoned by the National Treasury or the relevant authority must be recorded appropriately in the irregular expenditure register. If liability for the irregular expenditure can be attributed to a person, a debt account must be created if such a person is liable in law. Immediate steps must thereafter be taken to recover the amount from the person concerned. If recovery is not possible, the accounting officer or accounting authority may write off the amount as debt impairment and disclose such in the relevant note to the financial statements. The irregular expenditure register must also be updated accordingly. If the irregular expenditure has not been condoned and no person is liable in law, the expenditure related thereto must remain against the relevant programme/expenditure item, be disclosed as such in the note to the financial statements and updated accordingly in the irregular expenditure register.

1.15 Budget information

Entity are typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, appropriation or similar.

The approved budget covers the fiscal period from 2022/04/01 to 2023/03/31.

The entity shall provide information whether resources were obtained and used in accordance with legally adopted budget for general purpose financial reporting.

The audited annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of comparison of budget and actual amounts.

1.16 Related parties

The entity operates in an economic sector currently dominated by entities directly or indirectly owned by the South African Government. As a consequence of the constitutional independence of the three spheres of government in South Africa, only entities within the national sphere of government are considered to be related parties.

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

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

1.17 Events after reporting date

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

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

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

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



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NOTES TO THE AUDITED ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2023	2022
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2. New standards and interpretations

2.1 Standards and interpretations issued, but not yet effective

The entity has not applied the following standards and interpretations, which have been published and are mandatory for the entity's accounting periods beginning on or after 01 April 2023 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after
• GRAP 25 (as revised): Employee Benefits	01 April 2023
• GRAP 104 (as revised): Financial Instruments	01 April 2025
• GRAP 1 (amended): Presentation of Financial Statements	01 April 2023

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3. Property, plant and equipment

	2023			2022		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Land	5 410 000	-	5 410 000	4 312 500	-	4 312 500
Buildings	18 203 225	(1 970 401)	16 232 824	14 546 470	(1 608 970)	12 937 500
Furniture and fixtures	1 029 068	(851 255)	177 813	1 029 068	(896 989)	332 079
Motor vehicles	151 042	(150 203)	839	151 042	(148 525)	2 517
Office equipment	761 882	(628 770)	133 112	691 882	(563 749)	128 133
Computer equipment	2 332 356	(1 239 021)	1 093 335	1 509 900	(1 196 422)	313 478
Paintings	52 270	-	52 270	52 270	-	52 270
Banners	60 318	(43 973)	16 345	47 610	(40 336)	7 274
Digital equipment	8 800	(8 800)	-	8 800	(8 800)	-
Total	28 008 961	(4 892 423)	23 116 538	22 349 542	(4 263 791)	18 085 751

Reconciliation of property, plant and equipment - 2023

	Opening balance	Additions	Disposals	Other movements /revaluation /impairment	Depreciation	Total
Land	4 312 500	-	-	1 097 500	-	5 410 000
Buildings	12 937 500	-	-	3 656 754	(361 430)	16 232 824
Furniture and fixtures	332 079	-	-	-	(154 266)	177 813
Motor vehicles	2 517	-	-	-	(1 678)	839
Office equipment	128 133	70 000	-	-	(65 021)	133 112
Computer equipment	313 478	1 303 615	(61 608)	-	(462 150)	1 093 335
Paintings	52 270	-	-	-	-	52 270
Banners	7 274	12 708	-	-	(3 637)	16 345
Total	18 085 751	1 386 323	(61 608)	4 754 254	(1 048 182)	23 116 538

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NOTES TO THE AUDITED ANNUAL FINANCIAL STATEMENTS

3. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2022

	Opening balance	Additions	Disposals	Other movements / revaluation / impairment	Depreciation	Total
Land	3 275 000	-	-	1 037 500	-	4 312 500
Buildings	8 979 750	-	-	4 105 273	(147 523)	12 937 500
Furniture and fixtures	486 346	-	-	-	(154 267)	332 079
Motor vehicles	5 035	-	-	-	(2 518)	2 517
Office equipment	211 609	-	-	-	(83 476)	128 133
Computer equipment	477 584	105 530	(508)	-	(269 128)	313 478
Paintings	52 270	-	-	-	-	52 270
Photocopiers	10 753	-	-	-	(10 753)	-
Banners	16 540	-	-	-	(9 266)	7 274
	13 514 887	105 530	(508)	5 142 773	(676 931)	18 085 751

Change in estimate: Useful life of assets review

A change in the estimated useful life of assets in computer equipment and office equipment, resulted in a change in depreciation for the year. NAC discloses the nature and the amount resulting from the change in an accounting estimate that has an effect in the current period and is expected to have an effect in future. This change in estimate is applied prospectively.

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3. Property, plant and equipment (continued)		
Revaluations/(Impairment)		
Building ERF 138 Newtown Township	1 965 281	(942 915)
DTS Building ERF, 62 Goud Street	2 788 974	6 085 688
	4 754 255	5 142 773

National Arts Council Building

The effective date of the of the revaluations was 31 March 2023 for both National Arts Council and Downtown Studios. The revaluations were performed by an independent valuer, Mr Tshepo Mokhuwa, professional valuer of Black Dot (Pty) Ltd. Mr Tshepo Mokhuwa is not connected to the National Arts Council of South Africa.

Key unobservable inputs used in the valuation model included estimated Lettable Area (1,645 square metres), and Vacancy Rate (3%). A capitalisation rate of 12% was applied based on comparable, observable sales and capitalisation rates for offices in the Johannesburg area, adjusted for the condition and locality of the NAC property, and data from other proprietary sources.

The estimated value of the property increased from the previous reporting period for National Arts Council.

Other information

Property, plant and equipment fully depreciated and still in use (Gross carrying amount)	2023	2022
Digital equipment	8 800	19 555
Office equipment	58 696	58 696
Computer equipment	782 293	533 410
Furniture & fittings	46 570	46 570
	896 359	658 231

Repairs and maintenance

During the financial year, repairs and maintenance cost amounted to R 124 253 (2022: R 74 880).

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4. Intangible assets

	2023			2022		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software	1 430 115	(1 066 643)	363 472	806 165	(761 378)	44 787

Reconciliation of intangible assets - 2023

	Opening balance	Additions	Amortisation	Total
Computer software	44 787	623 950	(305 265)	363 472

Reconciliation of intangible assets - 2022

	Opening balance	Amortisation	Total
Computer software	67 181	(22 394)	44 787

Intangible assets fully amortised and still in use (Gross carrying amount)

	2023	2022
Computer software	170 671	-

5. Operating lease asset

Current assets	14 596	77 528
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Notes to the Audited Annual Financial Statements

Figures in Rand	2023	2022
6. Trade and other receivables from exchange		
Trade debtors	-	118 977
Staff advances	1 045	-
Deposits	6 477	6 477
Interest receivable	326 319	197 618
	333 841	323 072

Trade and other receivables past due but not impaired

Trade and other receivables which are less than 90 days past due are not considered to be impaired. At 31 March 2023, receivables amounting to R 35 000 were past due and management made the decision to write off the debt. Amounts more than 90 days past due are disclosed in the age analysis of accounts receivable below.

The NAC has not provided for these trade receivables as there has been no significant change in their credit quality and the amounts are still considered recoverable.

Age Analysis of Accounts Receivable - 2023

	Current	30 days	60 days	90 days	120 days	Total
Trade debtors	-	-	-	-	-	-

Age Analysis of Accounts Receivable - 2022

	Current	30 days	60 days	90 days	120 days	Total
Trade debtors	37 487	-	-	35 000	46 490	118 977

7. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	5 000	5 000
Cash at Bank - Current Account	1 290 261	1 748 940
Cash at Bank - Call Account	95 010 822	3 756 282
Cash at Bank - CPD Investment Account	38 308 742	65 090 866
	134 614 825	70 601 088

Analysis of Bank Accounts

NAC- Petty Cash	5 000	5 000
NAC- Current Account	1 290 261	1 748 940
NAC- Call Account	95 010 822	3 756 282
NAC- CPD Investment Account	38 308 742	65 090 866
	134 614 825	70 601 088

The NAC has a fleet card facility to the value of R8 000.

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Figures in Rand	2023	2022
8. Trade and other payables		
Trade payables	-	144 323
Honoraria	197 569	298 487
Accrued expenses	790 629	1 450 826
Salary related accruals	381 272	385 208
	1 369 470	2 278 844

Trade payables are non-interest bearing and are normally settled on a 30 day term.

Age analysis of trade payables - 2023

	Current	30 days	60 days	90 days	120 days	Total
Trade payables	-	-	-	-	-	-

Age analysis of trade payables - 2022

	Current	30 days	60 days	90 days	120 days	Total
Trade payables	144 323	-	-	-	-	144 323

9. Grants: Additional allocation payable

Unspent conditional grants and receipts comprises of:

Unspent conditional grants and receipts		
Unspent grants 1	4 517 380	6 580 108

Movement during the year

Balance at the beginning of the year	9 057 857	10 377 707
Add: Income received from DSAC : Capital works	1 327 604	1 390 980
Add: Income received from DSAC : Third Wave	-	62 665 000
Less: DSAC : Capital Works	(1 834 881)	(160 290)
Less: DSAC : Second Wave	(518 212)	(250 800)
Less: DSAC : Third Wave	(1 544 515)	(64 964 740)
Balance at the end of the year	6 487 853	9 057 857

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Figures in Rand	2023	2022
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10. Provisions

Reconciliation of provisions - 2023

	Opening Balance	Provisions raised	Utilised during the year	Total
Leave pay	788 053	591 342	(471 232)	908 163
Performance bonus	1 171 407	511 404	-	1 682 811
	1 959 460	1 102 746	(471 232)	2 590 974

Reconciliation of provisions - 2022

	Opening Balance	Provisions raised	Utilised during the year	Reversed during the year	Total
Leave pay	1 094 088	424 858	(730 893)	-	788 053
Performance bonus	622 718	1 171 407	(43 085)	(579 633)	1 171 407
	1 716 806	1 596 265	(773 978)	(579 633)	1 959 460

A provision for leave is recognised for leave due to employees at period end and calculated using the BCEA rates. The provision is expected to be realised within the following financial year when the employees utilise the leave, resign or retire.

"Performance bonus" represents management's best estimate of the NAC's liability for staff bonuses. The provision raised estimates the amount of the provision based on the anticipated performance of employees. This anticipated performance is based on experience with the employees of the NAC, taking into account performance trends in the prior periods.

11. COVID-19 Project

Opening balance	607 786	5 616 846
Less: Payments		
Strategic Partnership	(215 000)	(2 555 000)
25% Payments to Muted Projects	-	(12 750)
Provincial Partnerships	-	(176 835)
Capacity Building Workshops	(233 000)	(693 000)
Less: Unmuting of Projects	-	(1 571 475)
Closing balance	159 786	607 786

In the 2021/22 reporting period an amount of R1 371 475 was redirected from the Muted Projects to normal grant payables. These projects were able to continue with their projects post - covid.

In prior years, NAC Council resolved to pledge funds towards a COVID-19 Relief Fund aimed at Arts Organisations and Individuals affected by the pandemic. In addition, Capacity Building Workshops were held to encompass skills transfer to the sector.

The balance outstanding is on the COVID-19 projects approved in the prior year and will be disbursed in the 2023/24 financial year.

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NOTES TO THE AUDITED ANNUAL FINANCIAL STATEMENTS

12. Grants: Annual allocation payable

Projects and bursary expenditure is a core business of the National Arts Council of South Africa.

The projects and bursaries that meet the criteria of a present obligation are recognised.

Projects and Bursaries Payable

Opening Balance	(68 233 394)	(272 861 102)
Net Movement	207 934 414	204 627 708

139 701 020	(68 233 394)
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Annual allocation	92 840 775	56 276 830
Additional Allocation: PESP	46 860 245	11 884 564

139 701 020	68 161 394
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13. Revaluation reserve

Opening balance	12 610 408	7 467 635
Change during the year	4 754 255	5 142 773

17 364 663	12 610 408
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14. Other income

Other income	87 233	8 044
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15. Investment revenue

Interest revenue

Bank	4 048 524	4 243 247
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16. Revenue

Grants: Annual Allocation	123 015 000	120 137 000
Interest received - investment	4 048 524	4 243 247
Grants: Additional allocation: PESP	180 000 000	-
Grants: Additional allocation: Infrastructure	1 834 881	160 290
Grants: Additional allocation: Second and Third Wave	2 062 728	65 215 540
Other income	1 449 738	2 742 074

312 410 871	192 498 151
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The amount included in revenue arising from exchanges of goods or services are as follows:

Other income: sale of assets and insurance payout	87 233	8 044
Interest received - investment	4 048 524	4 243 247

4 135 757	4 251 291
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The amount included in revenue arising from non-exchange transactions is as follows:

Department of Sports Arts and Culture - Grant received	123 015 000	65 375 830
Department of Sports Arts and Culture - Grant received	183 897 609	120 297 290
Grants: Additional allocation: Second and Third Wave	-	65 215 540
Other income	1 362 504	2 734 030

308 275 113	253 622 690
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17. Employee related costs		
Basic salary	20 498 832	21 351 198
Medical aid - company contributions	1 705 910	1 610 548
Unemployment Insurance Fund (UIF)	135 961	123 698
Workers Compensation Assistance (WCA)	-	60 744
Leave pay provision charge	937 261	(212 737)
Provident fund	1 415 185	1 549 448
PESP staff	-	578 567
Pension plans	604 523	379 284
Overtime payments	27 696	52 596
Housing benefits and allowances	175 303	167 575
	25 500 671	25 660 921
18. Operating expenses		
Auditors' fees (External)	1 756 695	991 010
Auditors' fees (Internal)	319 281	142 292
Bad debts	35 000	-
Bank charges	55 869	119 573
Board Secretarial services	161 850	775 594
Cellphone	992 211	1 568 051
Cleaning	100 749	126 733
Consulting fees	894 506	1 377 570
Expense reimbursements	36 138	37 456
Forensic investigation	-	1 572 486
Fuel and oil	35 940	29 176
IT expenses	1 422 495	1 657 906
Insurance	186 833	154 924
Interest paid	-	59 972
Legal expenses	5 573 445	4 742 629
Marketing	758 072	854 528
Minor assets expense	17 103	2 699
Motor vehicle expenses	420 471	217 605
Office expenses	351 508	88 338
Postage and courier	-	1 063
Printing and stationery	59 588	35 573
Recruitment costs	126 865	221 076
Remuneration - Council	1 977 694	3 611 769
Repairs and maintenance	124 253	74 880
Security	800 833	803 086
Staff training	109 870	115 304
Staff welfare	27 434	63 387
Subscriptions and membership fees	85 768	2 447
Telephone and fax	220 055	182 886
Travel and accommodation - Board	126 346	61 845
Travel and accommodation - Staff	50 827	10 329
Venue expenses	123 424	93 955
Water and Electricity	837 971	767 270
	17 789 094	20 563 412

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	2023	2022
19. Project and Bursary Expenses		
Projects	22 348 134	18 913 763
Orchestras	21 583 000	21 583 000
Organisational Support Funding (Company Funding)	23 000 000	23 000 000
Individuals	11 085 912	8 461 774
Bursaries	7 972 958	6 438 723
	85 990 004	78 397 260
Conditional grant disbursements		
Second wave	13 200	250 800
Third wave	1 544 515	64 964 740
Grants: Additional allocation: PESP	181 938 420	18 098 068
	183 496 135	83 313 608

Infrastructure projects R1 834 881 (2022: R160 290)

20. Presidential Employment Stimulus Programme (PESP)

The National Arts Council of South Africa received an allocation of R180 million for PESP 3 Funding during the 2023/2022 financial year, of which R7,2 million was for administration of PESP. An additional R1 938 421 was disbursed to settle legal matters of prior year PESP funding.

Reconciliation of movement during the year:

Allocation received	180 000 000	197 706 688
Expenditure:	37 563 775	215 804 756
Cash payments disbursed	-	203 920 192
Accrued amount as at year end	37 563 775	11 884 564
	142 436 225	(18 098 068)
PESP 3	37 563 775	-
PESP 3 Admin Accrual	624 687	-
PESP 3 Projects Accrual	36 939 088	-
PESP 1 & 2 Accrual	9 296 470	11 884 564
Total amount payable at 31 March 2023	46 860 245	11 884 564

The PESP's purpose is to support employment retention and create work opportunities for the Arts Sector.

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	2023	2022
21. Cash generated from (used in) operations		
Deficit	(3 614 971)	(16 297 169)
Adjustments for:		
Depreciation and amortisation	1 353 447	699 321
Disposal of assets	38 759	508
Movements in operating lease assets and accruals	62 932	4 350
Movements in provisions	631 514	242 654
Changes in working capital:		
Trade and other receivables from exchange	(10 769)	522 731
Trade and other payables	(909 374)	(1 240 074)
Deferred grant income	(2 570 004)	(1 319 850)
COVID-19 Project	-	(3 437 586)
Grants: Annual and additional payables	71 019 626	(206 199 183)
	66 001 160	(227 024 298)

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Figures in Rand	2023	2022
22. Commitments		
Authorised operational expenditure		
Already contracted for but not provided for		
• Water dispensers	828	828
• Rental of parking bays	168 668	109 480
• Data and Cellphone	3 659 014	80 980
• Marketing	400 225	45 120
• Cleaning Services	176 378	7 271
• Maintenance of air conditioning units	-	16 802
• Staff wellness	180 510	13 265
• BEE Services	-	54 459
• IT Services	1 440 059	750 974
• Marketing	-	6 429
• PABX System	91 651	248 778
• Photocopiers	-	179 987
• Short term insurance	-	124 942
• Internal audit secondment	-	124 000
• Internal audit	1 344 376	-
• Security	568 333	516 667
• Maintenance of lift	8 751	43 800
• GRAP & Staff Training	59 175	13 999
• Legal services	746 191	1 494 474
• Job grading	-	69 345
• Building valuer	55 970	-
• Pest control and fumigation	23 782	-
• Installation of invertor, Solar Panel & Battery	626 750	-
	9 550 661	3 901 600
Total operational commitments		
Already contracted for but not provided for	9 550 661	3 901 600
Commitments		
Total commitments		
Authorised capital expenditure	-	78 112 023
Authorised operational expenditure	9 550 661	-
	9 550 661	78 112 023

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Figures in Rand	2023	2022
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23. Related parties

Relationships	
Controlling entity	Department of Sports, Arts and Culture
Members	Refer to note 24
Members of key management	Refer to note 24

The following statutory bodies, Constitutional bodies, Performing Arts Councils and Heritage Institutions are affiliated to National Arts Council by virtue of been controlled by the Department of Sports, Arts and Culture.

Statutory Bodies

- Business Arts South Africa
- National Film and Video Foundation
- South African Heritage Resources Agency
- National Heritage Council

Constitutional Bodies

- Pan South African Language Board

Performing Arts Councils

- Artscape, Cape Town
- State Theatre, Pretoria
- Playhouse Company, Durban
- Performing Arts Centre of the Free State, Bloemfontein
- Market Theatre Foundation, Johannesburg

Heritage Institutions

- Afrikaanse Taal museum, Paar.
- Ditsong/Northern Flagship, Pretoria
- Engelenburg House Collection, Pretoria (NPI)
- Freedom Park, Pretoria
- Iziko Museums of Cape Town
- KwaZulu-Natal Museum, Pietermaritzburg
- Luthuli Museum, Groutville
- Msunduzi/Voortrekker Museum, Pietermaritzburg
- National English Literary Museum, Makhanda (Grahamstown)
- National Heritage Council, Pretoria
- National Museum, Bloemfontein
- Nelson Mandela Museum, Mthatha
- Robben Island Museum, Cape Town
- War Museum of the Boer Republics, Bloemfontein
- William Humphreys Art Gallery, Kimberley
- Amazwi - South African Museum of Literature and Steve Biko Foundation
- Polokwane Art Museum

Transfers and subsidies

- Provinces and municipalities (conditional grant payments)
- Higher education institutions
- Public corporations & private enterprises
- Foreign organisations
- Non-profit institutions
- Households



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NOTES TO THE AUDITED ANNUAL FINANCIAL STATEMENTS

Figures in Rand	2023	2022
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23. Related parties (continued)

Other public entities

- Market Theatre Foundation
- South African Library for the Blind
- National Library of South Africa
- Blind SA
- National Empowerment Fund
- Cultural and Creative Industries Development
- National Language Services
- Rashid Lombard Inc (Pty) Ltd
- Back to the City festival
- Lamathonsi Entertainment
- Saigen
- Arts and culture industries: Local market development and promotion
- Human languages technologies projects
- Human languages technologies projects (Council for Scientific and Industrial and Research)
- Mandela Bay Theatre Complex
- Upgrading of community arts centres
- Creative industries stimulu
- Mmabana Arts, Culture and Sports Foundation
- Performing arts institutions: Mzansi golden economy (incubators entrepreneur and local content development)
- Various institutions: Mzansi golden economy (community arts development)
- Various institutions: Mzansi golden economy (artists in schools)
- Various institutions: Mzansi golden economy (cultural events)
- National Youth Development Agency
- Mzansi golden economy: Art Bank resources
- Boxing South Africa
- South African Institute for Drug-Free Sport
- Culture, Arts, Tourism, Hospitality and Sport Sector Education and Training Authority

Related party transactions

Amount paid to (received from) related and former related parties

Department of Department of Sport, Arts and Culture	(303 015 000)	(120 137 000)
Payable to Department of Sport, Arts and Culture	(4 717 609)	(65 375 830)

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Figures in Rand

24. Emoluments

Executive

2023

	Basic Salary	Travel Allowance	Housing Allowance/ Acting Allowance/ Other Benefits	Total*
Chief Executive Officer	127 178	28 712	1 135 361	1 291 251
Acting Chief Executive Officer (01 September 2022 to 31 March 2023)	-	-	161 409	161 409
Interim Chief Executive Officer (01 April 2022 to 30 August 2022)	643 506	-	68 116	711 622
Chief Financial Officer (01 April 2022 to 30 June 2022)	329 875	-	158 020	487 895
Interim Chief Financial Officer (01 April 2022 to 28 February 2023)	1 605 083	-	116 596	1 721 679
Acting Chief Financial Officer (01 February 2023 to 31 March 2023)	-	-	40 803	40 803
Finance Manager	1 081 640	-	46 695	1 128 335
Arts Development Manager	1 321 464	-	33 001	1 354 465
IT Manager	951 070	-	22 465	973 535
Communications & Marketing Manager (01 April 2022 to 30 June 2022)	182 700	-	7 424	190 124
Acting Communications & Marketing Manager (01 July 2022 to 31 December 2022)	-	-	102 737	102 737
Acting Communications & Marketing Manager (01 February 2022 to 31 March 2023)	-	-	77 828	77 828
Acting HR Manager (01 April 2022 to 30 June 2022)	105 000	-	157 352	262 352
HR Manager (01 July 2022 to 31 March 2023)	671 756	-	1 594	673 350
Board Secretary (01 April 2022 to 30 April 2022)	-	-	3 573	3 573
Board Secretary (01 April 2022 to 31 March 2023)	1 030 764	-	2 125	1 032 889
Supply Chain Manager (01 October 2022 to 31 March 2023)	412 144	-	1 063	413 207
	8 462 180	28 712	2 136 162	10 627 054

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Figures in Rand

24. Emoluments (continued)

2022

	Basic Salary	Salary Structure-13th Cheque	Travel Allowance	Housing Allowance/ Acting Allowance/ Other Benefits	Total*
Chief Executive Officer	1 551 646	-	344 540	2 068	1 898 254
Acting Chief Executive Officer: (01 April 2021 to 10 September 2021)	-	-	-	262 122	262 122
Interim Chief Executive Officer: (11 September 2021 to 31 March 2022)	866 620	-	-	1 240	867 860
Chief Financial Officer	1 339 840	-	-	2 069	1 341 909
Interim Chief Financial Officer: (1 February 2022 to 31 March 2022)	283 333	-	-	355	283 688
Acting Chief Financial Officer: (1 April 2021 to 30 January 2022)	-	-	-	264 452	264 452
Finance Manager	957 955	79 630	-	27 459	1 065 044
Acting Finance Manager: (01 April to 31 October 2021)	-	-	-	175 617	175 617
Arts Development Manager	1 271 771	97 060	-	12 605	1 381 436
Acting Arts Development Manager: (1 April 2021 to 14 January 2022)	-	-	-	259 932	259 932
IT Manager	933 539	-	-	12 239	945 778
Communications & Marketing Manager	740 640	-	-	37 990	778 630
Acting HR Manager (01 April 2021 to 30 January 2022)	-	-	-	484 038	484 038
	7 945 344	176 690	344 540	1 542 186	10 008 760

*The total remuneration is the cost to company package to the National Arts Council.

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24. Emoluments (continued)

Non-executive - Council members

2023

	Council	Other fees
H.R.H Celenhle Dlamini (Chairperson)	121 230	54 756
Mr Phumzile Zitumane (Deputy Chairperson)	21 904	8 214
Mr B Tembe (Deputy Chairperson) (1 November 2022 - 31 March 2023)	41 514	20 676
Mr J Chisekule	74 274	83 070
Ms S D'Silva	40 638	34 400
Dr Siphso Sithole	50 310	90 000
Ms Kim Matthews	71 892	99 888
Mr Ashley Latchu	67 128	53 757
Adv Eric Nkosi	48 072	21 144
Mr Tshepo Mashiane	-	21 438
Mr Gamelihle Mbuyane	50 166	87 258
Ms Nise Bulelwa Malange	62 220	65 388
Ms Layla Swart	30 966	64 740
Ms Linda Mvanana	16 674	14 292
Ms Celiwe Ngwenya	71 892	11 832
Ms Bernedette Muthien	36 018	79 320
Mr Zanaxolo Koyana (External ARC member)	5 238	6 581
Ms Charlene Louw (External ARC member)	5 238	1 185
	815 374	817 939

2022

	Council	Other fees
H.R.H Celenhle Dlamini (Chairperson)	151 632	330 480
Mr Phumzile Zitumane	91 668	169 714
Mr B Tembe	47 640	88 134
Mr Michael Arendse	76 224	155 960
Ms Thokozile Nogabe	66 696	69 078
Mr John Raphela	16 674	-
Mr Sikhuthali Nyangintsimbi	11 910	-
Mr J Chisekule	71 460	111 954
M Loubser	50 022	69 078
Ms S D'Silva	50 022	79 794
Dr Siphso Sithole	90 516	202 470
Ms Kim Matthews	90 516	52 404
Mr Ashley Latchu	92 898	75 264
Adv Eric Nkosi	78 606	69 078
Mr Tshepo Mashiane	85 752	173 886
Mr Gamelihle Mbuyane	88 134	109 572
Ms Nise Bulelwa Malange	90 516	78 606
Mr Mbangiseni Masia	19 056	42 876
Ms Layla Swart	78 606	47 640
Ms Linda Mvanana	76 224	50 022
Ms Marion Mbina-Mthembu	35 730	7 146
Mr Tebogo Kekana	4 764	-
Mr Zanaxolo Koyana (External ARC member)	-	5 238
Ms Charlene Louw (External ARC member)	16 674	10 002
	1 481 940	1 998 396



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24. Emoluments (continued)

The following members resigned as follows:

- Mr Tshepo Mashiane - 14 June 2022
- Ms Marion Mbina Mthembu - 20 July 2022
- Ms Linda Mvanana - 1 August 2022

Ms Bernedette Muthien was appointed on 1 April 2022.

Dr Celiwe Ngwenya was appointed on 1 April 2022.

Other fees constitute but not limited to Parliamentary Portfolio Committee meetings, Stakeholder meetings, Public Protector meetings and PESP meetings.

The Minister relieved Mr Phumzile Zitumane of his duties as a member of Council on 11 August 2022.

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NOTES TO THE AUDITED ANNUAL FINANCIAL STATEMENTS

24. Emoluments (continued)

Non executive - Panel members

In terms of the National Arts Council Act, the Council may establish an advisory panel for every field of the arts it deems necessary. Membership of each advisory panel consists of persons who have achieved distinction or have special knowledge or experience in the field of the arts in question, and who are not members of the Council. The advisory panels advise the Council on the merits of applications for grants and on any matter relating to the field of the arts for which they were appointed.

	2023	2022
	Remuneration	Remuneration
Ms Carol Brown	-	84 500
Mr Kingdom Moshounyane	-	84 500
Ms Celeste Wannenburg	-	84 500
Ms Moleboheng Mokomele	-	80 275
Mr Mandla Maseko	250 001	50 353
Ms Penelope Thloloe	91 951	82 652
M.C. Roodt	8 450	33 451
Ms Nontsokolo Mhlotshana	43 451	33 926
Mr Vusabantu Ngema	209 504	82 402
Mr Siphe Potelwa	202 479	67 652
Mr Richard Mbokodo	83 652	38 402
Mr Michael Garbett	138 579	87 152
Mr Njabulo Jimmy Sibiyi	105 628	82 402
Ms Zannele Libambo	91 128	33 451
Mr Tshepo Gaerupe	48 427	29 951
Mr Abe Sibiyi	158 227	100 603
Mr Lentswe Martin Mathole	96 104	68 152
Mr Toki Mohoto	109 854	74 201
Mr Obett Motaung	138 077	87 152
Ms Zaide Hameker	181 779	112 676
Mr Thami Mdluli	169 800	109 603
Ms Jane Mpholo	142 555	86 902
Ms Karabo Lucy Mogane	133 026	69 102
Ms Lerato Molemong	106 126	48 201
Dr Linda Kwatsha	111 650	64 877
Ms Boitumelo Langa	71 125	64 152
Ms Maganthrie Pillay	87 902	20 201
Ms Martha Lekonyane	80 079	56 652
Ms Mapula Oageng	134 104	80 902
Ms Mavis Taole	79 829	64 652
Ms Maye Zuma	278 683	112 426
Mr Songezile Madikida	119 902	108 895
Mr Sizwe Fortune Zuma	162 256	29 951
Mr Siyabonga Ngcakani	181 780	12 676
Mr Edward Phiri	279 157	110 103
Mr William Jiyana	52 152	18 701
Mr Nduduzo Gumede	71 376	64 652
Ms Melany Fuma	181 778	112 676
Mr Angelo Mockie	118 604	65 127
Mr Ambani Ramaru	177 504	60 427
Mr Nathan Bagarette	119 103	60 628
Ms Anikki Maswanganye	181 776	107 701
Mr Dzunisani Shibambu	178 006	105 627
Mr Mpho J Molepo	209 251	13 000
	5 384 815	3 046 187

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NOTES TO THE AUDITED ANNUAL FINANCIAL STATEMENTS

24. Emoluments (continued)

Audit and Risk Committee members

	2023	2022
	Emoluments	Emoluments
Ms Stephanie D'Silva (Chairperson)	78 351	60 438
Ms Charlene Louw (External Audit Committee member)	42 141	34 047
Mr Ashley Latchu (Audit Committee Member)	37 061	36 666
Mr Zanoxolo Koyana (Audit Committee Member)	47 537	13 095
Mr Success Marota (Audit Committee Member)	18 333	5 238
Ms Amanda Mazibuko (External Audit Committee member)	13 490	-
Mr Tshabedi Serote (External Audit Committee member)	13 490	-
Mr Sikhuthali Nyangintsimbi (External Audit Committee member)	-	15 714
Mr John Raphela (External Audit Committee member)	-	20 952
	250 403	186 150

Human Resources Committee Members

	2023	2022
Adv E Nkosi (Chairperson)	26 490	19 056
Dr S Sithole	24 108	21 438
Ms L Mvanana	7 146	16 674
Ms C Ngwenya	16 890	-
Mr J Chisekula	19 344	-
H.R.H C Dlamini	-	31 104
	93 978	88 272

25. Risk management

Liquidity risk

The National Arts Council of South Africa manages liquidity through the management of working capital, capital expenditure and cash flow and by variance reports between actual and budget items.

As at 31 March 2023	Interest Rate %	Year 1	Year 1 - 5	Over 5 years
Trade and other payables	Interest free	-	-	-
As at 31 March 2022	Interest Rate %	Year 1	Year 1 - 5	Over 5 years
Trade and other payables	Interest free	-	-	-

Financial Instruments

	2023	2022
Cash and cash equivalents	134 614 825	70 601 088
Trade and other receivables	333 841	323 072
Trade and other Payables	(1 369 470)	(2 278 844)
	133 579 196	68 645 316

As at 31 March 2023 the carrying values of cash and cash equivalents, trade and other payables approximate their fair values due to the short term maturities of these assets and liabilities as disclosed above

Credit risk

Credit risk is the risk of economic loss should any of NAC's clients or market counterparties fail to fulfill their contractual obligations.

Financial assets, which potentially subject the entity to the risk of non-performance by counter parties and thereby subjecting it to credit concentrations of credit risk, consist mainly of cash and cash equivalents, investments and accounts receivable.

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NOTES TO THE AUDITED ANNUAL FINANCIAL STATEMENTS

25. Risk management (continued)

Credit risk consists mainly of cash deposits, cash equivalents and trade receivables. The entity managed to limit its exposure by only dealing with well-established financial institutions, approved by the National Treasury. The entity's exposure is continuously monitored by the Accounting Authority. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Liquidity risk

Liquidity risk is the risk encountered by an entity in the event of difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

2023	Change in investment	Upward change	Downward change
Cash and cash equivalents	1 %	4 179 005	(2 909 039)

2022	Change in investment	Upward change	Downward change
Cash and cash equivalents	1 %	1 543 387	(997 665)

26. Contingent Liabilities

In the prior year, the NAC dealt with numerous legal matters that related to the PESP funding of R300 million. The legal matters were as a result of disputes on the contractual agreements.

There are two cases that are pending. The timing and amount are dependent on the outcome of these cases. The value of these cases are estimated at R1 129 063.

An Internal Disciplinary matter is in progress and management is of the view that it will be resolved in the 2023/24 financial year. The value is estimated at R2 500 000.

27. Going concern

We draw attention to the fact that at 31 March 2023, the entity had an accumulated deficit of R (9 230 494) and that the entity's total assets exceed its liabilities by R 8 134 169.

The audited annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

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28. Events after the reporting date

Disclose for each material category of non-adjusting events after the reporting date:

- nature of the event.
- estimation of its financial effect or a statement that such an estimation cannot be made.

29. Fruitless and wasteful expenditure

Reconciliation of fruitless and wasteful expenditure

Opening balance as previously reported	429 952	-
Add: fruitless and wasteful expenditure identified - current year	258 552	429 952
Add: fruitless and wasteful expenditure identified - prior period	20 000	-
Closing balance	708 504	429 952

Details of fruitless and wasteful expenditure

A duplicate payment was processed and the NAC was unable to retrieve the funds back.	20 000	369 980
Interest and penalties on late payments to SARS	-	59 972
An employee recruited in the reporting period, was paid without an employment contract in place.	258 552	-
	278 552	429 952

30. Irregular expenditure

Reconciliation of Irregular expenditure

Opening balance	83 191 423	62 272 644
Add: Irregular Expenditure - incurred in current year	3 742 471	20 918 779
Add: Irregular Expenditure - incurred in prior year but identified in current year	511 542	-
Less: Irregular expenditure condoned	(37 140 953)	-
Closing balance	50 304 483	83 191 423

The breakdown of the 2022/2023 Irregular Expenditure incurred in the current year is as follows:

Non compliance to SCM regulations	127 500	3 773 718
Non-Compliance to the budget framework	3 614 971	16 297 169
Non compliance to PFMA & other legislation	-	847 892
	3 742 471	20 918 779

Irregular Expenditure for 2022/23

- Payments made to suppliers that were less than the R10 000 threshold. Amount paid R75 846
- Supporting documentation to a service provider could not be obtained. Amount paid to these service providers amount to R51 653.40
- Council Members participated in the review of applications as chairpersons of Advisory Panels. Payment to these members amounts to R511 502.
- Expenditure exceeding budget reflecting a deficit of R3 614 971

Irregular Expenditure for 2021/22

The following non compliance to SCM regulations were incurred:

- Advertising on website for less than the prescribed period amount to R925 406
- Not following SCM process' for procurement amount to R1 453 619
- Contracts that have been extended more than once amounts to R712 172.
- Contract extensions exceed the 15% variation amount to R682 521
- Members that have not declared interest amount to R847 892
- Expenditure exceeding budget reflecting a deficit of R16 297 169

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30. Irregular expenditure (continued)

Condonement of Irregular Expenditure

The NAC has made an application to the National Treasury for condonation of Irregular Expenditure to the amount of R37 140 953 and received condonation as follows:

This amount includes the following financial years:

2021/22	1 762 579	-
2020/21	4 637 254	-
2019/20	30 741 120	-
	37 140 953	-

31. Segment reporting

Management has considered the GRAP statement on segment reporting requirements and NAC has not identified any separately reportable segments in its operations.

32. Change in estimate

Property, plant and equipment

At the beginning of 2023 financial period, the management of the NAC conducted an operational efficiency review of its assets in terms of GRAP 3.

As a result, the following changes occurred:

The expected useful life of some of the banners increased from 3 years to 7 years. The effect on the current period is a decrease in the depreciation charge of R3 637.

The expected useful life of some of the motor vehicles increased from 5 years to 9 years. The effect on the current period is a decrease in the depreciation charge of R1 678.

These assets are depreciated using the straight-line method.



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